



Alyssa Lane – 6<sup>th</sup> Grade  
Burton Elementary

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

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Berkshire Local School District  
Burton, Ohio

# Berkshire Local School District Burton, Ohio

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

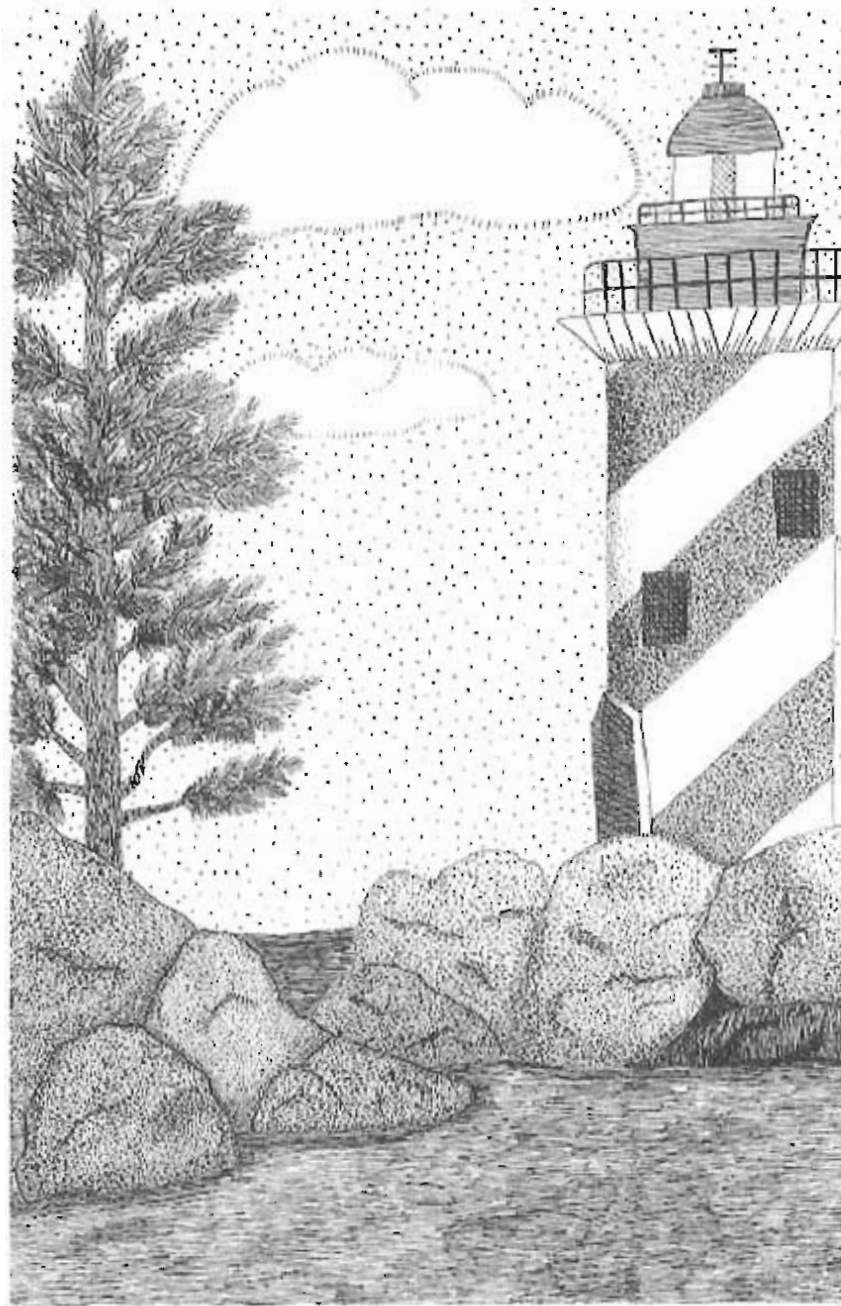


Alivia Alfredo – 8<sup>th</sup> Grade  
Berkshire High School

For the Fiscal Year Ended June 30, 2011

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*Prepared by Beth A. McCaffrey  
Treasurer*



Kendall Neumore – 11th Grade  
Berkshire High School

# Introductory Section

**Berkshire Local School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2011*  
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# **Berkshire Local School District**

**14259 CLARIDON-TROY ROAD  
P.O. BOX 364  
BURTON OH 44021**

**PHONE: 440-834-3380  
FAX: 440-834-2058**

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August 19, 2011

Board of Education Members  
Berkshire Local School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Berkshire Local School District (the "School District") for the fiscal year ended June 30, 2011. This CAFR enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires school districts reporting on a GAAP basis to file an annual report with the Auditor of State within 150 days of the fiscal year end.

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

Under Ohio law, regular audits are required to be performed on all financial related operations of the School District. These audits may be done by either the State Auditor's Office or, if the State Auditor permits, an independent public accounting firm. For fiscal year 2011, the School District was audited by the Auditor of State's Office. Their unqualified opinion is included in the financial section of this CAFR.

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

## **The School District**

The Berkshire Local School District is located in eastern Geauga County and encompasses seventy (70) square miles which includes Burton Village and the Townships of Burton, Claridon and Troy. The School District operates under a locally-elected Board form of government. This Board manages the School District's four instructional/support facilities staffed by 56.5 non-certificated employees, 72 certificated full time teaching personnel and 7 administrative employees to provide services to 1,083 students and other community members.

The School District was established in June, 1967 and is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. Under these provisions, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms. Statutorily, the School District operates under 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 services mandated by State and Federal agencies.

The Berkshire Local School District provides a comprehensive array of educational programs and services to students in two buildings:

- *Berkshire High School* built in 1936, with additions in 1973 and 2002, houses 576 students from grades 7 through 12.
- *Burton Elementary School* built in 1959, with an addition in 1962, and modular addition in 2009, houses 507 students from grades kindergarten through 6.

The Burton Elementary School provides general and special education services to children ranging from kindergarten through the sixth grade. The Berkshire Junior High/High School provides general, special education and vocational education services to students ranging from the seventh grade through the twelfth grade. Course offerings, supplemented by extra-curricular opportunities, provide students with the skills necessary to pursue post-high school educational and career goals.

The School District's cost-per-pupil is consistently among the lowest for Geauga County school districts. The results of achievement, competency and proficiency testing continue to substantiate the effectiveness of the teaching-learning process in the School District.

The annual budget serves as the foundation for the Berkshire Local School District's financial planning and control. The legal level of control has been established by the Board of Education at fund level for all funds. The Treasurer has been given authority to allocate board appropriations to the function and object levels within each fund. Transfers between funds, however, need special approval from the Board.

### **Economic Condition and Outlook**

The Berkshire Local School District is noteworthy for a variety of reasons. It is rural and includes part of the second largest Amish population in Ohio, yet it is an easy commute to Cleveland, a major metropolitan center. The population contains a relatively high number of senior citizens, testimony to the fact that the region is a safe, desirable place to live. Property values have remained steady despite the unpredictable economy. Several businesses are located in the area such as Great Lakes Cheese Company, Excell Polymers, LLC, Troy Manufacturing, Burton Floral and Garden, Preston Superstore, and TRC Manufacturing.

Many smaller run service businesses are located throughout the School District community. Adding to a strong small business base are construction, remodeling, plumbing, landscaping, door service, concrete, paving, hardware, coin-operated laundromat, and water softener businesses owned by people of the community. Professional service businesses such as insurance, attorneys' offices, credit union, banks, and accountants also contribute to the local economy. Many of these have been around for more than twenty years. Kent State Geauga Campus has begun an expansion project to bring more class offerings to the area. Currently they offer associates degrees in arts and sciences, accounting technology, business management technology, and computer technology along with baccalaureate degrees in business management technology and general studies. The commercial base, though growing and changing, is still rather small compared to more densely populated areas and neighboring school districts.

The high school and elementary building are located in Burton Village, known for its historical atmosphere – a place where history lives. Around the center of town and in the surrounding area are many specialty shops that add to the charm of the Village and to the local economy. These include All Matters, Inc., Beaches and Dreams Travel, Buckeye Chocolate Company, Burton County Village Antiques, Coffee



Corners Antiques, John's Photography, Little Pond Graphic Productions, White House Chocolates, Sweetbriar Suri Alpaca Farm, and Sunrise Farm Market. After a day of unique shopping, one can take in a good meal at Toin and Jerry's, Belle's Restaurant, or J.C's Restaurant; all are within walking distance of the square and the shops. One can end the day at the Red Maple Inn or the Goodwin Bed and Breakfast.

Burton is host to Century Village. This museum is open year round sharing a part of history with over twenty historically accurate buildings on sixty-five acres, 20,000 museum artifacts that depict a Western Reserve Village from 1798 to 1900 and a working farm with a sugar bush maintained for making maple syrup. Many events and festivals are held bringing in thousands of visitors to the area each year including music festivals, Civil War reenactments and the Apple Butter Festival. The Great Geauga County Fair, the oldest fair in Ohio, is held Labor Day weekend and shares the country atmosphere with over 100,000 visitors each year. Many events are real crowd pleasers such as the rooster flying contest hosted by Dick Goddard, cow milking, the demolition derby, and the battle of the fire departments. Two large antique fairs are held on the fairgrounds every May and September, as are other events throughout the year bringing in many visitors to the area and adding to the local economy.

### **School District Local Funding**

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920 which mandates that any increases in assessed real property values as a result of reappraisal result in a corresponding decrease in millage rate. This keeps the tax receipts the same as when the levy was first placed on the ballot. As a result, school districts throughout Ohio must place operating funding levies on the ballot at regular intervals to keep pace with inflation and added programming.

School District management will carefully control expenses during the coming years to continue to assure tax levy revenues are adequate and well spent. A one percent tax levy on earned income was approved by voters in May of 2007, with collection beginning in 2008. This levy replaced the current .75 percent income tax on all income. Because of cuts in State funding, reduced revenues from the phasing out of the tangible personal property tax and increased costs in health care, bus fuel, and utilities, the School District was forced to return to the ballot for additional operating revenues. The earned income tax levy was the best option for the School District as it has a history of not passing operating levies. The option to change the current income tax levy to an earned income tax levy was just allowed in 2006 and the Board took advantage of this option to continue needed funding for the School District.

During fiscal year 2011, the School District maintained a restrictive budget and monitored costs to end the fiscal year with a conservative balance. The School District has continued to closely monitor expenditures as a result of declining revenue and anticipated revenue losses in the coming years. Various cost cutting measures including sharing transportation arrangements with other nearby districts when feasible. These efforts were made to attempt to keep ahead of the rising cost of utilities and fuel and building maintenance repairs. The School District is striving to maintain a quality education for its students within a tight budget.

### **Relevant Financial Policies**

The School District had enlisted the assistance of a professional demographer to develop enrollment projections. Projections are developed assuming low, moderate and high growth rates in the School District. As our previous school years are showing we are experiencing a slight decline in enrollment each year. Enrollment for the 1997/98 school year was 1,370 students while the enrollment for the 2006-07 school year

was 1,247, a decrease of 8.9 percent over the last ten years. According to this study, the student enrollment projections for the 2013-14 school year are estimated at 950 students assuming a continued low growth with declining enrollment.

### **Long-Term Planning**

Annually, the School District prepares a five-year financial forecast in accordance with State law. The financial forecast is the foundation for the School District's operations and is used as a financial planning tool to assist the School District in determining its ability to meet certain financial obligations and plan future funding needs. The forecast shows revenues and expenditures for the general operating fund for the past three fiscal years and projects revenues and expenditures for the ensuing five-year period. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the School District.

### **Major Initiatives**

#### ***Strategic Planning/Long-term Financial Goals***

The School District completed a consolidated continuous improvement plan for fiscal years 2006 through 2011. This is a form of strategic planning guiding the School District in all phases of operation. The involvement of the general public and employees has broadened support for School District improvement initiatives. The positive effects of the plan can be observed in the academic achievement of students and tangible long-term improvements to programming and school facilities.

For the future of the School District, the Board needs to evaluate the current and future revenue sources and expenditures and the needs of our facilities, and review curriculum and staffing needs at all levels. The Board is currently exploring the possibility of collaboration efforts with Kent State University, Newbury Local Schools and Cardinal Local Schools. The Board wants to make sure the needs of the School District are met with the lowest financial impact on the community.

#### ***Ohio Report Card***

The Ohio Report Card is issued in February of each school year. The report uses data from the previous school year to inform the public of School District success or failure in 26 indicators. On the 2010 report card the School District met, or exceeded the Ohio standard in 22 of 26 indicators and also met AYP, Adequate Yearly Progress in all areas including subgroups. The School District was rated in the category titled, "Excellent".

#### ***No Child Left Behind Compliance***

Unfunded federal mandates require additional extensive diagnostic and achievement testing of students. Berkshire Local School District has complied with such requirements. As such testing is introduced at various grade levels, the School District is working with the assessment instruments provided by the State of Ohio. In addition, Berkshire Local School District teachers are being measured by the No Child Left Behind standard of "highly qualified" in relationship to their teaching assignments.

### ***Federal Projects***

The School District files applications for federal funds electronically utilizing the Consolidated Local Plan. This allows the director to coordinate the application to the goals of the Continuous Improvement Plan. The School District continues to apply for all federal funds for which the School District is eligible. This includes the Improving Teacher Quality Grant allowing for additional teachers at the Elementary School. The Title I Reading Recovery program improves the reading for eligible students in First Grade at each of the elementary buildings. Student readiness for advancement in each grade has been the primary focus of these services.

### ***Educational Programs and Facilities Improvements***

One of the most successful programs instituted in the last ten years is the all day every day kindergarten program. The benefits of this program have moved the Board to consider other options for cost saving measures instead of reverting back to the half-day program. Given the lack of pre-schools in the area, all day programs for kindergarten become even more important.

During the 2011 school year, the School District's curriculum included a wide range of electives and comprehensive courses of study in college preparatory, liberal arts and vocational programs. Advanced placement courses are offered at the high school in Calculus and Chemistry. The high school offers over 180 courses on the main campus with over 50 additional vocational offerings at Auburn Career Center.

The graduating class of 2011 exceeded the State and national average scores on the American College Test (ACT). The composite score of 22 on the ACT exceeded the State average of 21.8 and national average of 21. More than 70 percent of the high school graduates indicated they intended to continue their education at the university or college level immediately after graduation. Many others are planning to attend a vocational/trade school following graduation.

The School District regularly accesses the needs of the buildings and what facility improvements are needed for that school year. Minor repairs and updates have been made during the current year while looking to the major needs and planning for those projects in the near future. The Facilities Committee has spent much time reviewing the needs, prioritizing them and planning a schedule of completion.

### **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 Berkshire Local School District for its comprehensive annual financial report for the fiscal year ended June 30, 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate

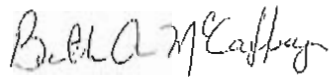
## Acknowledgments

The publication of this report is a significant step toward elevating the professional standards for Berkshire Local School District's financial reporting. We believe it enhances the School District's accountability to the residents and provides all interested parties with a broad historical perspective of the Berkshire Local School District's financial and demographic information. The preparation of this report would not have been possible without the efficient and dedicated service of the Treasurer's Office staff, Diane Jordak and Jaime Berman. Assistance from the Geauga County Auditor's staff and outside agencies made possible the fair presentation of statistical data.

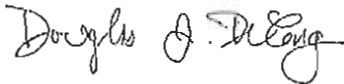
Special appreciation is expressed to the Local Government Services' section of the State Auditor David Yost's office for assistance in the planning, designing and reviewing of this financial report.

Finally, sincere appreciation is extended to the Board of Education for their support for this project and their continued commitment to providing quality education for the students in our community.

Respectfully submitted,



Beth A. McCaffrey  
Treasurer



Douglas DeLong  
Superintendent

**Berkshire Local School District**  
*Principal Officials*  
*June 30, 2011*

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***Board of Education***

Roger Miller .....	President
Tim Honkala .....	Vice-President
Jim Koster.....	Member
John Manfredi.....	Member
Val Timmons.....	Member

***Treasurer***

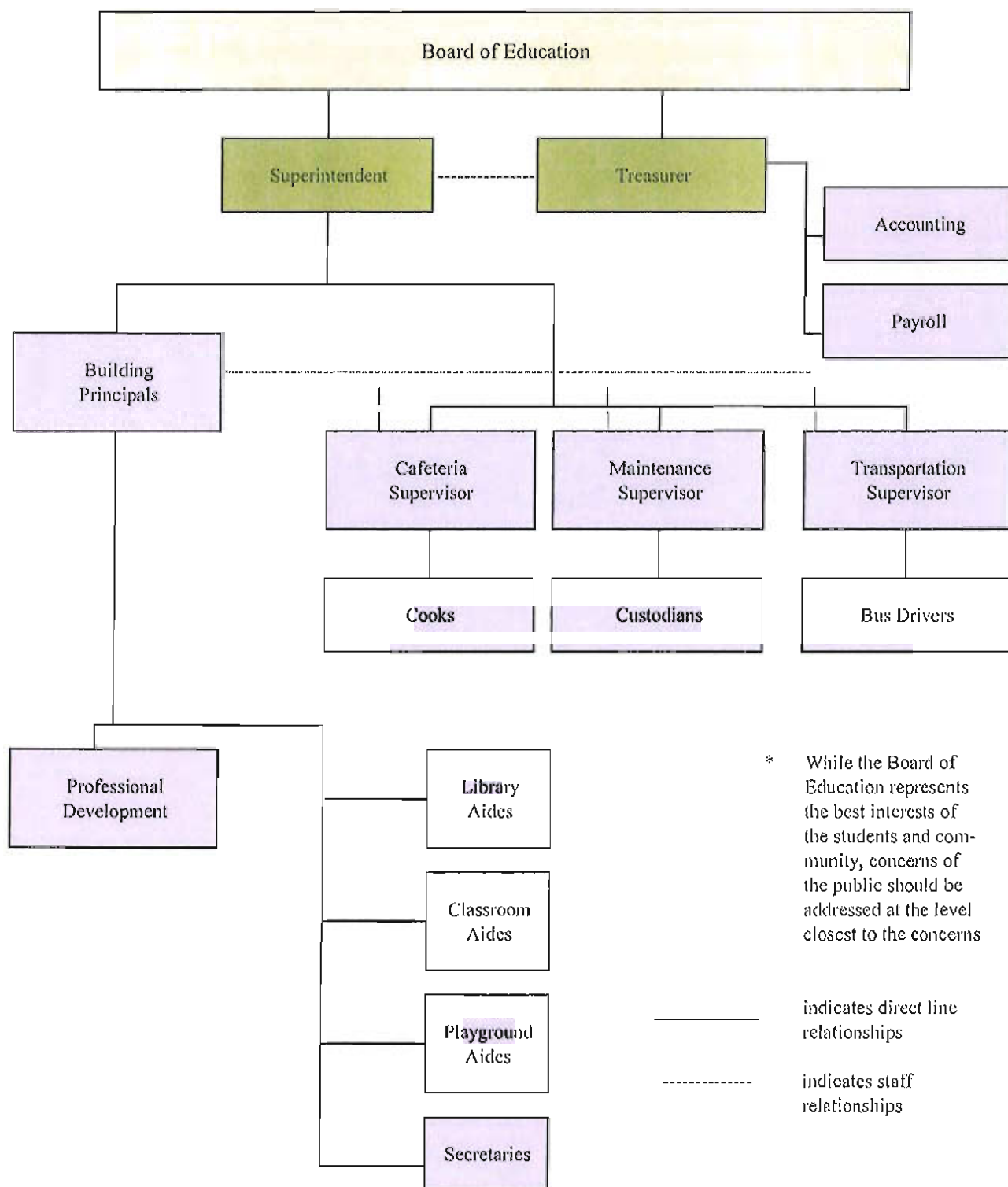
Mrs. Beth A. McCaffrey

***Superintendent***

Mr. Douglas Delong

# Berkshire Local School District

## Organizational Chart





# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Berkshire Local School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

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



President

Executive Director



Elizabeth Sounik – 1<sup>st</sup> Grade  
Burton Elementary

# Financial Section



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Berkshire Local School District  
Geauga County  
14259 Claridon Troy Road, Box 364  
Burton, Ohio 44021-0364

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Berkshire Local School District Geauga County, Ohio (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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


In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Berkshire Local School District Geauga County, Ohio (the District), as of year ended June 30, 2011, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, the District adopted the provisions of Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

In accordance with *Government Auditing Standards*, we have also issued our report dated August 19, 2011 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Dave Yost", with a stylized, cursive script.

Dave Yost  
Auditor of State

August 19, 2011

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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The management's discussion and analysis of Berkshire Local School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2011. 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, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key Financial Highlights for fiscal year 2011 are as follows:

- Total net assets of governmental activities decreased \$705,210 which represents a 12.44 percent decrease from fiscal year 2010.
- Total revenues of \$12,441,583 were comprised of general revenues in the amount of \$10,633,215 or 85.47 percent and program specific revenues from charges for services, grants and contributions in the amount of \$1,808,368 or 14.53 percent.
- The School District is committed to meeting the academic needs of our students by providing them with updated textbooks and instructional materials to compete in a global environment. During fiscal year 2011, the School District adopted a new series of textbooks for language arts for grades K through 12.
- The School District purchased one new bus for transporting students.

### **Using the Basic Financial Statements**

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

The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Berkshire Local 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 these statements contain information about 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 2011?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all non-fiduciary assets and liabilities

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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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 current property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Assets and the Statement of Activities, all of the School District's activities are classified as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, operation of food services and extracurricular activities.

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

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and the 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 fiscal year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps 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 Fund** The School District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District's internal service fund accounts for dental and prescription claims self-insurance. The proprietary fund uses the accrual basis of accounting.

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



**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

**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 2011 compared to 2010:

**Table 1**  
**Net Assets**  
**Governmental Activities**

	2011	2010	Change
<b>Assets</b>			
Current and Other Assets	8,278,739	\$8,193,213	\$85,526
Capital Assets, net	3,404,650	3,518,243	(113,593)
<i>Total Assets</i>	<u>11,683,389</u>	<u>11,711,456</u>	<u>(28,067)</u>
<b>Liabilities</b>			
Current Liabilities	5,694,669	5,169,643	525,026
Long-Term Liabilities			
Due Within One Year	279,315	182,726	96,589
Due In More Than One Year	747,741	692,213	55,528
<i>Total Liabilities</i>	<u>6,721,725</u>	<u>6,044,582</u>	<u>677,143</u>
<b>Net Assets</b>			
Invested in Capital Assets	3,404,650	3,518,243	(113,593)
Restricted for:			
Capital Projects	203,064	193,702	9,362
Set Asides	39,468	39,468	-
Other Purposes	31,163	102,983	(71,820)
Unrestricted	1,283,319	1,812,478	(529,159)
<i>Total Net Assets</i>	<u>\$4,961,664</u>	<u>\$5,666,874</u>	<u>(\$705,210)</u>

By comparing assets and liabilities, one can see the overall position of the School District has declined as evidenced by the decrease in net assets. Management continues to diligently plan expenses, staying carefully within the School District's revenues in an effort to maintain the durations between its levy requests.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for the current year. Table 2 shows total revenues, expenses and changes in net assets for the fiscal year 2011 and 2010.

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

**Table 2**  
**Governmental Activities**

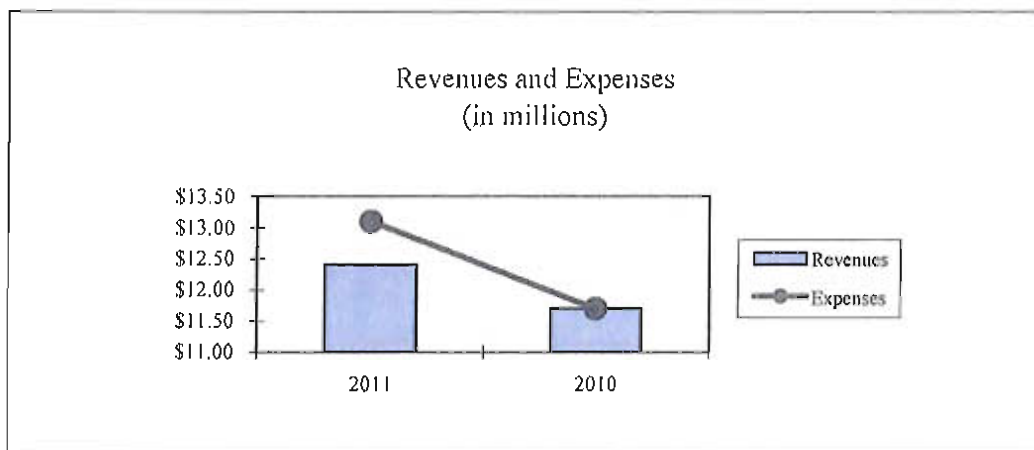
	2011	2010	Change
<b>Program Revenues</b>			
Charges for Services and Sales	\$747,973	\$559,716	\$188,257
Operating Grants and Contributions	1,060,395	959,797	100,598
<i>Total Program Revenues</i>	<u>1,808,368</u>	<u>1,519,513</u>	<u>288,855</u>
<b>General Revenues</b>			
Property Taxes	4,384,721	4,039,665	345,056
Income Taxes	1,626,657	1,536,729	89,928
Grants and Entitlements	4,571,888	4,650,889	(79,001)
Investments	9,820	13,083	(3,263)
Miscellaneous	40,129	19,758	20,371
<i>Total General Revenues</i>	<u>10,633,215</u>	<u>10,260,124</u>	<u>373,091</u>
<i>Total Revenues</i>	<u>12,441,583</u>	<u>11,779,637</u>	<u>661,946</u>
<b>Program Expenses</b>			
Instruction:			
Regular	5,126,717	4,830,346	296,371
Special	1,807,617	1,529,679	277,938
Vocational	75,058	76,125	(1,067)
Student Intervention	191,649	339,048	(147,399)
Support Services			0
Pupil	698,939	600,884	98,055
Instructional Staff	475,608	455,767	19,841
Board of Education	50,980	41,679	9,301
Administration	1,227,358	1,113,593	113,765
Fiscal	438,902	382,159	56,743
Business	30,680	28,687	1,993
Operation and Maintenance of Plant	1,194,648	878,611	316,037
Pupil Transportation	1,143,081	791,630	351,451
Operation of Food Services	320,036	264,105	55,931
Extraextrricular Activities	365,520	382,735	(17,215)
<i>Total Program Expenses</i>	<u>13,146,793</u>	<u>11,715,048</u>	<u>1,431,745</u>
<i>Increase (Decrease) in Net Assets</i>	<u>(705,210)</u>	<u>64,589</u>	<u>(769,799)</u>
Net Assets Beginning of Year	<u>5,666,874</u>	<u>5,602,285</u>	<u>64,589</u>
Net Assets End of Year	<u><u>\$4,961,664</u></u>	<u><u>\$5,666,874</u></u>	<u><u>(\$705,210)</u></u>

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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**Graph 1**  
Revenues and Expenses  
(In Millions)

	2011	2010
Revenues	\$12.4	\$11.7
Expenses	13.1	11.7



***Governmental Activities***

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

Thus school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. The increase in property tax revenue was due to new construction coming on to the tax duplicate and the collection of delinquencies.

In May 2007, the community approved a one percent income tax levy on all earned income within the School District effective for the 2008 collections. This replaced the .75 percent income tax levy on all income within the School District.

Overall expenses increased during fiscal year 2011 due to negotiated salary agreements as well as an 8.5 percent increase in healthcare costs. Additionally, special education requirements and the requirements

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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dictated by the federal No Child Left Behind legislation continue to add pressure to the School District's budget.

The School District actively pursues grants and controls expenses while still maintaining the high academic standards the residents expect of the School District.

Parents continue to have the opportunity to pay for the student's lunch online. Each student uses his/her personal identification number, that accesses his/her account, when visiting the cafeteria. Cafeteria prices did increase slightly in order to cover rising costs.

In May 2006, the School District sold the Troy Elementary School building at an auction with the option to lease it back for two or more years. This was the beginning of the School District's long-term plan of bringing all elementary students under one roof. This final sale was completed in July 2006. The School District began construction on additional modular units to Burton Elementary during fiscal year 2009 and moved the Troy Elementary students into the new modular units in fiscal year 2010.

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.

The negative amounts indicated in Table 3 should not be construed as something bad; they are merely indicative of whether a particular function of government relies on general revenues for financing or is a net contributor of resources to the School District. Clearly, the four communities that comprise the School District are, by far, the greatest source of financial support for the students of the Berkshire Local School District.

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

**Table 3**  
**Total and Net Cost of Program Services**  
**Governmental Activities**

	2011		2010	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction:				
Regular	\$5,126,717	(\$4,631,633)	\$4,830,346	(\$4,354,480)
Special	1,807,617	(962,987)	1,529,679	(923,407)
Vocational	75,058	(75,058)	76,125	(76,125)
Student Intervention	191,649	(191,649)	339,048	(339,048)
Support Services:				
Pupil	698,939	(679,168)	600,884	(591,816)
Instructional Staff	475,608	(475,608)	455,767	(455,767)
Board of Education	50,980	(50,980)	41,679	(41,679)
Administration	1,227,358	(1,222,808)	1,113,593	(1,109,020)
Fiscal	438,902	(438,902)	382,159	(382,159)
Business	30,680	(30,680)	28,687	(28,687)
Operation and Maintenance of Plant	1,194,648	(1,194,648)	878,611	(878,611)
Pupil Transportation	1,143,081	(1,143,081)	791,630	(791,630)
Operation of Food Services	320,036	(92,875)	264,105	(50,559)
Extracurricular Activities	365,520	(148,348)	382,735	(172,547)
Total	<u>\$13,146,793</u>	<u>(\$11,338,425)</u>	<u>\$11,715,048</u>	<u>(\$10,195,535)</u>

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

Information regarding the School District's major funds begins on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$12,406,182 and expenditures of \$12,608,608. The general fund decrease in fund balance is mainly due to the increases in instructional costs. The permanent improvement fund balance remained consistent with the prior year. The District has developed a five year plan of improvements and continues to stay within revenue projections. As one can see from the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds, property and income taxes from the communities that comprise the School District are the largest revenue source, accounting for 48 percent of total governmental revenue.

### **General Fund Budgeting Highlights**

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

During the course of fiscal year 2011, the School District amended its general fund budget several times. The School District uses a site-based budgeting system designed to tightly control total site budgets but provide flexibility for site management.

The School District is continuing to see an increase in the required services for our special education students. Additional physical and occupational therapy services were needed for students this year and we saw an increase in our special education students needing services. There were no individually significant events that caused this variance. The School District ended the fiscal year \$240,569 higher than budgeted.

**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

This is due in large part to the School District's continued commitment to provide a quality education while still controlling the costs of a quality education.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

Table 4 shows fiscal 2011 balances compared to 2010:

	2011	2010
Land	\$13,810	\$13,810
Land Improvements	82,614	89,901
Building and Improvements	2,660,981	2,725,329
Furniture, Fixtures and Equipment	228,604	273,013
Vehicles	418,641	416,190
<i>Total Capital Assets</i>	<u>\$3,404,650</u>	<u>\$3,518,243</u>

The School District purchased one new bus during fiscal year 2011. This increase was offset by the annual depreciation. Ohio law requires school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks and instructional materials and supplies. For fiscal year 2011, this amounted to \$165,423 for each set aside. See Note 11 to the basic financial statements for additional information on the School District's capital assets and Note 20 for additional information regarding required set-asides.

#### ***Debt***

The School District had no bonded debt in fiscal year 2011 and also maintains a AAA bond rating.

#### **School District Outlook**

The financial future of the School District is not without its challenges. These challenges are internal and external in nature. The internal challenges will continue to exist as the School District must rely heavily on local property taxes to fund its operations. External challenges continue to evolve as the State's educational funding system is generating zero to minimal growth in funding operations. As the preceding information shows, the School District is heavily reliant on local property taxpayers.

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

The School District has committed itself to financial and educational excellence for many years to come. The School District has received the Government Finance Officers Association (GFOA) Certificate of



**Berkshire Local School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*Unaudited*

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Achievement for Excellence in Financial Reporting since 2000. Due to budget constraints during fiscal year 2009, the School District decided to forgo publishing a Comprehensive Annual Financial Report (CAFR) for one year and only publish the required Basic Financial Statements. The School District received the GFOA award for its report for the fiscal year 2010 and has submitted this report to GFOA for consideration.

In conclusion, the Berkshire Local School District is in a period posing both significant challenges and opportunities. Management is committed to working with all stakeholders to craft solutions that will most effectively use the available resources to continue to provide an excellent education to the students of the School District.

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

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information contact Beth A. McCaffrey, in the Treasurer's Office, at Berkshire Local School District, 14259 Claridon Troy Road, P.O. Box 364, Burton, Ohio 44021. [beth.mccaffrey@berkshireschools.org](mailto:beth.mccaffrey@berkshireschools.org)

**Berkshire Local School District***Statement of Net Assets**June 30, 2011*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$3,153,630
Restricted Cash and Cash Equivalents	39,468
Accounts Receivable	10,695
Intergovernmental Receivable	12,731
Prepaid Items	2,029
Inventory Held for Resale	6,888
Materials and Supplies Inventory	1,323
Income Taxes Receivable	718,145
Property Taxes Receivable	4,333,830
Nondepreciable Capital Assets	13,810
Depreciable Capital Assets, Net	3,390,840
<i>Total Assets</i>	<u>11,683,389</u>
<b>Liabilities</b>	
Accounts Payable	70,927
Accrued Wages and Benefits	1,023,439
Intergovernmental Payable	735,401
Matured Compensated Absences Payable	60,691
Matured Termination Benefits Payable	17,024
Deferred Revenue	3,768,823
Claims Payable	18,364
Long-Term Liabilities:	
Due Within One Year	279,315
Due In More Than One Year	747,741
<i>Total Liabilities</i>	<u>6,721,725</u>
<b>Net Assets</b>	
Invested in Capital Assets	3,404,650
Restricted for:	
Capital Projects	203,064
Set Asides	39,468
Other Purposes	31,163
Unrestricted	1,283,319
<i>Total Net Assets</i>	<u><u>\$4,961,664</u></u>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2011

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
Instruction:				
Regular	\$5,126,717	\$36,308	\$458,776	(\$4,631,633)
Special	1,807,617	361,691	482,939	(962,987)
Vocational	75,058	0	0	(75,058)
Student Intervention	191,649	0	0	(191,649)
Support Services:				
Pupil	698,939	0	19,771	(679,168)
Instructional Staff	475,608	0	0	(475,608)
Board of Education	50,980	0	0	(50,980)
Administration	1,227,358	0	4,550	(1,222,808)
Fiscal	438,902	0	0	(438,902)
Business	30,680	0	0	(30,680)
Operation and Maintenance of Plant	1,194,648	0	0	(1,194,648)
Pupil Transportation	1,143,081	0	0	(1,143,081)
Operation of Food Services	320,036	138,066	89,095	(92,875)
Extracurricular Activities	365,520	211,908	5,264	(148,348)
<b>Totals</b>	<b>\$13,146,793</b>	<b>\$747,973</b>	<b>\$1,060,395</b>	<b>(11,338,425)</b>
<b>General Revenues</b>				
Property Taxes Levied for:				
General Purposes				4,165,046
Capital Outlay				219,675
Income Taxes Levied for General Purposes				1,626,657
Grants and Entitlements not Restricted to				
Specific Programs				4,571,888
Investment Earnings				9,820
Miscellaneous				40,129
<b>Total General Revenues</b>				<b>10,633,215</b>
Change in Net Assets				(705,210)
<b>Net Assets Beginning of Year - Restated (See Note 3)</b>				<b>5,666,874</b>
<b>Net Assets, End of Year</b>				<b>\$4,961,664</b>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2011*

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,812,232	\$174,831	\$141,000	\$3,128,063
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	39,468	0	0	39,468
Accounts Receivable	10,695	0	0	10,695
Interfund Receivable	20,000	0	0	20,000
Intergovernmental Receivable	11,963	0	768	12,731
Prepaid Items	2,029	0	0	2,029
Inventory Held for Resale	0	0	6,888	6,888
Materials and Supplies Inventory	0	0	1,323	1,323
Income Taxes Receivable	718,145	0	0	718,145
Property Taxes Receivable	4,116,785	217,045	0	4,333,830
<b>Total Assets</b>	<b>\$7,731,317</b>	<b>\$391,876</b>	<b>\$149,979</b>	<b>\$8,273,172</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$68,388	\$0	\$2,539	\$70,927
Accrued Wages and Benefits	1,002,581	0	20,858	1,023,439
Interfund Payable	0	0	20,000	20,000
Intergovernmental Payable	700,618	0	34,783	735,401
Matured Compensated Absences Payable	60,691	0	0	60,691
Matured Termination Benefits Payable	17,024	0	0	17,024
Deferred Revenue	3,812,892	197,216	0	4,010,108
<b>Total Liabilities</b>	<b>5,662,194</b>	<b>197,216</b>	<b>78,180</b>	<b>5,937,590</b>
<b>Fund Balances</b>				
Nonspendable	2,029	0	8,211	10,240
Restricted	41,045	194,660	64,013	299,718
Assigned	888,474	0	0	888,474
Unassigned (Deficit)	1,137,575	0	(425)	1,137,150
<b>Total Fund Balances</b>	<b>2,069,123</b>	<b>194,660</b>	<b>71,799</b>	<b>2,335,582</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$7,731,317</b>	<b>\$391,876</b>	<b>\$149,979</b>	<b>\$8,273,172</b>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Assets of Governmental Activities*  
*June 30, 2011*

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<b>Total Governmental Fund Balances</b>	<b>\$2,335,582</b>
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*Amounts reported for governmental activities in the statement of  
net assets are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	3,404,650
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Other long-term assets are not available to pay for current-period  
expenditures and therefore are deferred in the funds.

Property Taxes	167,797
Income Taxes	<u>73,488</u>

Total	241,285
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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.

	7,203
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Long-term liabilities payable, such as compensated absences, are  
not due and payable in the current period and therefore are not  
reported in the funds.

	<u>(1,027,056)</u>
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<i>Net Assets of Governmental Activities</i>	<u><u>\$4,961,664</u></u>
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See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2011*

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Income Taxes	\$1,626,657	\$0	\$0	\$1,626,657
Property Taxes	4,130,507	218,813	0	4,349,320
Intergovernmental	4,500,422	74,638	1,035,848	5,610,908
Interest	9,820	0	0	9,820
Tuition and Fees	397,999	0	0	397,999
Extracurricular Activities	154,619	0	55,289	209,908
Contributions and Donations	14,771	0	6,604	21,375
Charges for Services	0	0	138,066	138,066
Rentals	2,000	0	0	2,000
Miscellaneous	40,129	0	0	40,129
<i>Total Revenues</i>	<u>10,876,924</u>	<u>293,451</u>	<u>1,235,807</u>	<u>12,406,182</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	4,427,035	39,181	454,343	4,920,559
Special	1,382,908	0	416,376	1,799,284
Vocational	71,257	0	201	71,458
Student Intervention	191,649	0	0	191,649
Support Services:				
Pupil	607,283	0	35,607	642,890
Instructional Staff	452,087	0	1,159	453,246
Board of Education	50,980	0	0	50,980
Administration	1,154,534	0	40,750	1,195,284
Fiscal	428,345	4,565	0	432,910
Business	30,680	0	0	30,680
Operation and Maintenance of Plant	901,602	246,725	0	1,148,327
Pupil Transportation	1,018,781	0	0	1,018,781
Operation of Food Services	0	0	279,864	279,864
Extracurricular Activities	302,071	0	62,325	364,396
Capital Outlay	8,300	0	0	8,300
<i>Total Expenditures</i>	<u>11,027,512</u>	<u>290,471</u>	<u>1,290,625</u>	<u>12,608,608</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	(150,588)	2,980	(54,818)	(202,426)
<b>Other Financing Uses</b>				
Transfers Out	(250,000)	0	0	(250,000)
<i>Net Change in Fund Balances</i>	(400,588)	2,980	(54,818)	(452,426)
<i>Fund Balances Beginning of Year - Restated - (See Note 3)</i>	<u>2,469,711</u>	<u>191,680</u>	<u>126,617</u>	<u>2,788,008</u>
<i>Fund Balances End of Year</i>	<u>\$2,069,123</u>	<u>\$194,660</u>	<u>\$71,799</u>	<u>\$2,335,582</u>

See accompanying notes to the basic financial statements



**Berkshire Local 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, 2011*

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**Net Change in Fund Balances - Total Governmental Funds** (452,426)

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

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

Capital Outlay	\$74,500
Depreciation	<u>(188,093)</u>

Total (113,593)

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

Property Taxes	35,401
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Total 35,401

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. (152,117)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statements of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

(22,475)

*Change in Net Assets of Governmental Activities* (\$705,210)

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Income Taxes	\$1,577,032	\$1,626,657	\$1,626,657	\$0
Property Taxes	3,944,797	4,104,143	4,104,143	0
Intergovernmental	4,516,022	4,496,994	4,500,422	3,428
Interest	12,000	9,214	9,820	606
Tuition and Fees	232,500	407,152	397,999	(9,153)
Extracurricular Activities	113,098	152,602	154,619	2,017
Contributions and Donations	0	16,640	14,771	(1,869)
Rentals	0	2,000	2,000	0
Miscellaneous	<u>40,903</u>	<u>28,666</u>	<u>28,166</u>	<u>(500)</u>
<i>Total Revenues</i>	<u>10,436,352</u>	<u>10,844,068</u>	<u>10,838,597</u>	<u>(5,471)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	4,599,020	4,457,867	4,427,184	30,683
Special	1,291,733	1,468,397	1,382,002	86,395
Vocational	66,618	71,790	71,004	786
Student Intervention Services	194,610	212,788	210,463	2,325
Support Services:				
Pupil	851,517	571,378	559,457	11,921
Instructional Staff	363,913	424,911	419,443	5,468
Board of Education	94,806	54,373	53,242	1,131
Administration	1,098,257	1,119,753	1,105,821	13,932
Fiscal	386,523	395,281	386,845	8,436
Business	24,500	32,250	30,970	1,280
Operation and Maintenance of Plant	814,815	834,570	814,016	20,554
Pupil Transportation	769,628	882,900	862,092	20,808
Extracurricular Activities	287,363	291,473	288,255	3,218
Capital Outlay	<u>30,000</u>	<u>8,300</u>	<u>8,300</u>	<u>0</u>
<i>Total Expenditures</i>	<u>10,873,303</u>	<u>10,826,031</u>	<u>10,619,094</u>	<u>206,937</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(436,951)</u>	<u>18,037</u>	<u>219,503</u>	<u>201,466</u>
<b>Other Financing Sources (Uses)</b>				
Advance Out	0	(26,000)	(20,000)	6,000
Transfers In	0	183,726	0	(183,726)
Transfers Out	<u>(314,244)</u>	<u>(466,826)</u>	<u>(250,000)</u>	<u>216,826</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(314,244)</u>	<u>(309,100)</u>	<u>(270,000)</u>	<u>39,100</u>
<i>Net Change in Fund Balance</i>	<u>(751,195)</u>	<u>(291,063)</u>	<u>(50,497)</u>	<u>240,566</u>
<i>Fund Balance Beginning of Year</i>	<u>2,769,512</u>	<u>2,769,512</u>	<u>2,769,512</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>28,062</u>	<u>28,062</u>	<u>28,062</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,046,379</u>	<u>\$2,506,511</u>	<u>\$2,747,077</u>	<u>\$240,566</u>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Fund Net Assets*  
*Internal Service Fund*  
*June 30, 2011*

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	<u>Insurance</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$25,567
<b>Liabilities</b>	
Claims Payable	<u>18,364</u>
<b>Net Assets</b>	
Unrestricted	<u><u>\$7,203</u></u>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2011*

	<u>Insurance</u>
<b>Operating Revenues</b>	
Charges for Services	<u>\$131,447</u>
<b>Operating Expenses</b>	
Purchased Services	2,005
Claims	<u>401,917</u>
<i>Total Operating Expenses</i>	<u>403,922</u>
<i>Loss Before Transfers</i>	(272,475)
Transfers In	<u>250,000</u>
<i>Change in Net Assets</i>	(22,475)
<i>Net Assets Beginning of Year</i>	<u>29,678</u>
<i>Net Assets, End of Year</i>	<u><u>\$7,203</u></u>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Cash Flows*  
*Internal Service Fund*  
*For the Fiscal Year Ended June 30, 2011*

	<u>Insurance</u>
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Interfund Services Provided	\$131,447
Cash Payments for Goods and Services	(2,005)
Cash Payments for Claims	<u>(402,484)</u>
<i>Net Cash Used for Operating Activities</i>	(273,042)
<b>Cash Flows from Noncapital Financing Activities</b>	
Transfers In	<u>250,000</u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(23,042)
<i>Cash and Cash Equivalents, Beginning of Year</i>	<u>48,609</u>
<i>Cash and Cash Equivalents, End of Year</i>	<u><u>\$25,567</u></u>
 <b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
Operating Loss	(\$272,475)
Adjustments:	
Decrease in Claims Payable	<u>(567)</u>
<i>Net Cash Used for Operating Activities</i>	<u><u>(\$273,042)</u></u>

See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*June 30, 2011*

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**Assets**

Equity in Pooled Cash and Cash Equivalents	<u>\$42,323</u>
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**Liabilities**

Due to Students	\$33,163
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Undistributed Monies	<u>9,160</u>
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<i>Total Liabilities</i>	<u>\$42,323</u>
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See accompanying notes to the basic financial statements

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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

Berkshire Local School District (the "School District") operates under a locally elected Board form of government and provides educational services as authorized by state and/or federal agencies. This Board controls the School District's three instructional/support facilities staffed by 56.5 non-certified employees, 72 certified full time teaching personnel and 7 administrative employees to provide services to 1,083 students and other community members.

The School District was established in 1967 and is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. Under such laws there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at-large for staggered four year terms.

The School District serves an area of approximately 70 square miles. It is located in Geauga County, including all of Burton, Claridon, and Troy Townships, Ohio. It currently operates three instructional buildings and one administrative building.

*Reporting Entity*

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

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

The School District is associated with three jointly governed organizations, one related organization and one insurance purchasing pool. These organizations are the Auburn Career Center, the Lake Geauga Computer Association, the Ohio Schools Council Association, the Burton Public Library and the Ohio Association of School Business Officials Workers' Compensation Group Rating Program. These organizations are presented in Notes 17, 18 and 19 to the basic financial statements.

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

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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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***A. Basis of Presentation***

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

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

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

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

***B. Fund Accounting***

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

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

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



**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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***Permanent Improvement Fund*** The permanent improvement fund receives property taxes for the acquisition, construction or improvement of capital facilities.

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

***Proprietary Fund Type*** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

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

***Fiduciary Fund Type*** 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 has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for student and elementary activities.

### ***C. Measurement Focus***

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

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net assets. The statement of changes in fund net assets presents increases (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 activity.

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and statements for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

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

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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***E. Cash and Cash Equivalents***

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

During fiscal year 2011, the School District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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, 2011.

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 2011 amounted to \$9,820.

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

***F. Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or the laws of other governments, or imposed by enabling legislation. Restricted assets in the general fund include amounts required by State statute to be set aside to create a reserve for budget stabilization. See Note 20 for additional information regarding set-asides.

***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2011, 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.

***H. Inventory***

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

***I. Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by back-trending (i.e., estimating the current replacement cost of the asset to be capitalized and using an

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The capitalization threshold is two thousand five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets, except land, 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
Land Improvements	20 years
Buildings and Improvements	21 - 50 years
Furniture and Fixtures	5 - 25 years
Vehicles	8 - 15 years

***J. Interfund Balances***

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

***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year.

***M. Internal Activity***

Transfers between governmental activities are eliminated on the government wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

***N. Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

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

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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or committed. In the general fund, assigned amounts represent intended uses established by the School District Board of Education.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

***O. 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. Net assets restricted for other purposes include instructional operations, food service operations and extracurricular activities.

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

***P. Operating Revenues and Expenses***

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

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

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

***R. Estimates***

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

***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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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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 set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds. The Treasurer has been given authority to allocate board appropriations to the function and object levels within each fund.

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

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

### **Note 3 - Change in Accounting Principle and Restatement of Fund Balance**

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

For fiscal year 2011, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 54 which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The implementation of this statement resulted in the reclassification of certain funds and restatement of the School District's financial statements.

#### ***Restatement of Prior Year's Fund Balance/Net Assets***

The implementation of GASB Statement No. 54 had the following effect on fund balances:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Fund Balance at June 30, 2010	\$2,454,250	\$332,181	\$2,786,431
Change in Fund Structure	<u>15,461</u>	<u>(13,884)</u>	<u>1,577</u>
Adjusted Fund Balance at June 30, 2010	<u>\$2,469,711</u>	<u>\$318,297</u>	<u>\$2,788,008</u>

During fiscal year 2011, the School District modified its fund classification due to the School District reevaluating its fund structure. This restatement increased net assets of governmental activities by \$1,577 from \$5,665,297 to \$5,666,874.

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**Note 4 – Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).

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

Net Change in Fund Balance	
GAAP Basis	(\$400,588)
Net Adjustment for Revenue Accruals	(38,327)
Net Adjustment for Expenditure Accruals	493,044
Encumbrances	<u>(104,623)</u>
Budget Basis	<u><u>(\$50,494)</u></u>

**Note 5 - Deposits and Investments**

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

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

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

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

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



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

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

### **Deposits**

***Custodial Credit Risk*** Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year end, \$2,529,980 of the School District's bank balance of \$3,189,697 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

### **Investments**

As of June 30, 2011, the School District had STAR Ohio as the only investment with an amount of \$49,526 and an average maturity of 58 days.

***Credit Risk*** Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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

**Note 6 - Property Taxes**

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

Property taxes include amounts levied against all real property, public utility property and tangible personal property (used in business) located in the School District. Real property tax revenues received in calendar year 2011 represents collections of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed value listed as of January 1, 2010, the lien date. Assessed values for real property are established by State law at thirty-five percent of appraised market value. Real property are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2011 represents collections of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 become a lien December 31, 2009, were levied after April 1, 2010 and are collected in 2011 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2011 (other than public utility property) represent the collection of calendar year 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010, on the value as of December 31, 2010. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The School District receives property taxes from Geauga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations are reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

**Berkshire Local School District**  
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The amount available as an advance at June 30, 2011 was \$377,381 in the general fund and \$19,829 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2010, was \$351,017 in the general fund and \$18,380 in the permanent improvement capital projects fund.

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

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$213,449,110	97.58 %	\$213,572,790	97.54 %
Public Utility Personal	5,284,160	2.42	5,390,330	2.46
Total	<u>\$218,733,270</u>	<u>100.00 %</u>	<u>\$218,963,120</u>	<u>100.00 %</u>
Full tax rate per \$1,000 of assessed valuation	\$52.30		\$52.30	

**Note 7- Receivables**

Receivables at June 30, 2011, consisted of taxes, accounts (rent, student fees and tuition) and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables, except for delinquent property taxes, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. At June 30, 2011, the general and food service special revenue funds had intergovernmental receivables of \$11,963 and \$768 respectively.

**Note 8 - Income Tax**

The School District levies a voted tax of 1 percent for general operations on the earned income of residents and of estates. The tax was effective on January 1, 2008, and is a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

**Note 9 – Fund Balances**

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

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Fund Balances	General	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>			
Inventory	\$2,029	\$8,211	\$10,240
<i>Restricted for</i>			
Budget Stabilization	39,468	0	39,468
Unclaimed Funds	1,577	0	1,577
Food Service Operations	0	56,720	56,720
Education Jobs	0	7,042	7,042
Vocational Education	0	251	251
Permanent Improvements	0	194,660	194,660
<i>Total Restricted</i>	41,045	258,673	299,718
<i>Assigned to</i>			
Other Purposes	888,474	0	888,474
<i>Unassigned (Deficit)</i>	1,137,575	(425)	1,137,150
<i>Total Fund Balances</i>	\$2,069,123	\$266,459	\$2,335,582

**Note 10 - 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

**B. Litigation**

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

**Note 11 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

**Berkshire Local School District**  
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	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
<b>Nondepreciable Capital Assets</b>				
Land	\$13,810	\$0	\$0	\$13,810
<b>Depreciable Capital Assets</b>				
Land Improvements	203,261	0	0	203,261
Buildings and Improvements	5,468,779	0	0	5,468,779
Furniture and Fixtures	1,140,110	0	0	1,140,110
Vehicles	867,099	74,500	0	941,599
<i>Total at Historical Cost</i>	<u>7,679,249</u>	<u>74,500</u>	<u>0</u>	<u>7,753,749</u>
<b>Less: Accumulated Depreciation</b>				
Land Improvements	(113,360)	(7,287)	0	(120,647)
Buildings and Improvements	(2,743,450)	(64,348)	0	(2,807,798)
Furniture and Fixtures	(867,097)	(44,409)	0	(911,506)
Vehicles	(450,909)	(72,049)	0	(522,958)
<i>Total Accumulated Depreciation</i>	<u>(4,174,816)</u>	<u>(188,093) *</u>	<u>0</u>	<u>(4,362,909)</u>
<i>Depreciable Capital Assets, Net of Accumulated Depreciation</i>	<u>3,504,433</u>	<u>(113,593)</u>	<u>0</u>	<u>3,390,840</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$3,518,243</u>	<u>(\$113,593)</u>	<u>\$0</u>	<u>\$3,404,650</u>

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$85,693
Support Services:	
Instructional Staff	3,228
Administration	6,528
Operation and Maintenance of Plant	12,316
Pupil Transportation	71,592
Operation of Food Services	1,124
Extracurricular Activities	7,612
<b>Total Depreciation Expense</b>	<u>\$188,093</u>

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
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**Note 12 - 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 2011, the School District participated in the Ohio Schools Council insurance program which contracted with Ohio Casualty. Ohio Casualty acts as the carrier and the coverage provided is as follows:

Type of Coverage	Amount
Building and Contents - replacement cost	\$24,978,271
Crime Insurance	50,000
Theft	75,000
Automobile Liability	1,000,000
Uninsured Motorists	1,000,000
General Liability	
Per Occurrence	1,000,000
Total per year	2,000,000
Commercial Umbrella	5,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a significant reduction in coverage from the prior year.

***B. Workers' Compensation***

For fiscal year 2011, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniService provides administrative, cost control and actuarial services to the GRP.

***C. Other Employee Benefits***

The School District has elected to provide dental and prescription coverage benefits through a self-insurance program. The School District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third party administrator, Guardian Insurance, located in Cleveland, Ohio, reviews all dental claims which are then paid by the School District. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$125,000 per employee, per year.

The claims liability of \$18,364 reported in the internal service fund at June 30, 2011 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that 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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**Note 12 - 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 2011, the School District participated in the Ohio Schools Council insurance program which contracted with Ohio Casualty. Ohio Casualty acts as the carrier and the coverage provided is as follows:

Type of Coverage	Amount
Building and Contents - replacement cost	\$24,978,271
Crime Insurance	50,000
Theft	75,000
Automobile Liability	1,000,000
Uninsured Motorists	1,000,000
General Liability	
Per Occurrence	1,000,000
Total per year	2,000,000
Commercial Umbrella	5,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a significant reduction in coverage from the prior year.

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For fiscal year 2011, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley UniService provides administrative, cost control and actuarial services to the GRP.

***C. Other Employee Benefits***

The School District has elected to provide dental and prescription coverage benefits through a self-insurance program. The School District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third party administrator, Guardian Insurance, located in Cleveland, Ohio, reviews all dental claims which are then paid by the School District. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$125,000 per employee, per year.

The claims liability of \$18,364 reported in the internal service fund at June 30, 2011 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that 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

**Berkshire Local School District**  
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or unallocated claim adjustment expenses. Management's expectation is the claims liabilities will be paid within one year. Changes in the fund's claims liability amount for 2010 and 2011 were:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2010	\$20,997	\$365,708	\$367,774	\$18,931
2011	18,931	401,917	402,484	18,364

**Note 13 - 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 fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 325 days for all personnel. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit to a maximum of 75 days.

***B. Life / Medical Insurance***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Guardian. The School District has elected to provide employee medical/surgical benefits through Medical Mutual.

***C. Retirement Incentive***

The School District Board of Education offers employees participation in a Retirement Incentive program. Participation is open to employees who are eligible for service retirement under the State Teachers Retirement System (STRS) and School Employees Retirement System (SERS). Each employee who qualifies for and takes retirement must notify the Board in writing of the employee's intention prior to April 30. The employee receives a retirement incentive of 20 percent of the employee's last year's salary. The incentive is paid upon retirement.

	Balance at Beginning of Year	Additions	Deductions	Balance at End of Year
General Fund	\$16,900	\$17,024	\$16,900	\$17,024



**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
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**Note 14 – Defined Benefit Pension Plans**

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

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement, disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State Statute per 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 can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and Berkshire Local School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2011, the allocation to pension and death benefits is 11.81 percent. The remaining 2.19 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$171,236, \$181,633, and \$135,985, respectively; 56.02 percent has been contributed for fiscal year 2011, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

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

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

**Funding Policy** - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries.

The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010, and 2009, were \$639,654, \$643,094, and \$573,936, respectively; 79.93 percent has been contributed for fiscal year 2011, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009. Contributions to the DC and Combined Plans for fiscal year 2010 (the latest information available) were \$15,059 made by the School District and \$16,154 made by the plan members.

***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 of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2011, one member of the Board of Education has elected Social Security. The contribution rate is 6.2 percent of wages.

**Note 15 – Postemployment Benefits**

***A. School Employee Retirement System***

**Plan Description** – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

**Funding Policy** – State Statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2011, 1.43 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2011, this amount was \$35,800. During fiscal year 2011, the School District paid \$22,737.

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

The School District's contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009, were \$20,734, \$7,128, \$62,233, respectively; 56.02 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2011, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009, were \$11,019, \$10,693, and \$11,220, respectively; 56.01 percent has been contributed for fiscal year 2011, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

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

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

**Funding Policy** – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009, were \$48,046, \$48,310, and \$44,874, respectively; 79.93 percent has been contributed for fiscal year 2011, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2010 and 2009.

**Note 16 - Long Term Obligations**

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

	Principal Outstanding 06/30/10	Additions	Reductions	Principal Outstanding 06/30/11	Amount Due in One Year
<b>Governmental Activities</b>					
Compensated Absences	<u>\$874,939</u>	<u>\$274,615</u>	<u>\$122,498</u>	<u>\$1,027,056</u>	<u>\$279,315</u>

The compensated absences payable will be paid from the general fund and the food service and the class size reduction grant special revenue funds.

The School District's overall debt margin was \$19,221,551 with an unvoted debt margin of \$213,573 at June 30, 2011.

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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**Note 17 - Jointly Governed Organizations**

***A. Auburn Career Center***

The Auburn Career Center is a joint vocational school district which is a jointly governed organization among eleven School Districts. Each participating school district appoints one member to the Auburn Career Center's Board of Education. The students of each participating school district may attend classes offered at the vocational facility. Each participant's control over the operation of the Auburn Career Center is limited to its representation on the Board. Continued existence of the Auburn Career Center is not dependent on the School District's continued participation. Financial information can be obtained from the Auburn Career Center, 8140 Auburn Road, Painesville, Ohio 44077.

***B. Lake Geauga Computer Association***

The Lake Geauga Computer Association (the "LGCA") is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its eighteen member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. During fiscal year 2011, the School District paid \$36,694 to LGCA. Financial information can be obtained from the Lake Geauga Computer Association, 8221 Auburn Road, Painesville, Ohio 44077.

***C. Ohio Schools Council Association***

The Ohio Schools Council Association (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2011, the School District paid \$3,251 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

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

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

**Note 18 - Related Organization**

*Burton Public Library* The Burton Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Berkshire Local School District Board of Education. 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. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Burton Public Library, Rebecca Herrick Clerk/Treasurer, PO Box 427, Burton, Ohio 44021.

**Note 19 - Insurance Purchasing Pool**

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

**Note 20 - Set Asides**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2011, only the unspent portion of certain workers' compensation refunds continues to be set aside.

The following cash basis information describes the change in the fiscal 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	Textbook Instructional Materials Reserve
Set-aside Reserve Balance as of June 30, 2010	\$39,468	\$0	(\$2,081,464)
Current Year Set-aside Requirement	0	165,423	165,423
Qualifying Disbursements	0	(537,586)	(173,244)
Totals	\$39,468	(\$372,163)	(\$2,089,285)
Set-aside Balance Carried Forward to Future Fiscal Years	\$39,468	\$0	(\$2,089,285)
Set-aside Reserve Balance as of June 30, 2011	\$39,468	\$0	\$0

**Berkshire Local School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

The School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition and textbook set-asides. The extra amount in the textbook set-aside may be used to reduce the set-aside requirement of future years. The extra amount in the capital acquisition set-aside may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the three set-asides at the end of the fiscal year was \$39,468.

**Note 21 – Interfund Transfers and Balances**

***Interfund Transfers***

Transfers made during the year ended June 30, 2011 were as follows:

<u>Transfers To</u>	<u>Transfers From</u>
<u>General</u>	
Internal Service Fund:	
Self Insurance	\$250,000
<i>Total Transfers</i>	<u>\$250,000</u>

The transfer from the general fund to the self insurance fund was used to pay health and dental insurance claims.

***Interfund Balances***

Advances made during the year ended June 30, 2011 were as follows:

<u>Funds:</u>	<u>Advances</u> <u>Out</u>	<u>Advances</u> <u>In</u>
General Fund	\$20,000	\$0
Other Governmental Funds:		
Music and Athletics	0	20,000
<i>Total Advances</i>	<u>\$20,000</u>	<u>\$20,000</u>

This loan was made to support the music and athletic programs. These loans are expected to be repaid in one year.

**Note 22 – Fund Deficits**

At June 30, 2011, the athletics and music fund had a fund deficit of \$425. The deficit balance resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur.

*Combining and Individual Fund  
Statements and Schedules*

## **Combining Statements and Individual Fund Schedules**

### ***Combining Statements - Nonmajor Governmental Funds***

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

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

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

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

***Athletics and Music Fund*** This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program and transportation of the band to and from athletic events.

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

***ONEnet Fund*** This fund accounts for State monies to assist teachers in improving their technology skills.

***Title III-D Fund*** This fund accounts for Federal monies used for costs associated with English proficiency.

***Fiscal Stabilization Fund*** This fund accounts for Federal monies from the American Recovery and Reinvestment Act in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

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

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

***Education Jobs Fund*** This fund accounts for Federal monies used to retain education jobs.

***Title II-D Fund*** This fund accounts for State monies to assist staff in gaining knowledge of technology.

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

***Class Size Reduction Grant Fund*** This fund accounts for Federal monies used to reduce class size in elementary schools.



**Berkshire Local School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2011*

	Food Service	Other Grants	Athletics and Music
<b>Assets</b>			
Equity in Pooled Cash and			
Cash Equivalents	\$111,593	\$452	\$20,852
Intergovernmental Receivable	768	0	0
Inventory Held for Resale	6,888	0	0
Materials and Supplies Inventory	1,323	0	0
<i>Total Assets</i>	<u>\$120,572</u>	<u>\$452</u>	<u>\$20,852</u>
 <i>Liabilities and Fund Balances</i>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$201	\$1,277
Accrued Wages and Benefits	20,858	0	0
Interfund Payable	0	0	20,000
Intergovernmental Payable	34,783	0	0
<i>Total Liabilities</i>	<u>55,641</u>	<u>201</u>	<u>21,277</u>
 <b>Fund Balances</b>			
Nonspendable	8,211	0	0
Restricted	56,720	251	0
Unassigned (Deficit)	0	0	(425)
<i>Total Fund Balances (Deficit)</i>	<u>64,931</u>	<u>251</u>	<u>(425)</u>
 <i>Total Liabilities and Fund Balances</i>	<u>\$120,572</u>	<u>\$452</u>	<u>\$20,852</u>

Title I	Education Jobs	Total Nonmajor Special Revenue Funds
\$1,061	\$7,042	\$141,000
0	0	768
0	0	6,888
0	0	1,323
<u>\$1,061</u>	<u>\$7,042</u>	<u>\$149,979</u>

\$1,061	\$0	\$2,539
0	0	20,858
0	0	20,000
0	0	34,783
<u>1,061</u>	<u>0</u>	<u>78,180</u>
0	0	8,211
0	7,042	64,013
0	0	(425)
<u>0</u>	<u>7,042</u>	<u>71,799</u>
<u>\$1,061</u>	<u>\$7,042</u>	<u>\$149,979</u>

**Berkshire Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Food Service	Other Grants	Athletics and Music	Educational Management Information Systems
<b>Revenues</b>				
Intergovernmental	\$87,046	\$0	\$0	\$5,000
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	55,289	0
Contributions and Donations	0	1,340	5,264	0
Charges for Services	138,066	0	0	0
<i>Total Revenues</i>	<u>225,112</u>	<u>1,340</u>	<u>60,553</u>	<u>5,000</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	888	0	0
Special	0	0	0	0
Vocational	0	201	0	0
Support Services:				
Pupil	0	0	0	5,000
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Pupil Transportation	0	0	0	0
Operation of Food Services	279,864	0	0	0
Extracurricular Activities	0	0	62,325	0
<i>Total Expenditures</i>	<u>279,864</u>	<u>1,089</u>	<u>62,325</u>	<u>5,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(54,752)	251	(1,772)	0
<b>Other Financing Sources</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(54,752)	251	(1,772)	0
<i>Fund Balances Beginning of Year</i>	<u>119,683</u>	<u>0</u>	<u>1,347</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$64,931</u>	<u>\$251</u>	<u>(\$425)</u>	<u>\$0</u>

ONEnet	Title III-D	Fiscal Stabilization	Title VI-B	Title I
\$4,550	\$564	\$245,692	\$261,900	\$220,475
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
4,550	564	245,692	261,900	220,475
0	564	247,892	0	0
0	0	0	195,127	221,249
0	0	0	0	0
0	0	0	30,607	0
0	0	0	42	501
4,550	0	0	36,200	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
4,550	564	247,892	261,976	221,750
0	0	(2,200)	(76)	(1,275)
0	0	0	0	0
0	0	(2,200)	(76)	(1,275)
0	0	2,200	76	1,275
\$0	\$0	\$0	\$0	\$0

(continued)

**Berkshire Local School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2011*

	Education Jobs	Title II-D	Drug Free Schools Grant	Class Size Reduction Grant	Total Nonmajor Special Revenue Funds
<b>Revenues</b>					
Intergovernmental	\$161,648	\$616	\$0	\$48,357	\$1,035,848
Tuition and Fees	0	0	0	0	0
Extracurricular Activities	0	0	0	0	55,289
Contributions and Donations	0	0	0	0	6,604
Charges for Services	0	0	0	0	138,066
<i>Total Revenues</i>	<u>161,648</u>	<u>616</u>	<u>0</u>	<u>48,357</u>	<u>1,235,807</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	154,606	0	2,036	48,357	454,343
Special	0	0	0	0	416,376
Vocational	0	0	0	0	201
Support Services:					
Pupil	0	0	0	0	35,607
Instructional Staff	0	616	0	0	1,159
Administration	0	0	0	0	40,750
Pupil Transportation	0	0	0	0	0
Operation of Food Services	0	0	0	0	279,864
Extracurricular Activities	0	0	0	0	62,325
<i>Total Expenditures</i>	<u>154,606</u>	<u>616</u>	<u>2,036</u>	<u>48,357</u>	<u>1,290,625</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	7,042	0	(2,036)	0	(54,818)
<b>Other Financing Sources</b>					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	7,042	0	(2,036)	0	(54,818)
<i>Fund Balances Beginning of Year</i>	0	0	2,036	0	126,617
<i>Fund Balances (Deficit) End of Year</i>	<u>\$7,042</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$71,799</u>

## *Combining Statements - Fiduciary Funds*

### *Agency 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 therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results or operations. A description of the School District's agency funds follows:

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

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

**Berkshire Local School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Beginning Balance 6/30/10	Additions	Deductions	Ending Balance 6/30/11
<b><i>Student Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$46,845	\$64,619	\$72,075	\$39,389
<b>Liabilities</b>				
Due to Students	\$40,617	\$64,619	\$72,075	\$33,161
Undistributed Monies	6,228	0	0	6,228
Total Liabilities	\$46,845	\$64,619	\$72,075	\$39,389
<b><i>Elementary</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,767	\$638	\$471	\$2,934
<b>Liabilities</b>				
Undistributed Monies	\$2,767	\$638	\$471	\$2,934
<b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$49,612	\$65,257	\$72,546	\$42,323
<b>Liabilities</b>				
Due to Students	\$40,617	\$64,619	\$72,075	\$33,161
Undistributed Monies	8,995	638	471	9,162
Total Liabilities	\$49,612	\$65,257	\$72,546	\$42,323

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



**Berkshire Local 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, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Income Taxes	\$1,577,032	\$1,626,657	\$1,626,657	\$0
Property Taxes	3,944,797	4,104,143	4,104,143	0
Intergovernmental	4,516,022	4,496,994	4,500,422	3,428
Interest	12,000	9,214	9,820	606
Tuition and Fees	232,500	407,152	397,999	(9,153)
Extracurricular Activities	113,098	152,602	154,619	2,017
Contributions and Donations	0	16,640	14,771	(1,869)
Rentals	0	2,000	2,000	0
Miscellaneous	40,903	28,666	28,166	(500)
<b>Total Revenues</b>	<b>10,436,352</b>	<b>10,844,068</b>	<b>10,838,597</b>	<b>(5,471)</b>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	3,007,289	2,874,488	2,861,878	12,610
Fringe Benefits	991,767	864,547	856,582	7,965
Purchased Services	485,378	614,652	608,196	6,456
Materials and Supplies	95,520	91,108	87,456	3,652
Capital Outlay - New	19,066	13,072	13,072	0
<b>Total Regular</b>	<b>4,599,020</b>	<b>4,457,867</b>	<b>4,427,184</b>	<b>30,683</b>
Special:				
Salaries and Wages	676,296	455,514	446,010	9,504
Fringe Benefits	67,521	127,480	122,231	5,249
Purchased Services	546,416	882,899	811,373	71,526
Materials and Supplies	1,500	2,504	2,388	116
<b>Total Special</b>	<b>1,291,733</b>	<b>1,468,397</b>	<b>1,382,002</b>	<b>86,395</b>
Vocational:				
Salaries and Wages	57,550	56,950	56,638	312
Fringe Benefits	5,828	13,762	13,290	472
Materials and Supplies	3,240	1,078	1,076	2
<b>Total Vocational</b>	<b>66,618</b>	<b>71,790</b>	<b>71,004</b>	<b>786</b>
Student Intervention Services:				
Salaries and Wages	156,894	158,793	158,562	231
Fringe Benefits	34,474	53,953	51,859	2,094
Materials and Supplies	3,242	42	42	0
<b>Total Student Intervention Services</b>	<b>194,610</b>	<b>212,788</b>	<b>210,463</b>	<b>2,325</b>
<b>Total Instruction</b>	<b>\$6,151,981</b>	<b>\$6,210,842</b>	<b>\$6,090,653</b>	<b>\$120,189</b>

**Berkshire Local 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, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Support Services:				
Pupil:				
Salaries and Wages	\$357,521	\$352,769	\$346,393	\$6,376
Fringe Benefits	386,701	130,508	125,280	5,228
Purchased Services	104,195	85,922	85,632	290
Materials and Supplies	3,100	2,179	2,152	27
Total Pupil	851,517	571,378	559,457	11,921
Instructional Staff:				
Salaries and Wages	255,387	269,774	267,218	2,556
Fringe Benefits	33,683	76,988	75,091	1,897
Purchased Services	37,793	51,479	50,479	1,000
Materials and Supplies	27,050	24,182	24,167	15
Capital Outlay - New	10,000	2,488	2,488	0
Total Instructional Staff	363,913	424,911	419,443	5,468
Board of Education:				
Salaries and Wages	4,800	5,940	5,790	150
Fringe Benefits	21	1,144	1,076	68
Purchased Services	29,585	22,093	21,683	410
Materials and Supplies	1,400	965	462	503
Other	59,000	24,231	24,231	0
Total Board of Education	94,806	54,373	53,242	1,131
Administration:				
Salaries and Wages	564,274	573,152	572,362	790
Fringe Benefits	212,197	232,927	222,988	9,939
Purchased Services	23,986	21,727	18,552	3,175
Materials and Supplies	4,300	3,980	3,952	28
Capital Outlay - Replacement	2,500	619	619	0
Other	291,000	287,348	287,348	0
Total Administration	\$1,098,257	\$1,119,753	\$1,105,821	\$13,932
Fiscal:				
Salaries and Wages	139,898	142,938	142,584	354
Fringe Benefits	41,380	75,666	69,073	6,593
Purchased Services	45,069	29,302	28,398	904
Materials and Supplies	4,926	4,380	3,795	585
Capital Outlay - Replacement	1,500	97	97	0
Other	153,750	142,898	142,898	0
Total Fiscal	\$386,523	\$395,281	\$386,845	\$8,436

(continued)

**Berkshire Local 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, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Business:				
Other	\$24,500	\$32,250	\$30,970	\$1,280
Operation and Maintenance of Plant:				
Salaries and Wages	339,942	322,981	322,314	667
Fringe Benefits	63,652	127,032	124,895	2,137
Purchased Services	350,666	336,329	322,894	13,435
Materials and Supplies	56,530	48,203	43,913	4,290
Capital Outlay - Replacement	4,025	25	0	25
Total Operation and Maintenance of Plant	814,815	834,570	814,016	20,554
Pupil Transportation:				
Salaries and Wages	395,335	405,970	404,210	1,760
Fringe Benefits	82,128	187,855	185,596	2,259
Purchased Services	118,025	101,265	97,318	3,947
Materials and Supplies	96,940	115,466	102,624	12,842
Capital Outlay - Replacement	77,200	72,344	72,344	0
Total Pupil Transportation	769,628	882,900	862,092	20,808
Total Support Services	4,403,959	4,315,416	4,231,886	83,530
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	31,000	24,994	24,354	640
Fringe Benefits	8,763	7,977	7,666	311
Materials and Supplies	0	16,350	15,777	573
Total Academic and Subject Oriented Activities	39,763	49,321	47,797	1,524
Sports Oriented Activities:				
Salaries and Wages	243,200	206,566	205,307	1,259
Fringe Benefits	0	26,917	26,492	425
Purchased Services	200	130	130	0
Total Sports Oriented Activities	\$243,400	\$233,613	\$231,929	\$1,684

(continued)

**Berkshire Local 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, 2011*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
School and Public Service Co-Curricular Activities:				
Salaries and Wages	\$4,200	\$7,509	\$7,507	\$2
Fringe Benefits	0	1,030	1,022	8
Total School and Public Service Co-Curricular Activities	4,200	8,539	8,529	10
Total Extracurricular Activities	287,363	291,473	288,255	3,218
Capital Outlay:				
Purchased Services	30,000	8,300	8,300	0
Total Capital Outlay	30,000	8,300	8,300	0
<i>Total Expenditures</i>	<u>10,873,303</u>	<u>10,826,031</u>	<u>10,619,094</u>	<u>206,937</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(436,951)</u>	<u>18,037</u>	<u>219,503</u>	<u>(201,466)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	183,726	0	(183,726)
Advances Out	0	(26,000)	(20,000)	6,000
Transfers Out	(314,244)	(466,826)	(250,000)	216,826
<i>Total Other Financing Sources (Uses)</i>	<u>(314,244)</u>	<u>(309,100)</u>	<u>(270,000)</u>	<u>39,100</u>
<i>Net Change in Fund Balance</i>	<u>(751,195)</u>	<u>(291,063)</u>	<u>(50,497)</u>	<u>240,566</u>
<i>Fund Balance Beginning of Year</i>	<u>2,769,512</u>	<u>2,769,512</u>	<u>2,769,512</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>28,062</u>	<u>28,062</u>	<u>28,062</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,046,379</u>	<u>\$2,506,511</u>	<u>\$2,747,077</u>	<u>\$240,566</u>

**Berkshire Local 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, 2011*

	Final	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$217,364	\$217,364	\$0
Intergovernmental	74,638	74,638	0
<i>Total Revenues</i>	<u>292,002</u>	<u>292,002</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	<u>41,283</u>	<u>39,181</u>	<u>2,102</u>
Support Services:			
Fiscal:			
Other	<u>4,565</u>	<u>4,565</u>	<u>0</u>
Operation and Maintenance of Plant:			
Purchased Services	<u>260,929</u>	<u>246,725</u>	<u>14,204</u>
Total Support Services	<u>265,494</u>	<u>251,290</u>	<u>14,204</u>
<i>Total Expenditures</i>	<u>306,777</u>	<u>290,471</u>	<u>16,306</u>
<i>Net Change in Fund Balance</i>	<u>(14,775)</u>	<u>1,531</u>	<u>16,306</u>
<i>Fund Balance Beginning of Year</i>	<u>160,774</u>	<u>160,774</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>12,526</u>	<u>12,526</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$158,525</u>	<u>\$174,831</u>	<u>\$16,306</u>

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$85,541	\$89,095	\$3,554
Charges for Services	137,940	138,066	126
<i>Total Revenues</i>	<u>223,481</u>	<u>227,161</u>	<u>3,680</u>
<b>Expenditures</b>			
Current:			
Operation of Food Services:			
Salaries and Wages	116,581	116,581	0
Fringe Benefits	61,955	59,541	2,414
Purchased Services	616	616	0
Materials and Supplies	84,348	82,511	1,837
<i>Total Expenditures</i>	<u>263,500</u>	<u>259,249</u>	<u>4,251</u>
<i>Net Change in Fund Balance</i>	(40,019)	(32,088)	7,931
<i>Fund Balance Beginning of Year</i>	<u>143,681</u>	<u>143,681</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$103,662</u></u>	<u><u>\$111,593</u></u>	<u><u>\$7,931</u></u>

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Other Grants*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Contributions and Donations	\$1,340	\$1,340	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,139	888	251
Vocational:			
Materials and Supplies	201	201	0
Total Expenditures	1,340	1,089	251
<i>Net Change in Fund Balance</i>	0	251	251
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$251	\$251

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Athletics and Music Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$50,000	\$56,566	\$6,566
Contributions and Donations	0	5,264	5,264
<i>Total Revenues</i>	<u>50,000</u>	<u>61,830</u>	<u>11,830</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries and Wages	2,500	2,113	387
Fringe Benefits	511	307	204
Purchased Services	60,489	56,071	4,416
Materials and Supplies	6,500	5,110	1,390
<i>Total Expenditures</i>	<u>70,000</u>	<u>63,601</u>	<u>6,397</u>
<i>Excess of Revenues Under Expenditures</i>	(20,000)	(1,771)	18,229
<b>Other Financing Sources</b>			
Advances In	20,000	20,000	0
<i>Net Change in Fund Balance</i>	20,000	18,229	18,229
<i>Fund Balance Beginning of Year</i>	<u>1,348</u>	<u>1,348</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$21,348</u></u>	<u><u>\$19,577</u></u>	<u><u>\$18,229</u></u>



**Berkshire Local 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, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$5,000	\$5,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupil:			
Salaries and Wages	3,624	3,624	0
Fringe Benefits	17	17	0
Purchased Services	1,359	1,359	0
Total Support Services	5,000	5,000	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*ONEnet Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$4,550	\$4,550	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Administration:			
Purchased Services	4,550	4,550	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title III - D*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$564	\$564	\$0
<b>Expenditures</b>			
Current:			
Regular Instruction:			
Purchased Services	450	450	0
Materials and Supplies	114	114	0
Total Regular Instruction	564	564	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Fiscal Stabilization Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$245,692	\$245,692	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	21,568	21,568	0
Fringe Benefits	48,208	48,208	0
Purchased Services	17,584	17,584	0
Materials and Supplies	158,332	158,332	0
Capital Outlay - New	2,200	2,200	0
<i>Total Expenditures</i>	<u>247,892</u>	<u>247,892</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,200)	(2,200)	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>2,200</u>	<u>2,200</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>

**Berkshire Local 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, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$261,900	\$261,900	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Purchased Services	194,919	194,919	0
Materials and Supplies	250	250	0
Total Instruction	195,169	195,169	0
Support Services:			
Pupil:			
Purchased Services	30,607	30,607	0
Instructional Staff:			
Other	42	42	0
Administration:			
Salaries and Wages	32,000	32,000	0
Fringe Benefits	4,200	4,200	0
Total Administration	36,200	36,200	0
Total Support Services	66,849	66,849	0
<b>Total Expenditures</b>	262,018	262,018	0
<b>Net Change in Fund Balance</b>	(118)	(118)	0
<b>Fund Balance Beginning of Year</b>	76	76	0
<b>Prior Year Encumbrances Appropriated</b>	42	42	0
<b>Fund Balance End of Year</b>	\$0	\$0	\$0

**Berkshire Local 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, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$220,475	\$220,475	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	135,030	135,030	0
Fringe Benefits	34,231	34,231	0
Purchased Services	9,228	9,228	0
Materials and Supplies	11,790	11,790	0
Capital Outlay - New	30,970	30,970	0
Total Instruction	221,249	221,249	0
Support Services:			
Pupil:			
Purchased Services	501	501	0
<i>Total Expenditures</i>	221,750	221,750	0
<i>Net Change in Fund Balance</i>	(1,275)	(1,275)	0
<i>Fund Balance Beginning of Year</i>	1,275	1,275	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Education Jobs Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$161,648	\$161,648	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	147,580	147,580	0
Fringe Benefits	14,068	7,026	7,042
<i>Total Expenditures</i>	161,648	154,606	7,042
<i>Net Change in Fund Balance</i>	0	7,042	7,042
<i>Fund Deficit Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$7,042	\$7,042

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Title II-D Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$616	\$616	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	616	616	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0



**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Drug Free Schools Grant Fund*  
*For the Fiscal Year Ended June 30, 2011*

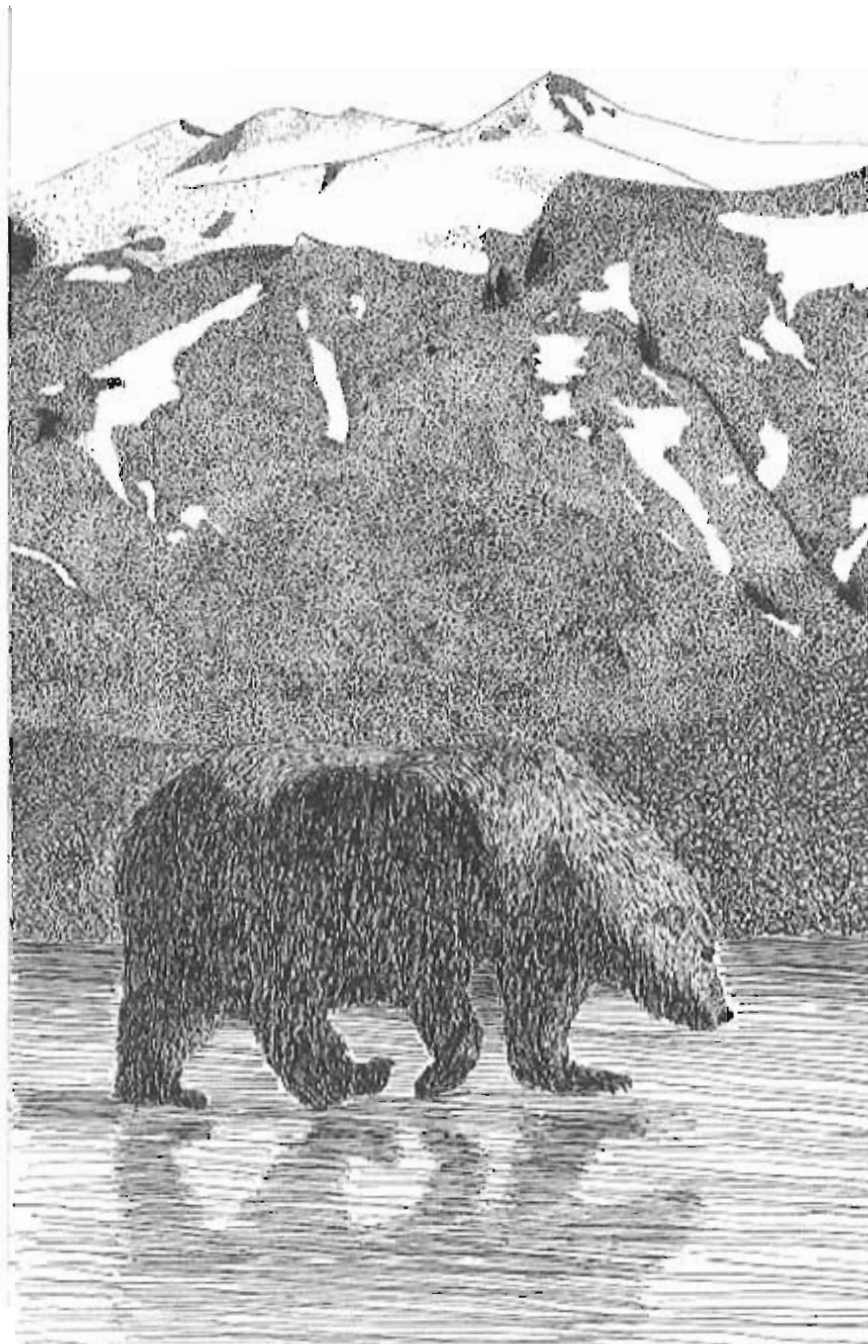
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,123	\$1,123	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	1,090	1,090	0
Materials and Supplies	946	946	0
<i>Total Expenditures</i>	2,036	2,036	0
<i>Net Change in Fund Balance</i>	(913)	(913)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	913	913	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP) and Actual*  
*Class Size Reduction Grant Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$48,357	\$48,357	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	35,070	35,070	0
Fringe Benefits	4,287	4,287	0
Purchased Services	9,000	9,000	0
<i>Total Expenditures</i>	48,357	48,357	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Berkshire Local School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$123,000	\$131,447	\$8,447
<b>Expenses</b>			
Purchased Services	2,005	2,005	0
Claims	402,995	402,484	511
<i>Total Expenses</i>	405,000	404,489	511
<i>Excess of Revenues Under Expenses Before Transfers</i>	(282,000)	(273,042)	8,958
Transfers In	250,000	250,000	0
<i>Net Change in Fund Equity</i>	(32,000)	(23,042)	8,958
<i>Fund Equity Beginning of Year</i>	48,609	48,609	0
<i>Fund Equity End of Year</i>	\$16,609	\$25,567	\$8,958



Stefan Tompkins – 12<sup>th</sup> Grade  
Berkshire High School

# Statistical Section

## Statistical Section

This part of the Berkshire Local School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District's overall financial health.

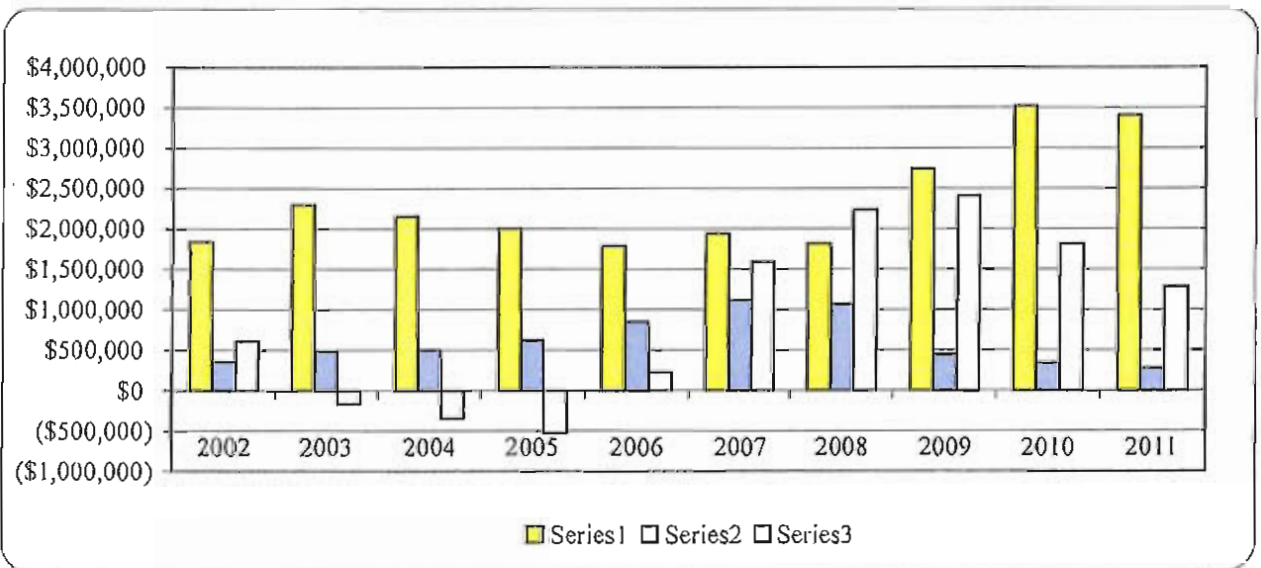
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<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends.....</i></b>	<b><i>S2 – S11</i></b>
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	
<b><i>Revenue Capacity.....</i></b>	<b><i>S12 – S21</i></b>
These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	
<b><i>Debt Capacity.....</i></b>	<b><i>S22 – S27</i></b>
These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	
<b><i>Economic and Demographic Information.....</i></b>	<b><i>S28 – S30</i></b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	
<b><i>Operating Information.....</i></b>	<b><i>S31 – S40</i></b>
These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2002; schedules presenting government-wide information include information beginning in that year.

**Berkshire Local School District**  
*Net Assets by Component*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	2011	2010	2009	2008	2007
Invested in Capital Assets, Net of Related Debt	\$3,404,650	\$3,518,243	\$2,742,560	\$1,818,772	\$1,940,269
Restricted for:					
Capital Projects	203,064	193,702	357,068	953,421	922,955
Debt Service	0	0	0	0	0
Set Asides	39,468	39,468	39,468	39,468	39,468
Other Purposes	31,163	102,983	51,841	74,824	151,441
Unrestricted (Deficit)	1,283,319	1,812,478	2,409,771	2,235,701	1,592,209
<b>Total Net Assets</b>	<b>\$4,961,664</b>	<b>\$5,666,874</b>	<b>\$5,600,708</b>	<b>\$5,122,186</b>	<b>\$4,646,342</b>



2006	2005	2004	2003	2002
\$1,789,300	\$2,003,813	\$2,154,459	\$2,296,818	\$1,843,250
640,564	471,040	302,853	310,541	156,522
0	0	0	52,024	52,204
39,468	39,468	39,468	39,468	39,468
168,066	110,672	156,379	87,604	107,382
228,005	(525,586)	(342,388)	(163,721)	609,162
<u>\$2,865,403</u>	<u>\$2,099,407</u>	<u>\$2,310,771</u>	<u>\$2,622,734</u>	<u>\$2,807,988</u>

**Berkshire Local School District**  
*Changes in Net Assets of Governmental Activities*  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	2011	2010	2009	2008	2007
<b>Expenses</b>					
Regular Instruction	\$5,126,717	\$4,830,346	\$5,062,708	\$4,800,546	\$4,495,206
Special Instruction	1,807,617	1,529,679	1,271,151	1,263,407	1,326,200
Vocational Instruction	75,058	76,125	78,115	58,924	60,671
Student Intervention	191,649	339,048	12,776	0	0
Pupil Support	698,939	600,884	602,816	619,086	614,007
Instructional Staff Support	475,608	455,767	442,628	485,694	423,189
Board of Education	50,980	41,679	87,962	54,834	36,959
Administration	1,227,358	1,113,593	1,142,152	1,002,491	1,102,186
Fiscal	438,902	382,159	406,222	334,840	348,188
Business	30,680	28,687	38,727	32,706	28,018
Operation and Maintenance of Plant	1,194,648	878,611	938,412	1,048,609	1,136,704
Pupil Transportation	1,143,081	791,630	762,715	982,780	693,519
Operation of Food Services	320,036	264,105	302,888	311,629	270,350
Extracurricular Activities	365,520	382,735	405,456	446,431	391,545
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenses</b>	<b>13,146,793</b>	<b>11,715,048</b>	<b>11,554,728</b>	<b>11,441,977</b>	<b>10,926,742</b>
<b>Program Revenues</b>					
Charges for Services					
Regular Instruction	36,308	220,598	185,794	197,407	467,384
Special Instruction	361,691	0	28,265	0	0
Operation and Maintenance of Plant	0	0	0	5,314	0
Operation of Food Services	138,066	153,133	174,575	184,448	190,268
Extracurricular Activities	211,908	185,985	201,972	246,908	151,692
Operating Grants and Contributions	1,060,395	959,797	522,346	642,954	608,524
Capital Grants and Contributions	0	0	10,013	30,062	0
<b>Total Program Revenues</b>	<b>1,808,368</b>	<b>1,519,513</b>	<b>1,122,965</b>	<b>1,307,093</b>	<b>1,417,868</b>
<b>Net Expense</b>	<b>(11,338,425)</b>	<b>(10,195,535)</b>	<b>(10,431,763)</b>	<b>(10,134,884)</b>	<b>(9,508,874)</b>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes	4,165,046	3,841,219	4,338,549	4,304,017	4,766,622
Capital Outlay	219,675	198,446	226,907	226,907	249,327
Income Taxes Levied for:					
General Purposes	1,626,657	1,536,729	1,656,813	1,710,748	1,501,823
Grants and Entitlements not					
Restricted to Specific Programs	4,571,888	4,650,889	4,620,371	4,234,744	4,221,620
Unrestricted Contributions	0	0	0	0	0
Investment Earnings	9,820	13,083	52,667	124,954	176,711
Gain on Sale of Capital Assets	0	0	0	0	365,160
Miscellaneous	40,129	19,758	14,978	9,358	8,550
<b>Total General Revenues</b>	<b>10,633,215</b>	<b>10,260,124</b>	<b>10,910,285</b>	<b>10,610,728</b>	<b>11,289,813</b>
<b>Change in Net Assets</b>	<b>(\$705,210)</b>	<b>\$64,589</b>	<b>\$478,522</b>	<b>\$475,844</b>	<b>\$1,780,939</b>

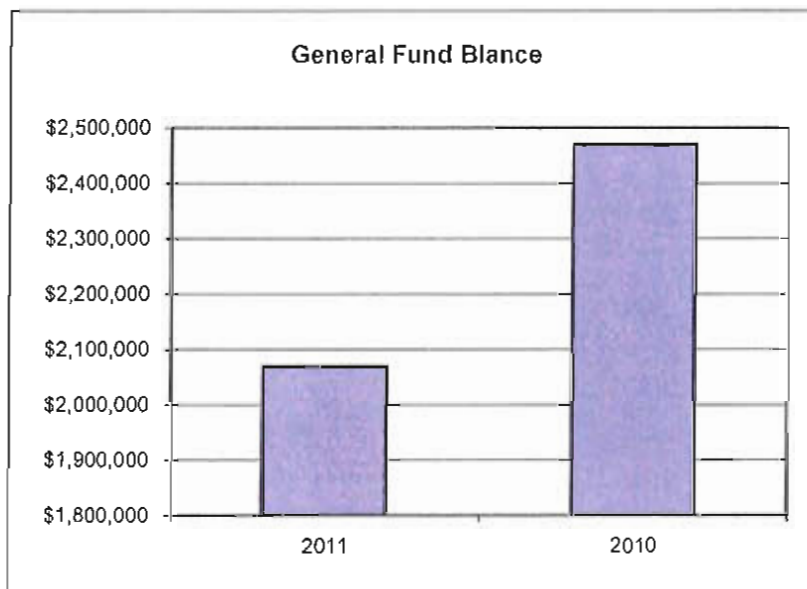


2006	2005	2004	2003	2002
\$4,693,751	\$5,188,198	\$4,988,073	\$4,905,643	\$5,062,243
1,564,547	1,390,995	1,153,426	967,922	954,287
55,414	55,653	53,983	47,206	53,659
0	0	0	0	0
611,399	615,690	605,670	599,157	648,079
407,207	504,650	474,125	542,635	410,336
61,313	46,666	51,839	47,565	49,191
829,843	873,703	879,946	1,003,572	951,540
322,274	320,702	334,441	309,202	286,878
29,925	36,421	27,850	16,910	33,972
1,052,876	1,044,789	1,118,464	1,088,676	1,070,121
763,710	809,410	816,997	827,529	786,010
331,153	385,017	388,659	424,048	401,456
363,747	373,143	425,556	413,973	351,015
884	3,006	5,078	340	2,594
11,088,043	11,648,043	11,324,107	11,194,378	11,061,381
98,213	87,553	79,894	75,428	45,157
0	0	0	0	0
10,677	7,783	6,968	11,484	22,843
220,821	250,221	262,367	261,458	255,269
290,301	151,534	135,663	133,834	137,212
647,025	703,894	684,384	438,818	408,776
5,333	11,130	13,034	320,315	27,343
1,272,370	1,212,115	1,182,310	1,241,337	896,600
(9,815,673)	(10,435,928)	(10,141,797)	(9,953,041)	(10,164,781)
4,777,030	4,859,170	4,536,033	4,493,546	3,912,786
252,820	286,289	240,597	260,450	234,293
1,329,783	1,182,066	1,092,823	1,046,293	1,085,872
4,015,962	3,857,075	3,851,111	3,797,347	3,693,492
10,649	0	0	0	0
91,189	34,686	24,063	88,847	136,719
103,118	0	0	0	0
1,118	5,278	85,207	81,484	110,889
10,581,669	10,224,564	9,829,834	9,767,967	9,174,051
\$765,996	(\$211,364)	(\$311,963)	(\$185,074)	(\$990,730)

**Berkshire Local School District**  
*Fund Balances, Governmental Funds*  
*Last Two Fiscal Years*  
*(modified accrual basis of accounting)*

	2011	2010
General Fund		
Nonspendable	\$2,029	\$1,824
Restricted	41,045	41,045
Assigned	888,474	13,884
Unassigned	1,137,575	2,412,958
<i>Total General Fund</i>	<u>2,069,123</u>	<u>2,469,711</u>
All Other Governmental Funds		
Nonspendable	8,211	5,288
Restricted	258,673	313,009
Assigned	0	0
Unassigned (Deficit)	(425)	0
<i>Total All Other Governmental Funds</i>	<u>266,459</u>	<u>318,297</u>
<i>Total Governmental Funds</i>	<u><u>\$2,335,582</u></u>	<u><u>\$2,788,008</u></u>

Note: The School District implemented GASB 54 in 2011.

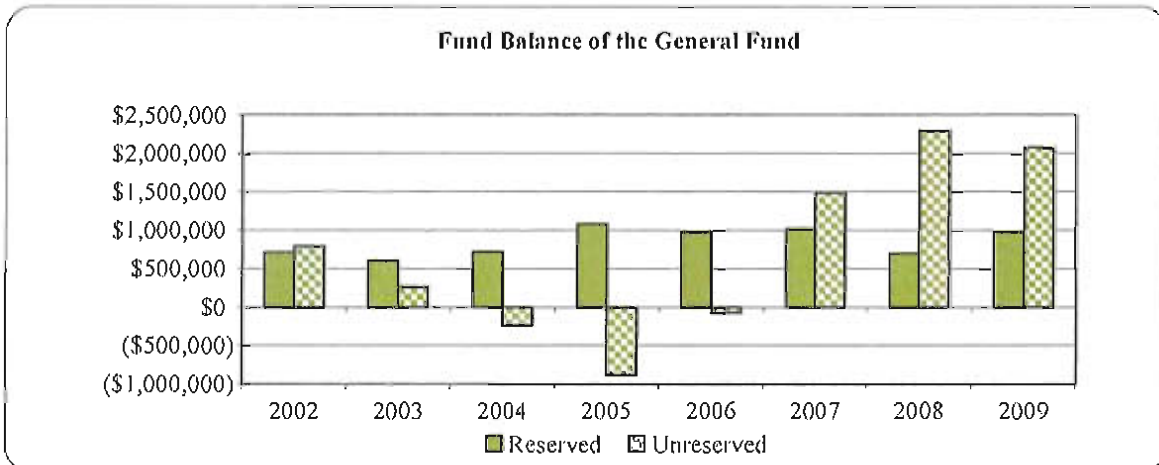


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**Berkshire Local School District**  
*Fund Balances, Governmental Funds*  
*Last Nine Fiscal Years*  
*(modified accrual basis of accounting)*

	2009	2008	2007	2006
General Fund				
Reserved	\$975,989	\$695,341	\$1,017,180	\$975,425
Unreserved	2,074,377	2,300,013	1,486,945	(73,635)
<i>Total General Fund</i>	<u>3,050,366</u>	<u>2,995,354</u>	<u>2,504,125</u>	<u>901,790</u>
All Other Governmental Funds				
Reserved	148,174	151,933	121,426	235,130
Unreserved, Undesignated, Reported in:				
Special Revenue funds (Deficit)	71,375	51,585	57,547	156,030
Debt Service funds	0	0	0	0
Capital Projects funds	206,166	804,933	815,411	408,063
<i>Total All Other Governmental Funds</i>	<u>425,715</u>	<u>1,008,451</u>	<u>994,384</u>	<u>799,223</u>
<i>Total Governmental Funds</i>	<u><u>\$3,476,081</u></u>	<u><u>\$4,003,805</u></u>	<u><u>\$3,498,509</u></u>	<u><u>\$1,701,013</u></u>

Note: The School District implemented GASB 54 in 2011.



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$1,081,687	\$720,833	\$606,338	\$713,107	\$699,924
(876,971)	(237,113)	265,095	793,705	1,773,148
<u>204,716</u>	<u>483,720</u>	<u>871,433</u>	<u>1,506,812</u>	<u>2,473,072</u>
201,771	110,697	218,634	76,104	301,072
73,826	113,164	40,004	(10,411)	82,033
0	0	52,024	52,024	52,024
<u>285,158</u>	<u>228,061</u>	<u>104,951</u>	<u>79,897</u>	<u>18,948</u>
<u>560,755</u>	<u>451,922</u>	<u>415,613</u>	<u>197,614</u>	<u>454,077</u>
<u>\$765,471</u>	<u>\$935,642</u>	<u>\$1,287,046</u>	<u>\$1,704,426</u>	<u>\$2,927,149</u>

Berkshire Local School District  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	2011	2010	2009	2008	2007
<b>Revenues</b>					
Income Taxes	\$1,626,657	\$1,544,686	\$1,680,604	\$1,605,512	\$1,501,823
Property Taxes	4,349,320	4,059,441	4,560,815	4,425,741	5,155,342
Intergovernmental	5,610,908	5,581,373	5,125,435	4,874,439	4,759,998
Interest	9,820	13,083	52,667	124,954	176,711
Tuition and Fees	397,999	220,598	214,059	197,099	221,754
Extracurricular Activities	209,908	183,351	197,688	246,908	309,758
Contributions and Donations	21,375	29,313	27,295	33,321	70,146
Charges for Services	138,066	153,133	174,681	184,756	270,045
Rentals	2,000	2,634	4,178	5,314	7,787
Miscellaneous	40,129	19,758	14,978	9,358	8,550
<b>Total Revenues</b>	<b>12,406,182</b>	<b>11,807,370</b>	<b>12,052,400</b>	<b>11,707,402</b>	<b>12,481,914</b>
<b>Expenditures</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	4,920,559	4,598,101	4,910,346	4,551,570	4,359,350
Special	1,799,284	1,560,754	1,248,295	1,270,129	1,329,869
Vocational	71,458	70,925	67,117	63,351	59,507
Student Intervention	191,649	339,048	12,776	0	0
<b>Support Services:</b>					
Pupil	642,890	587,278	585,437	596,768	610,225
Instructional Staff	453,246	444,152	413,989	466,354	433,541
Board of Education	50,980	41,679	87,962	54,834	36,959
Administration	1,195,284	1,084,482	1,103,077	1,027,474	1,067,488
Fiscal	432,910	376,220	403,219	332,881	371,725
Business	30,680	28,687	38,727	32,706	28,018
Operation and Maintenance of Plant	1,148,327	963,066	1,103,255	958,097	967,069
Pupil Transportation	1,018,781	854,523	749,980	753,843	768,513
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0	0
Operation of Food Services	279,864	244,249	270,217	294,331	262,839
Extracurricular Activities	364,396	381,611	403,839	445,806	390,948
Capital Outlay	8,300	622,245	921,888	223,962	369,621
<b>Debt Service:</b>					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<b>Total Expenditures</b>	<b>12,608,608</b>	<b>12,197,020</b>	<b>12,320,124</b>	<b>11,072,106</b>	<b>11,055,672</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(202,426)</b>	<b>(389,650)</b>	<b>(267,724)</b>	<b>635,296</b>	<b>1,426,242</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	0	0	0	0	371,254
Inception of Capital Lease	0	0	0	0	0
Transfers In	0	116,600	165,444	0	30,808
Transfers Out	(250,000)	(416,600)	(425,444)	(130,000)	(30,808)
<b>Total Other Financing Sources (Uses)</b>	<b>(250,000)</b>	<b>(300,000)</b>	<b>(260,000)</b>	<b>(130,000)</b>	<b>371,254</b>
<b>Net Change in Fund Balances</b>	<b>(\$452,426)</b>	<b>(\$689,650)</b>	<b>(\$527,724)</b>	<b>\$505,296</b>	<b>\$1,797,496</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

2006	2005	2004	2003	2002
\$1,329,783	\$1,182,066	\$1,092,823	\$1,046,293	\$1,085,872
5,026,267	5,103,176	4,775,107	4,766,751	4,139,397
4,644,456	4,553,248	4,501,737	4,245,726	4,043,960
91,189	34,686	24,063	88,847	136,719
56,244	55,769	46,141	44,700	20,084
290,301	151,534	135,663	133,834	137,212
34,513	18,851	46,792	39,214	85,485
262,790	282,005	296,120	289,347	280,342
10,677	7,783	6,968	11,484	22,843
1,118	5,278	85,207	81,484	110,889
<u>11,747,338</u>	<u>11,394,396</u>	<u>11,010,621</u>	<u>10,747,680</u>	<u>10,062,803</u>
4,510,378	4,970,513	4,794,030	5,085,157	4,944,160
1,535,933	1,423,454	1,155,584	964,032	962,436
54,762	54,833	51,639	46,735	53,643
0	0	0	0	0
606,815	613,912	579,799	594,738	633,850
400,096	499,865	470,724	539,961	411,761
46,539	45,977	51,018	47,562	49,197
805,231	852,759	876,884	992,446	914,134
313,693	315,633	325,462	296,593	280,236
29,925	36,421	27,850	16,910	33,972
973,686	1,008,026	1,070,456	1,042,087	1,003,395
690,623	770,480	761,529	789,847	836,990
0	0	0	0	0
0	0	0	81,255	33,050
320,715	392,307	377,141	336,601	357,014
354,006	357,388	418,126	391,254	345,444
334,672	146,929	325,713	152,444	393,131
68,736	72,947	70,879	6,339	30,000
994	3,123	5,191	0	3,113
<u>11,046,804</u>	<u>11,564,567</u>	<u>11,362,025</u>	<u>11,383,961</u>	<u>11,285,526</u>
700,534	(170,171)	(351,404)	(636,281)	(1,222,723)
235,008	0	0	0	0
0	0	0	218,901	0
0	0	52,024	25,000	25,000
0	0	(52,024)	(25,000)	(25,000)
<u>235,008</u>	<u>0</u>	<u>0</u>	<u>218,901</u>	<u>0</u>
<u>\$935,542</u>	<u>(\$170,171)</u>	<u>(\$351,404)</u>	<u>(\$417,380)</u>	<u>(\$1,222,723)</u>
0.65%	0.67%	0.69%	0.06%	0.30%

**Berkshire Local School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Estate			Tangible	
	Assessed Value			Estimated Actual Value	Assessed Value
	Residential/ Agricultural	Commercial/ Industrial	Total		
2011	\$189,075,680	\$24,497,110	\$213,572,790	\$610,207,971	\$0
2010	189,031,680	24,417,430	213,449,110	609,854,600	0
2009	187,824,100	23,853,220	211,677,320	604,792,343	0
2008	185,639,640	23,379,720	209,019,360	597,198,171	4,807,680
2007	183,710,490	22,453,650	206,164,140	589,040,400	9,765,500
2006	181,335,230	22,365,410	203,700,640	582,001,829	14,712,180
2005	158,735,280	19,832,180	178,567,460	510,192,743	19,212,290
2004	155,560,120	19,950,180	175,510,300	501,458,000	19,535,060
2003	151,308,040	19,594,050	170,902,090	488,291,686	20,538,500
2002	134,440,000	17,503,830	151,943,830	434,125,229	15,111,250

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of a true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax is 2010)

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

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



Personal		Public Utility Personal		Total	
Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$0	\$5,390,330	\$6,125,375	\$218,963,120	\$616,333,346	\$21.99742
0	5,284,160	6,004,727	218,733,270	615,859,327	21.92695
0	4,965,770	5,642,920	216,643,090	610,435,263	21.67722
76,922,880	5,279,450	5,999,375	219,106,490	680,120,426	22.64113
78,124,000	6,276,010	7,131,830	222,205,650	674,296,230	23.44983
78,464,960	6,205,680	7,051,909	224,618,500	667,518,698	24.07686
76,849,160	6,533,790	7,424,761	204,313,540	594,466,664	25.41435
78,140,240	6,472,680	7,355,318	201,518,040	586,953,558	25.48296
82,154,000	5,946,900	6,757,841	197,387,490	577,203,527	25.64408
60,445,000	6,430,150	7,306,989	173,485,230	501,877,218	25.50385

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

	2011	2010	2009	2008	2007
<b>Unvoted Millage</b>					
Operating	\$4.5000	\$4.5000	\$4.5000	\$4.5000	\$4.5000
<b>Voted Millage - by levy</b>					
1976 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	7.7734	7.7579	7.7572	7.7505	7.7472
Commercial/Industrial	7.5105	7.4948	7.5018	7.4899	7.4844
Tangible/Public Utility Personal	26.1000	26.1000	26.1000	26.1000	26.1000
1977 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	1.4891	1.4862	1.4861	1.4848	1.4841
Commercial/Industrial	1.4388	1.4358	1.4371	1.4349	1.4338
Tangible/Public Utility Personal	5.0000	5.0000	5.0000	5.0000	5.0000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.0126	2.0086	2.0095	2.0107	2.0118
Commercial/Industrial	2.5834	2.5780	2.5804	2.5763	2.5744
Tangible/Public Utility Personal	4.7000	4.7000	4.7000	4.7000	4.7000
1985 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	1.9269	1.9231	1.9229	1.9251	1.9262
Commercial/Industrial	2.4734	2.4683	2.4706	2.4667	2.4648
Tangible/Public Utility Personal	4.5000	4.5000	4.5000	4.5000	4.5000
1988 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.3304	2.3256	2.3254	2.3289	2.3306
Commercial/Industrial	2.8165	2.8106	2.8132	2.8088	2.8067
Tangible/Public Utility Personal	5.0000	5.0000	5.0000	5.0000	5.0000
2005 Permanent Improvements - 5 years (1)					
Effective Millage Rates					
Residential/Agricultural	1.0208	1.0188	1.0187	1.0225	1.0244
Commercial/Industrial	1.4244	1.4214	1.4228	1.4205	1.4195
Tangible/Public Utility Personal	2.5000	2.5000	2.5000	2.5000	2.5000
<b>Total Effective Voted Millage by type of property</b>					
Residential/Agricultural	16.5531	16.5202	16.5187	16.5225	16.5243
Commercial/Industrial	18.2469	18.2088	18.2260	18.1971	18.1836
Tangible/Public Utility Personal	47.8000	47.8000	47.8000	47.8000	47.8000
<b>Total Effective Millage by type of property</b>					
Residential/Agricultural	21.0531	21.0202	21.0187	21.0225	21.0243
Commercial/Industrial	22.7469	22.7088	22.7260	22.6971	22.6836
Tangible/Public Utility Personal	52.3000	52.3000	52.3000	52.3000	52.3000

2006	2005	2004	2003	2002
\$4.5000	\$4.5000	\$4.5000	\$4.5000	\$4.5000
7.7462	7.5200	7.5170	7.5095	7.2747
7.3781	8.2787	8.1365	8.1268	8.4077
26.1000	26.1000	26.1000	26.1000	26.1000
1.4840	1.4406	1.4400	1.4386	1.3936
1.4134	1.5860	1.5587	1.5569	1.6107
5.0000	5.0000	5.0000	5.0000	5.0000
2.0121	2.0893	2.0903	2.0929	2.1730
2.5378	2.8476	2.7987	2.7954	2.8920
4.7000	4.7000	4.7000	4.7000	4.7000
1.9265	2.0004	2.0014	2.0038	2.0805
2.4298	2.7264	2.6796	2.6764	2.7689
4.5000	4.5000	4.5000	4.5000	4.5000
2.3312	2.4497	2.4512	2.4552	2.5782
2.7668	3.1046	3.0513	3.0476	3.1530
5.0000	5.0000	5.0000	5.0000	5.0000
1.0249	1.1537	1.1554	1.1594	1.2854
1.3993	1.5701	1.5432	1.5413	1.5946
2.5000	2.5000	2.5000	2.5000	2.5000
16.5249	16.6537	16.6553	16.6594	16.7854
17.9252	20.1134	19.7680	19.7444	20.4269
47.8000	47.8000	47.8000	47.8000	47.8000
21.0249	21.1537	21.1553	21.1594	21.2854
22.4252	24.6134	24.2680	24.2444	24.9269
52.3000	52.3000	52.3000	52.3000	52.3000

(continued)

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

	2011	2010	2009	2008	2007
<b>Overlapping Rates by Taxing District</b>					
<b>Auburn Joint Vocational School District Voted Millage</b>					
Effective Millage Rates					
Residential/Agricultural	\$1.5000	\$1.5000	\$1.5000	\$1.5000	\$1.5000
Commercial/Industrial	1.5000	1.5000	1.5000	1.5000	1.5000
Tangible/Public Utility Personal	1.5000	1.5000	1.5000	1.5000	1.5000
<b>Burton Public Library Voted Millage</b>					
Effective Millage Rates					
Residential/Agricultural	1.1980	1.1956	1.1955	0.7926	0.7941
Commercial/Industrial	1.2000	1.1989	1.2000	0.8905	0.8898
Tangible/Public Utility Personal	1.2000	1.2000	1.2000	1.0000	1.0000
<b>Village of Burton Unvoted Millage</b>					
Residential/Agricultural	8.1231	8.1174	8.1172	8.1326	8.1302
Commercial/Industrial	9.3172	9.3172	9.3172	9.3407	9.3440
Tangible/Public Utility Personal	9.7500	9.7500	9.7500	9.7500	9.7500
<b>Township of Burton Voted Millage</b>					
Effective Millage Rates					
Residential/Agricultural	5.9389	5.9316	5.9289	5.9351	5.9387
Commercial/Industrial	6.3130	6.3107	6.3099	6.3099	6.3070
Tangible/Public Utility Personal	7.2500	7.2500	7.2500	7.2500	7.2500
<b>Township of Claridon Voted Millage</b>					
Effective Millage Rates					
Residential/Agricultural	6.5222	6.5171	6.5153	6.5245	6.5348
Commercial/Industrial	6.2885	6.2884	6.2874	6.2874	6.2873
Tangible/Public Utility Personal	9.4000	9.4000	9.4000	9.4000	9.4000
<b>Township of Troy Voted Millage</b>					
Residential/Agricultural	9.3918	9.3722	9.3777	9.4210	9.4284
Commercial/Industrial	8.4271	8.3976	8.4153	8.3713	8.3613
Tangible/Public Utility Personal	12.5000	12.5000	12.5000	12.5000	12.5000
<b>Geauga County Voted Millage</b>					
Effective Millage Rates					
Residential/Agricultural	11.6097	11.2064	10.9011	10.8584	10.8751
Commercial/Industrial	12.4348	12.0948	11.5893	11.4913	11.5035
Tangible/Public Utility Personal	15.1000	15.1000	15.1000	15.1000	15.1000

(1) This is renewed every five years and was last renewed in 2008.

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

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

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

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

Source: Ohio Department of Taxation

2006	2005	2004	2003	2002
\$1.5000	\$1.5000	\$1.5000	\$1.5000	\$1.5000
1.5000	1.5000	1.5000	1.5000	1.5000
1.5000	1.5000	1.5000	1.5000	1.5000
0.7945	0.8943	0.8956	0.8987	0.9964
0.8772	0.9843	0.9674	0.9662	0.9996
1.0000	1.0000	1.0000	1.0000	1.0000
8.1252	8.7626	8.7626	8.7634	7.8498
9.1220	9.5308	9.2209	9.1944	8.2366
9.7500	9.7500	9.7500	9.7500	8.7500
5.9448	5.2931	5.3819	5.3861	4.9773
6.3072	5.6419	5.7536	5.7536	5.2041
7.2500	6.8000	7.1000	7.1000	7.1000
6.5377	6.3170	6.3238	6.3436	6.6782
6.2914	6.7227	6.7227	6.7262	6.8776
9.4000	9.4000	9.4000	9.4000	9.4000
9.4212	10.1821	10.1830	10.2093	11.1219
8.2919	9.3190	9.3190	9.3190	9.4826
12.5000	12.5000	12.5000	12.5000	12.5000
10.8912	11.8767	10.8587	10.3876	10.9916
11.4143	12.6037	11.7554	11.2985	11.5829
15.1000	15.1000	15.1000	14.6000	14.4000

**Berkshire Local School District**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2010	\$4,805,662	\$4,712,631	98.06%	\$208,062	\$4,920,693	102.39%
2009	4,830,649	4,729,877	97.91	205,453	4,935,330	102.17
2008	5,041,199	4,888,884	96.98	229,328	5,118,212	101.53
2007	5,329,712	5,108,242	95.84	161,485	5,269,727	98.87
2006	5,768,910	5,328,272	92.36	190,742	5,519,014	95.67
2005	5,309,213	5,118,387	96.41	190,147	5,308,534	99.99
2004	5,480,405	5,047,035	92.09	121,135	5,168,170	94.30
2003	5,473,088	4,996,649	91.29	140,381	5,137,030	93.86
2002	5,123,159	4,774,892	93.20	117,633	4,892,525	95.50
2001	4,696,679	4,370,504	93.06	95,357	4,465,861	95.09

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

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

(2) The 2011 information cannot be presented because all collections have not been made by June 30, 2011.

(3) The County does not maintain delinquency information by tax year.

**Berkshire Local School District***Principal Taxpayers**Real Estate Tax**2011 and 2002*

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Property Assessed Value
Great Lakes Cheese Company, Inc.	\$4,016,460	1.88 %
Saint Gobain Ceramics & Plastics, Inc.	2,114,350	0.99
Thistle Lane Real Properties LLC	1,642,380	0.77
Excel Polymers LLC	1,207,580	0.57
John & James Masternick Trustees	1,040,380	0.49
Troy Oaks Homes	933,390	0.44
Luxenburg Properties BHI	917,880	0.43
Bridge Creek Properties LLC	721,530	0.34
Tirpak Enterprises LLC	570,650	0.27
Grandview Golf Club	569,180	0.27
Totals	<u>\$13,733,780</u>	<u>6.43 %</u>
Total Real Estate Tax Assessed Valuation	<u>\$213,572,790</u>	
Name of Taxpayer	2002	
	Assessed Value	Percent of Real Property Assessed Value
Great Lakes Cheese	\$3,867,190	2.55 %
Thistle Lane Real Properties	1,473,330	0.97
Berkshire Hills Limited	1,321,310	0.87
M. A. Hanna Company	1,138,920	0.75
John J. Masternick	1,061,110	0.70
Troy Oaks Homes	788,810	0.52
Farmore Farms Limited	709,120	0.47
Safra Inn LLO	648,700	0.43
Blaine M. Kaufmann	530,320	0.35
Grandview Golf Club	493,510	0.32
Totals	<u>\$12,032,320</u>	<u>7.92 %</u>
Total Real Estate Tax Assessed Valuation	<u>\$151,943,830</u>	

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

**Berkshire Local School District***Principal Taxpayers**Public Utilities Tax**2011 and 2002*

Name of Taxpayer	2011	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$4,423,340	82.06 %
American Transmission Systems Inc	360,950	6.70
East Ohio Gas Company	339,630	6.30
Ohio Edison	261,320	4.85
Total	<u>\$5,385,240</u>	<u>99.91</u>
Total Public Utilities Assessed Valuation	<u>\$5,390,330</u>	

Name of Taxpayer	2002	
	Assessed Value	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$3,601,830	56.01 %
Ohio Bell Telephone Company	1,011,800	15.74
East Ohio Gas Company	225,490	3.51
Ohio Edison	189,570	2.95
Total	<u>\$5,028,690</u>	<u>78.20 %</u>
Total Public Utilities Assessed Valuation	<u>\$6,430,150</u>	

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



**Berkshire Local School District**  
*Income Tax Revenue Base and Collections (1)*  
*Last Ten Years*

Tax Year (2)	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Direct Payments	Percentage of Taxes from Direct Payments
2011	1.00 %	\$1,626,657	\$910,880	56.00 %	\$715,777	44.00 %
2010	1.00	1,536,729	910,880	59.27	625,910	40.73
2009	1.00	1,656,813	932,045	56.26	724,690	43.74
2008	1.00	1,710,748	721,954	45.80	927,225	54.20
2007	0.75	1,501,823	687,835	45.80	813,988	54.20
2006	0.75	1,329,783	711,434	53.50	618,349	46.50
2005	0.75	1,182,066	632,405	53.50	549,661	46.50
2004	0.75	1,092,823	611,981	56.00	480,842	44.00
2003	0.75	1,046,293	600,572	57.40	445,721	42.60
2002	0.75	1,085,872	612,432	56.40	473,440	43.60

(1) Income tax is only collected on the income of residents and on estates.

(2) Fiscal year 2002 through 2010 are on an accrual basis.

Source: Ohio Department of Taxation

**Berkshire Local School District**  
*Computation of Direct and Overlapping*  
*Governmental Activities Debt*  
*December 31, 2010*

	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Berkshire Local School District	\$0	100.00%	\$0
Overlapping:			
Geauga County			
Special Assessment Bonds	1,974,714	7.52%	148,498
General Obligation Notes	12,726,809	7.52%	957,056
Total Overlapping	14,701,523	7.52%	1,105,555
Total	\$14,701,523		\$1,105,555

Source: Office of the Auditor, Geauga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year.

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

Fiscal Year	Population (1)		Estimated Actual Value (2)	General Bonded Debt		
				Bonded Debt	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
2011	8,647	b	\$616,333,346	0	0.00	0.00
2010	8,647	b	615,859,327	0	0.00	0.00
2009	8,647	b	610,435,263	0	0.00	0.00
2008	8,647	b	680,120,426	0	0.00	0.00
2007	8,647	b	674,296,230	0	0.00	0.00
2006	8,647	b	667,518,698	0	0.00	0.00
2005	8,647	b	594,466,664	0	0.00	0.00
2004	8,647	b	586,953,558	0	0.00	0.00
2003	8,647	b	577,203,527	0	0.00	0.00
2002	8,647	b	501,877,218	0	0.00	0.00

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

(2) Geauga County Auditor

(3) The personal income can be found on S28

General Debt			
Capital Leases	Total Debt	Ratio of General Debt to Personal Income (3)	General Debt per Capita
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
0	0	0.00	0.00
68,736	68,736	0.24	7.95
141,683	141,683	0.50	16.39
212,562	212,562	0.75	24.58
0	0	0.00	0.00

**Berkshire Local School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2011	2010	2009	2008	2007
Assessed Valuation (1)	<u>\$213,572,790</u>	<u>\$213,449,110</u>	<u>\$211,677,320</u>	<u>\$209,019,360</u>	<u>\$206,164,140</u>
Debt Limit - 9% of Assessed Value (2)	\$19,221,551	\$19,210,420	\$19,050,959	\$18,811,742	\$18,554,773
Amount of Debt Applicable to Debt Limit					
General Obligation Bonds	0	0	0	0	0
Less Amount Available in Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin	<u>\$19,221,551</u>	<u>\$19,210,420</u>	<u>\$19,050,959</u>	<u>\$18,811,742</u>	<u>\$18,554,773</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$213,573	\$213,449	\$211,677	\$209,019	\$206,164
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$213,573</u>	<u>\$213,449</u>	<u>\$211,677</u>	<u>\$209,019</u>	<u>\$206,164</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Geauga County Auditor and School District Financial Records

(1) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to excluded tangible personal property as well as railroad and telephone tangible property.

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

2006	2005	2004	2003	2002
<u>\$203,700,640</u>	<u>\$178,567,460</u>	<u>\$175,510,300</u>	<u>\$170,902,090</u>	<u>\$151,943,830</u>
\$18,333,058	\$16,071,071	\$15,795,927	\$15,381,188	\$13,674,945
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>(52,024)</u>	<u>(52,024)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$18,333,058</u>	<u>\$16,071,071</u>	<u>\$15,795,927</u>	<u>\$15,381,188</u>	<u>\$13,674,945</u>
100.00%	100.00%	100.00%	100.00%	100.00%
\$203,701	\$178,567	\$175,510	\$170,902	\$151,944
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$203,701</u>	<u>\$178,567</u>	<u>\$175,510</u>	<u>\$170,902</u>	<u>\$151,944</u>
100.00%	100.00%	100.00%	100.00%	100.00%

**Berkshire Local School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

Year	Population (2)	Total Personal Income (1)	Personal Income Per <u>Capita</u> (1)	Median Household Income (1)
2011	1,450	\$28,298,200	\$19,516	\$41,830
2010	1,450	28,298,200	19,516	41,830
2009	1,450	28,298,200	19,516	41,830
2008	1,450	28,298,200	19,516	41,830
2007	1,450	28,298,200	19,516	41,830
2006	1,450	28,298,200	19,516	41,830
2005	1,450	28,298,200	19,516	41,830
2004	1,450	28,298,200	19,516	41,830
2003	1,450	28,298,200	19,516	41,830
2002	1,450	28,298,200	19,516	41,830

Source 2000 & 2010 U.S. Census  
 Geauga County

(1) Information presented is for the Village of Burton. Information for the Townships of Burton, Troy and Claridon was not available.



Median Age (1)	Median Value of Residential Property (1)	Geauga County Unemployment Rate	Total Assessed Property Value
37.50	\$135,100	7.5 %	\$218,963,120
37.50	135,100	7.5	218,733,270
37.50	135,100	7.5	216,643,090
37.50	135,100	5.8	219,106,490
37.50	135,100	4.9	222,205,650
37.50	135,100	4.4	224,618,500
37.50	135,100	4.7	204,313,540
37.50	135,100	4.7	201,518,040
37.50	135,100	4.9	197,387,490
37.50	135,100	4.1	173,485,230

**Berkshire Local School District**  
*Principal Employers*  
*December 31, 2010 and December 31, 2004 (1)*

December 31, 2010			
Employer	City	Nature of Business or Activity	Employees
Great Lakes Cheese	Troy	Cheese Packaging and Distribution	600
Excell Polymers, LLC	Burton	Manufacturing	177
Burton Health Care	Burton	Long-term Health Care and Rehabilitation	140
Berkshire School Board of Education	Burton	Education	132
Preston Superstore	Burton	Automobile Sales	98
Duramax	Troy	Manufacturing	81
ARMS Trucking	Burton	Trucking	75
Ronyak Paving	Burton	Paving	70
BFG Supply, Incorporated	Burton	Wholesale Distributor - Greenhouse	50
Troy Manufacturing	Troy	Manufacturing	30
Total			1,453
Total Employment within the School District			n/a

December 31, 2004 (1)			
Employer	City	Nature of Business or Activity	Employees
Great Lakes Cheese	Troy	Packaging	500
Excell Polymers, LLC	Burton	Manufacturing	214
Berkshire School Board of Education	Burton	Education	190
Burton Health Care	Burton	Health Care	158
BFG	Burton	Sales	125
Duramax	Troy	Manufacturing	90
Preston Superstore	Burton	Sales	75
Ronyak Paving	Burton	Paving	66
ARMS Trucking	Burton	Trucking	65
Troy Manufacturing	Troy	Manufacturing	32
Total			1,515
Total Employment within the School District			n/a

Source: Village of Burton and the Townships of Burton and Troy, Ohio.

(1) Information prior to 2004 is not available.

n/a - Information not available.

**Berkshire Local School District**  
*Building Statistics by Function/Program*  
*Last Seven Fiscal Years (1)*

	2011	2010	2009	2008	2007	2006	2005
<b>Burton Elementary School</b>							
Constructed in 1959							
Total Building Square Footage	41,645	41,645	41,645	29,549	29,549	29,549	29,549
Enrollment Grades K-6	507	508	495	363	408	421	371
Student Capacity	640	640	640	450	450	450	450
Regular Instruction Classrooms	23	23	16	30	23	23	23
Regular Instruction Teachers	23	23	21	30	24	26	26
Special Instruction Classrooms	4	4	4	3	2	2	2
Special Instruction Teachers	8	8	8	3	2	3	3
<b>Troy Elementary School</b>							
Constructed in 1924							
Total Building Square Footage	0	0	18,556	18,556	18,556	18,556	18,556
Enrollment Grades 1-6	0	0	163	163	149	159	99
Student Capacity	0	0	190	190	190	190	190
Regular Instruction Classrooms	0	0	6	6	10	10	10
Regular Instruction Teachers	0	0	6	6	11	11	9
Special Instruction Classrooms	0	0	1	1	1	1	1
Special Instruction Teachers	0	0	1	1	1	1	1
<b>Claridon Elementary School</b>							
Constructed in 1920							
Total Building Square Footage	0	0	0	0	0	0	15,467
Enrollment Grades 1-6	0	0	0	0	0	0	142
Student Capacity	0	0	0	0	0	0	200
Regular Instruction Classrooms	0	0	0	0	0	0	6
Regular Instruction Teachers	0	0	0	0	0	0	6
Special Instruction Classrooms	0	0	0	0	0	0	0
Special Instruction Teachers	0	0	0	0	0	0	0
<b>Junior High/High School</b>							
Constructed in 1936							
Total Building Square Footage	95,485	95,485	95,485	95,485	95,485	95,485	95,485
Enrollment Grades 7-12	576	569	629	619	690	702	724
Student Capacity	760	760	760	760	760	760	760
Regular Instruction Classrooms	32	32	32	32	32	32	32
Regular Instruction Teachers	30	30	30	30	31	32	32
Special Instruction Classrooms	5	5	5	5	4	4	4
Special Instruction Teachers	5	5	5	5	4	4	4

(1) Information prior to 2005 is not available

Source: School District Records

**Berkshire Local School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

Fiscal Year	Expenditures	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio	Students Receiving Free or Reduced Lunch	Percentage of Enrollment
2011	\$12,608,608	1,083	\$11,642	2.73%	72	15.0	242	22.3%
2010	12,197,020	1,077	11,325	(3.21)	73	14.8	155	0.1
2009	12,320,124	1,124	10,961	11.78	73	15.4	144	12.8
2008	11,072,106	1,145	9,670	8.32	75	15.3	131	11.4
2007	11,055,672	1,247	8,866	2.81	75	16.6	54	4.3
2006	11,046,804	1,282	8,617	(0.46)	79	16.2	49	3.8
2005	11,564,567	1,336	8,656	5.21	86	15.5	47	3.5
2004	11,362,025	1,381	8,227	(0.48)	87	15.9	68	4.9
2003	11,383,961	1,377	8,267	2.37	88	15.6	52	3.8
2002	11,285,526	1,395	8,090	0.00	90	15.5	52	3.7

Source: School District Records

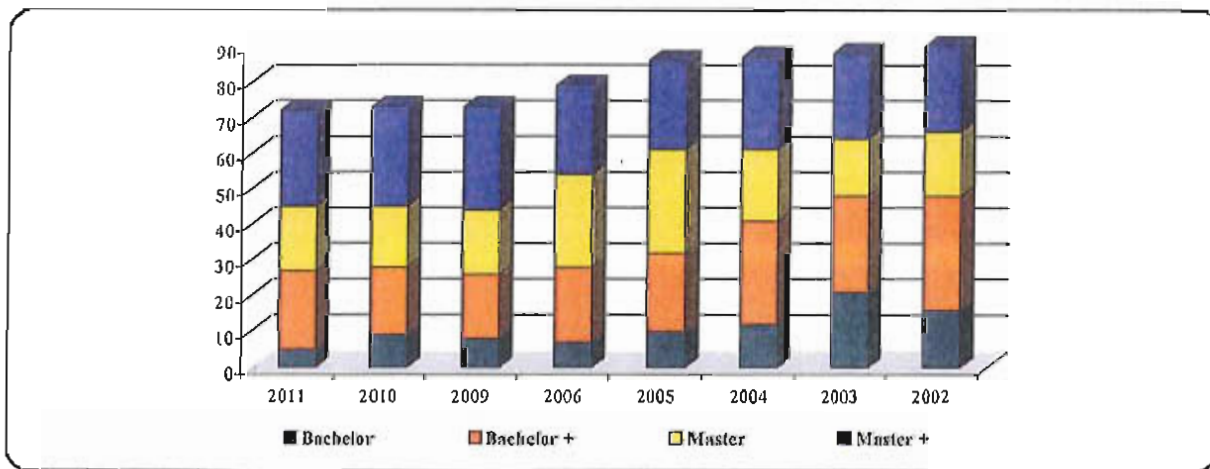
**Berkshire Local School District**  
*Attendance and Graduation Rates*  
*Last Ten School Years*

Fiscal Year	Berkshire Attendance Rate	State Average	Berkshire Graduation Rate	State Average
2010	94.30%	94.30%	95.20%	83.00%
2009	94.40	94.30	95.20	90.00
2008	94.60	93.00	94.20	90.00
2007	94.10	93.00	94.00	90.00
2006	95.20	94.10	95.30	86.20
2005	95.60	94.30	94.60	85.90
2004	95.90	94.50	95.40	84.30
2003	95.70	94.50	98.30	83.90
2002	95.50	94.30	92.50	82.80
2001	96.00	93.90	95.00	81.20

Source: Ohio Department of Education Local Report Cards

Berkshire Local School District  
Full-Time Equivalent School District Teachers by Education  
Last Ten Fiscal Years

Degree	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Bachelor's Degree	5	9	8	8	5	7	10	12	21	16
Bachelor + 15	7	4	3	3	2	0	4	3	8	7
Bachelor + 150	15	15	15	15	19	21	18	26	19	25
Master's Degree	18	17	18	20	22	26	29	20	16	18
Master + 15	13	12	11	11	13	11	11	14	11	9
Master + 30	14	16	18	18	14	14	14	12	13	15
Total	72	73	73	75	75	79	86	87	88	90



Source: School District Records

**Berkshire Local School District**  
*School District Employees by Function/Program*  
*Last Nine Fiscal Years (1)*

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Regular Instruction</b>									
Elementary Classroom Teachers	31.00	31.00	30.00	30.00	35.00	33.00	34.00	39.00	39.00
High School Classroom Teachers	30.00	29.00	30.00	30.00	31.00	31.00	33.00	33.00	33.00
<b>Special Instruction</b>									
Elementary Classroom Teachers	4.00	4.00	4.00	4.00	3.00	4.00	4.00	4.00	4.00
Gifted Education Teachers	1.00	1.00	1.00	1.00	0.50	0.50	1.00	1.00	1.00
High School Classroom Teachers	5.00	4.00	3.00	5.00	4.00	3.00	4.00	3.00	3.00
<b>Vocational Instruction</b>									
High School Classroom Teachers	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Pupil Support Services</b>									
Guidance Counselors	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Librarians	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Psychologists	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Nurse	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Aides	5.00	5.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
<b>Administration</b>									
Elementary	2.00	2.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00
High School	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Central Office	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Secretarial	7.50	7.50	8.00	3.00	3.00	3.00	3.00	3.00	3.00
Technology	1.00	1.00	1.50	1.50	1.00	1.00	1.00	1.00	1.00
<b>Fiscal Services</b>									
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Clerks	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Operation of Plant</b>									
Custodians	8.00	7.50	7.50	7.50	9.00	9.00	10.50	11.00	11.00
Maintenance	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00
<b>Pupil Transportation</b>									
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bus Drivers	10.00	10.00	10.00	10.00	9.00	13.00	13.00	13.00	13.00
Bus Aides	5.00	5.00	6.00	5.00	2.00	1.00	2.00	1.00	1.00
Van Drivers	2.00	2.00	2.00	2.00	1.00	1.00	2.00	1.00	0.50
<b>Food Service Program</b>									
Elementary Cooks	4.00	4.00	4.00	6.00	5.00	5.00	5.00	5.00	6.00
High School Cooks	3.00	3.00	3.00	4.00	4.00	4.00	5.00	5.00	4.00
<b>Totals</b>	<b>135.50</b>	<b>134.00</b>	<b>139.00</b>	<b>138.00</b>	<b>136.50</b>	<b>138.50</b>	<b>147.00</b>	<b>149.00</b>	<b>148.50</b>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at fiscal year end.

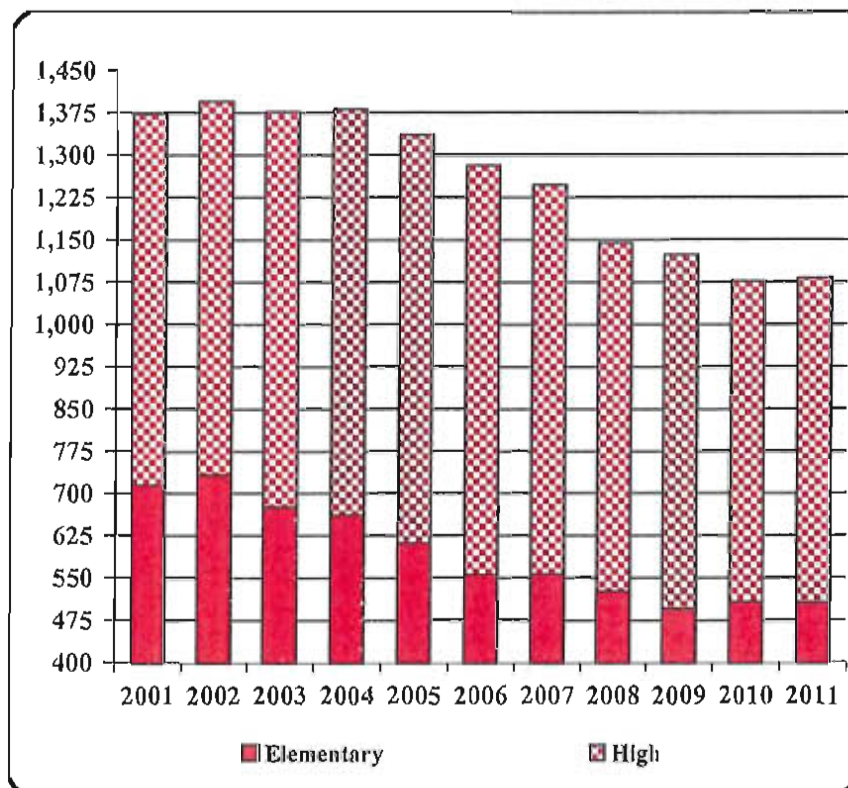
(1) Information prior to 2003 is not available

Source: School District Records

**Berkshire Local School District**  
*Enrollment Statistics*  
*Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Junior/High School	Total
2011	507	576	1,083
2010	508	569	1,077
2009	495	629	1,124
2008	526	619	1,145
2007	557	690	1,247
2006	556	726	1,282
2005	612	724	1,336
2004	661	720	1,381
2003	675	702	1,377
2002	732	663	1,395

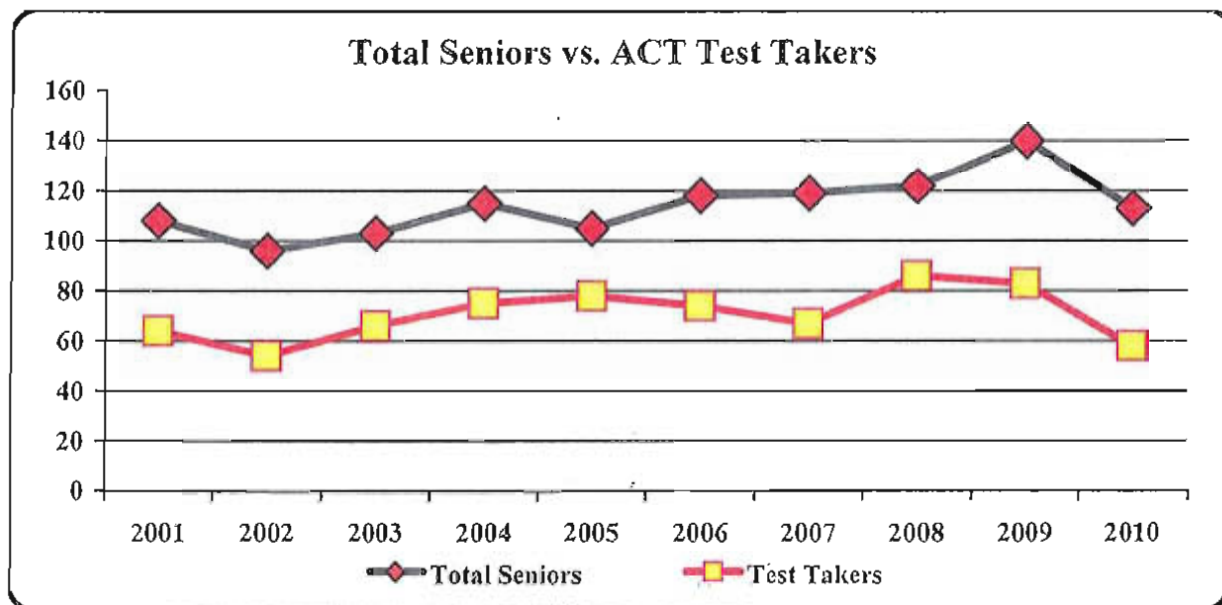
Source: School District Records





**Berkshire Local School District**  
*ACT Composite Scores*  
*Last Ten School Years*

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Berkshire Composite	Ohio Composite	National Composite
2011	71	54	131.48 %	22	21.8	21
2010	58	113	51.33	21.7	21.7	21.1
2009	83	140	59.29	22.6	21.7	21.1
2008	86	122	70.49	22.6	21.7	21.1
2007	67	119	56.30	22.4	21.6	21.2
2006	74	118	62.71	21.8	21.5	21.1
2005	78	105	74.29	20.7	21.4	20.9
2004	75	115	65.22	20.5	21.4	20.9
2003	66	103	64.08	22.1	21.4	20.8
2002	54	96	56.25	22.9	21.4	20.8



Source: High School Guidance Office,  
 Berkshire Local School District

**Berkshire Local School District**  
*SAT Composite Scores*  
*Last Ten Fiscal Years*

School Year	Number of Senior Test Takers	Berkshire Verbal	Ohio Verbal	National Verbal
2011	4	480	501	501
2010	4	510	537	502
2009	6	560	526	502
2008	n/a	n/a	534	502
2007	119	573	536	502
2006	118	570	535	503
2005	105	571	539	508
2004	115	575	538	508
2003	103	565	536	507
2002	96	526	533	504

Source: High School Guidance Office, Berkshire Local School District

n/a - Berkshire Local School District SAT information was not available

Berkshire Math	Ohio Math	National Math
520	516	516
520	546	515
530	533	515
n/a	544	515
568	542	515
560	544	518
555	543	520
574	542	518
539	541	519
503	540	516

**Berkshire Local School District**  
*Average Number of Students per Teacher*  
*Last Ten School Years*

Fiscal Year	Berkshire Average	State Average
2011	15.0	19.1
2010	14.8	19.1
2009	15.4	19.1
2008	15.3	18.6
2007	16.6	19.6
2006	16.2	18.6
2005	15.5	18.5
2004	15.9	18.5
2003	15.6	16.5
2002	15.5	16.9

Source: Ohio Department of Education, EMIS Reports