



Westlake, Ohio

We Educate For Excellence...



Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2012



Board of Education

Thomas C. Mays, President
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Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012

Prepared By
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WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

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INTRODUCTORY SECTION



December 18, 2012

Board of Education Members
Westlake City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Westlake City School District (the "District") for the fiscal year ended June 30, 2012. This CAFR includes an opinion from the State Auditor and conforms to accounting principles generally accepted in the United States of America as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Westlake City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be made available to the Porter Public Library, major taxpayers, financial rating services and other interested parties.

The Reporting Entity

The District has reviewed its reporting entity definition in order to ensure conformance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Westlake City School District (the primary government) and its potential component units. The District has no component units.

Excluded from the reporting entity because they are fiscally independent of the District are the City of Westlake, the Parent Teacher Organization, and West Shore Career Technical District.

The North Coast Council and the Ohio Schools Council Association are jointly governed organizations and the Porter Public Library is a related organization whose relationships to the District are described in Note 2, to the basic financial statements.

A complete discussion of the District's reporting entity is provided in Note 2.A to the basic financial statements.

Organizational Structure

Statutorily, the District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer (CEO), and the Treasurer, who serves as the Chief Financial Officer (CFO).

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The District provides education to 4,065 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District's enrollment has remained relatively flat over the last several years and is projected to slightly increase in the foreseeable future.

The Westlake City School District

The Westlake City School District (formerly known as the Dover School District) was originally organized in 1898. Later in 1913, the school burned and a new school building was constructed to educate students. Over the years, the District has grown in size and now supports seven instructional buildings: high school (inclusive of a Performing Arts Center and Television studio), middle school, intermediate school and four elementary buildings. The schools range in age from 39 to 60 years old. In addition, the District owns and operates an administrative and transportation facility to accommodate the oversight needs within the District.

Economic Condition and Outlook

In the 2010 Census classifications, the District was in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (MSA), comprised of the five counties of Cuyahoga, Geauga, Lake, Lorain and Medina. It was also in the Cleveland-Akron Consolidated Statistical Area (CSA). Effective in 2003, the Cleveland-Lorain-Elyria Primary Metropolitan Statistical Area (PMSA) was redefined to exclude Ashtabula County and was reclassified as the MSA. Only limited statistics are now available for the new MSA and CSA.

The City's 2011 population was 32,729. See **Demographic and Economic Statistics – Population** in the statistical section. Its area is approximately 15.9 square miles. Land use, as measured by the assessed value of real property, is presented in the following table.

Percent of Assessed Valuation of Real Property	
Residential	71.89%
Commercial/Industrial	28.11
Public Utility	0.00
Agricultural	0.00
Undeveloped	(a)

(a) Included in above categories.
Source: County Fiscal Officer.

The City of Westlake (the "City") is one of the leaders in Cuyahoga County in growth and development. The School District's general area is served by diversified transportation facilities, including three State and one U.S. highway and I-80, I-480 and I-90 (located within the City). It is served by Norfolk and Southern Railroad and is adjacent to areas served by Conrail and Amtrak, and is also served by passenger air services at Cleveland Hopkins International Airport located seven miles from the City and by Burke Lakefront Airport located 15 miles from the City. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority. While primarily developed as a residential suburb, the City contains a significant number of corporate facilities, office parks, hotels, wholesale distribution facilities and other industrial and commercial developments. While most of the residentially zoned land has been developed some commercial and industrial zoned land remains available for use. The City's development plan forecasts full growth by 2020.

Banking and financial services are provided to the area by several local commercial banks and savings and loan associations, all of which have their principal offices elsewhere.

Several daily newspapers, including *The [Cleveland] Plain Dealer*, and two weekly newspapers serve the area. The District is within the broadcast area of seven television stations and 30 AM and FM radio stations. Multi-channel cable television service, including educational, governmental and public access channels, is currently available to District via the local cable authority.

Several acute-care hospitals with a total capacity in excess of 11,790 beds serve the PMSA. City residents are served by St. John-West Shore Hospital which is located in the City (and affiliated with University Hospitals of Cleveland), and three hospitals located in nearby cities: Lakewood Hospital, Southwest General Hospital and Fairview General Hospital. These four hospitals have a total capacity of approximately 1,400 beds. Also located within the City are clinic and outpatient facilities for every major health care provider in the Cleveland area, including the Cleveland Clinic. In addition, the main facilities of the Cleveland Clinic Foundation and University Hospitals Health Systems, with a total capacity in excess of 10,700 beds, serve the PMSA.

Within commuting distance are numerous public and private two-year and four-year colleges and universities, including Baldwin-Wallace College, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lorain County Community College, Notre Dame College, Oberlin College, University of Akron, Ursuline College, the Cleveland Institute of Music and the Cleveland Institute of Art. Cuyahoga Community College's Corporate College and Cleveland State University's West Center are located within the City.

The District is served by varied recreational facilities. The City operates a park system of four parks with a total of 290 acres, offering facilities which include playgrounds, tennis courts, baseball diamonds, an outdoor swimming pool, picnic areas and pavilions, an entertainment pavilion, a community cabin and a nature park. Additionally, the City purchased an existing nine-hole golf course in 1988 and also purchased, in 1990, an adjacent 18-hole golf course, which were reconfigured to create a 27-hole golf course that the City operates.

The City is one of three cities (Rocky River and Fairview Park being the others) that operate the 14-acre Tri-City Park offering a baseball diamond, soccer field, basketball court, playground area, parking facility and four tennis courts.

The City opened its Recreation Center to the public on November 2, 1998. The Recreation Center includes a recreation building with an aquatic room housing five pools, a diving well, and spectator seating and a family locker room in addition to men's and women's locker facilities. The pool area opens onto an outdoor terrace for summer use. The gymnasium contains two regulation basketball courts with optional use as four smaller basketball or volleyball courts. A one-twelfth-mile, three lane running/walking track occupies the gym at mezzanine level. Also included are a lobby and snack area overlooking the pool, an aerobics/multi-purpose room, an exercise and fitness room, an arts and crafts room, a babysitting facility, staff offices and meeting space, and a community room with an associated warming kitchen. The Recreation Center is situated on an 86-acre park-like setting, including two full-size soccer fields, three smaller soccer fields, two softball/baseball diamonds, five tennis courts, and an extensive paved path for biking, jogging, walking, and rollerblading. A concession/restroom building serves users of the playing fields.

Other recreational and community assets in the PMSA include four professional sports teams offering year-round entertainment at different locations in the PMSA, and the Cleveland Metroparks System (Metroparks), which consists of nearly 19,000 acres of natural beauty with many scenic, historic and geologic features in Cuyahoga, Lorain and Medina counties. Over 100 miles of parkways provide easy access to the Metroparks facilities designed in accordance with the park's conservation goals: wildlife management areas and waterfowl sanctuaries; picnic areas and playfields; hiking, bridle, all-purpose and physical fitness trails; six golf courses; swimming, boating and fishing areas; stables; tobogganing, sledding, skating and cross-country skiing areas; and four nature centers offering nature exhibits and programs. A principal asset of the Metroparks is the Cleveland Zoo counting over 3,000 animals occupying 165 rolling, wooded acres, and which is accredited by the American Association of Zoological Parks and Aquariums.

In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on eighty acres in the western part of the City. When fully completed, this development will create a downtown center for the City with retail, office, restaurant, and residential spaces. A grand opening for the first phase of this development was held in November 2004. In 2006, construction began on 116 units of residential housing consisting of lofts and townhomes that surround themed gardens.

In addition to new commercial/industrial development, the City approved plans for several additional upscale subdivisions throughout the City. Strong housing values continue to provide evidence of this upscale community. Recent new home sales range from \$600,000-\$800,000 with some topping \$1,000,000.

Due to the economic success of the City, the District has a positive outlook for future tax based revenues resulting from the good mix of residential, commercial and industrial entities.

Major Initiatives

During fiscal year 2012, 4,065 students were enrolled in the District's seven schools (four elementary schools, one intermediate school, one middle school, and one high school). The enrollment figure includes District residents attending classes at the West Shore Career Technical District (described further below).

The high school curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extracurricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs, and multipurpose rooms or gyms for student activities.

The District is one of the school districts in the West Shore Career Technical District (West Shore Career Tech), which also includes the Bay Village, Rocky River, and Lakewood City School Districts. During the 2011-12 school year, this vocational program had approximately 630 students enrolled in either a two-year intensive training or one year work/study program. Vocational courses offered at the high school include Occupational Work Experience and Computer Office Education. Other vocational programs are available at West Shore Career Technical District.

As mentioned, the District operates four elementary buildings, one intermediate building, one middle school, and one high school. The neighborhood school concept is maintained for the District's younger children, while in the upper grades, the grade level buildings provide for a more efficient use of teaching personnel and equipment, and increase opportunities for staff teaming within grade levels and articulation between grade levels.

The District is characterized by high academic performance. For 2011-12 the District was designated “Excellent with Distinction” by the State of Ohio. Students consistently score well above the state average at the third through eighth and tenth grade levels on the State achievement tests, earning the District its 14th consecutive “Excellent” rating on the State Report Card. Westlake High School students’ ACT scores were in the top 4% in Ohio and both the SAT and ACT scores are consistently above the national and State averages. In recent years, the District has had dozens students earn National Merit Semifinalist and Commended student honors. In 2011-12 Westlake High School had five National Merit finalists. The Westlake Schools is one of fewer than 400 public school districts in the nation to achieve a listing on the 2nd Annual AP Honor Roll for increasing access to Advanced Placement coursework while maintaining the percentage of students earning high scores on the exams. Students earning the National Merit Semifinalist designation scored in the upper one-half of one percent of graduating seniors in the nation.

The School District’s educational program includes these attributes and accomplishments, among others:

- 18 Advanced Placement courses and 25 honors courses in a variety of disciplines.
- One of Ohio’s top high school engineering and design programs.
- Middle school engineering and design class for all students.
- Gifted program offering differentiated services to students K-12. Students are selected for the program based on achievement tests, teacher assessments, parent assessments, and tests of cognitive ability.
- World Language program offered to students in grades 1-12. Spanish and French in grades 1-6; Spanish, French, German, Arabic, Latin, and Chinese in grades 7-12.
- Comprehensive K-12 Language Arts program currently undergoing a materials adoption.
- Comprehensive K-12 Mathematics program that included a materials adoption in 2009.
- Music program for all K-12 students that includes an instrumental, strings, and chorus program beginning in grade 5. Students are consistently recognized with superior performance ratings at Ohio Music Education Association State Contests.
- The Westlake High School television station, WHBS-TV, provides students a unique opportunity to experience a working television studio. The station has earned Emmy nominations from the National Academy of Television Arts and Sciences, Midwest Region. A version of this program has been offered to middle school students since 2003.
- Middle school and high school students participate in many academic contests through the year, including but not limited to Academic Challenge, Math Counts, Robotics Competitions, Design Squad Competitions, Science Olympiad, the Northwestern Midwest Talent Search, Scholastic Art Competitions, and Spelling and Geography Bees. Students have received regional, state, and national recognition for their accomplishments.

- In 2008, Lee Burneson Middle School received a \$500,000 grant from the Ohio Board of Regents to incorporate a STEM Program of Excellence. The grant was used for professional development, technology and instructional materials to strengthen the study and integration of science, technology, engineering and mathematics in to the middle school curriculum. The District's STEM Program of Excellence was selected as a National Magna Best Practice by the American School Board Journal. This was followed by a \$40,000 grant in 2010 for the same program.
- The School District has partnered with two neighboring school districts to attain a \$40,000 grant to support the International Baccalaureate HS Diploma Programme. The district also attained a \$16,000 from Nordson Corporation for this pursuit.
- District staff members have been recognized as Martha Holden Jennings scholars. The Martha Holden Jennings Math Teacher of the Year for the State of Ohio in 2009 was a School District staff member.
- The Lee Burneson Environmental Club was awarded national recognition and a \$10,000 grant award from Busch Gardens for its environmental projects. The Club traveled to Africa in July 2010 for the Maasai Music Project. This project is a joint educational, cross-cultural venture involving the Cincinnati Zoo, Miami University, the African Conservation Center, and the Environmental Club of the School District.
- Five Lee Burneson Middle School students scored in the top 1 percent among 150,000 students who took the AMC 8, a 25-question international mathematics test sponsored by the University of Nebraska.
- All four elementary schools are designated as International Baccalaureate Candidate Schools.
- The District has a nationally recognized arts program with numerous National Gold Key award winners over the past five years.

The District operates a before- and after-school care program which serves approximately 400 students during the school year and approximately 250 students during the summer by providing supervised care and activities, and participates in a joint effort with the City and area churches to prevent chemical abuse.

A Continuous Improvement Plan (CIP) for the District was adopted by the Board on February 24, 2000, following its development from May to November 1999. This five-year, data-based, accountability plan (1999-2004) included (1) analysis of needs and strengths, (2) sets of goals, performance indicators, and strategies, (3) action plans for each goal (tasks, responsibilities, resources, timelines), (4) action plan chronology, and (5) structure for annual audits of performance indicators.

A Continuous Improvement Plan Monitoring Committee was established shortly after the adoption of the CIP in order to assess the implementation of action plans, status of yearly performance indicators, and degree to which CIP goals were reached. This Committee meets periodically to review data submitted by individuals identified as "persons responsible" for implementation of specific action plans during a given interval of time.

In addition to participation by area residents in activities, community involvement is evidenced by citizen membership on various Board and District committees that include, among others, buildings and grounds, transportation and curriculum advisement. A 20/20 Vision Committee was established two years ago to study and recommend facilities improvements for the District. The result was the successful passage of a 3.4 mill bond issue in May 2010. Board and City officials meet regularly to discuss matters of mutual interest. Furthermore, the District participated in several City/District partnerships for bicentennial celebration in 2011. Kindergarten through grade 12 students participated in an art exchange with Tralee, Ireland, the middle school students planted a rain garden with support from the Westlake Garden Club, and high school students worked with city engineers to design an eco-friendly retention basin.

The Board has established a community information program that includes a formal communications office, informational newsletters to residents, a District cable television channel, and an annual community survey.

Community News: The District has several avenues of communication, including print and e-mail newsletters, to deliver news and information about the School District to City residents:

- [Commentary](#) -- covers features on student and staff activities and awards, programs available to the public, financial information, the business side of the School District and other general news. This newsletter is delivered 4 to 6 times annually to all City residents.
- [Key Communiqué](#) -- an e-newsletter that is distributed at least once a month during the school year to provide the latest news and upcoming event information for the School District. Anyone can subscribe to this e-newsletter.
- [News Releases](#) -- individual news items sent to the local media about contests, photo opportunities, upcoming events, or general informational messages.

Employee News: The District offers different tools to communicate with staff on a range of topics:

- [Around the Schools](#) -- a publication for and about School District employees is delivered via e-mail to all staff members each Monday.
- [Curriculum Notes](#) -- a staff publication that focuses more on educational happenings within the School District, including features on classroom innovations, professional development opportunities, and State and national educational updates.

Website: The District website is a comprehensive source of information about the School District. Users of the site can access information on news from the schools and various departments, teacher web sites, athletic information, and upcoming events. Parents are granted access to the District's PowerSchool program for online access to student grades and other information posted by teachers.

Social Media plays an important part in the district communication plan. The district has a Facebook page, twitter account and provides RSS feeds for calendar events in all buildings.

The District's Performance Index Score (a weighted average of State "report card" performance levels across subject areas and each tested grade) has been 106.3 in 2008-09, 106.2 in 2009-10, 107.2 in 2010-11 and 107.9 in 2011-12. The graduation rate (State requirement 90%) for academic year 2009-10 (State reporting for 2010-11 was 98.7%). The attendance rate (all grades) (State requirement 93%) for academic year 2009-10 and for 2010-11 was 95.4%.

The percentage of District students scoring at and above the proficient level in the State's proficiency testing programs were as follows:

3rd Grade Achievement	District
Reading	93.1%
Mathematics	92.8%
4th Grade Achievement	District
Reading	94.9%
Mathematics	92%
5th Grade Achievement	District
Reading	92.2%
Mathematics	88.5%
Science	87.3%
6th Grade Achievement	District
Reading	96.3%
Mathematics	92.5%
7th Grade Achievement	District
Reading	94.6%
Mathematics	89.6%
8th Grade Achievement	District
Reading	96.7%
Mathematics	94.9%
Science	91.1%
10th Grade Achievement	District
Reading	96.3%
Mathematics	94.3%
Writing	96.6%
Science	94.8%
Social Studies	93.4%
11th Grade Achievement	District
Reading	99%
Mathematics	97.8%
Writing	99.4%
Science	98.1%
Social Studies	99%

For the 2011-12 school year, the District met 26 of the 26 State indicators and was designated an “Excellent with Distinction” school district by the State Department of Education, based on achievement and proficiency test scores, attendance rate and graduation rate.

The District does not take its Excellent with Distinction designation lightly. A committed student body, supportive parents, dedicated staff and positive community input all works in synergy to make our mission of excellence reality.

Long-Term Financial Planning

As part of the District’s long-term planning, the CFO prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expense over the next five years and is accompanied by financial assumption notes. The Board of Education minimally reviews this document on a quarterly basis for changes that might impact their financial decisions.

Financial Policies Impacting the Financial Statements

The District has offered a Retirement Incentive Bonus (“RIB”) and a Health Care Reimbursement Account (“HRA”) to certified teaching employees who are currently eligible to retire with the State Teachers Retirement System. Teachers electing to retire and accept the RIB and HRA are entitled to their normal severance payment plus a \$17,000 RIB plus an \$8,000 HRA. The employee’s RIB payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee’s HRA payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date.

The employee’s RIB and HRA payments have been recorded as “retirement incentive payable” on the fund financial statements to the extent that each will be liquidated using current expendable financial resources. The entire liability is recorded on the statement of net assets.

At June 30, 2012, the total liability for retirement incentives (both RIB and HRA payments) is \$393,750. Of this total, \$168,750 is due within one year and recorded as a liability of the general fund. The remaining long-term portion is payable through fiscal year 2016.

Financial Information

Internal Accounting and Budgetary Control

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund, function and object level for all funds. All purchase order requests must be approved by either the Superintendent or the Assistant Superintendent and certified by the CFO/Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished with monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by the District are fully described in Note 2 of the basic financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Presentation

The District's basic financial statements consist of the following:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish those activities of the District that are governmental in nature.

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

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

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Accountants' Report, providing an assessment of the District's finances for fiscal year 2012 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Financial Highlights – Fiduciary Fund

The trust fund carried on the financial records of the District is a college scholarship private-purpose trust fund that has net assets totaling \$74,716 as of June 30, 2012. The trust fund earns interest and distributes scholarships.

Financial Highlights – Internal Service Fund

The only internal service fund carried on the financial records relates to former self-insurance program for employee medical, surgical, prescription drug, dental and vision benefits. The District is no longer self-insured for these risks of loss but has obtained insurance coverage through the Suburban Health Consortium, and insurance purchasing pool. The internal service fund had net assets of \$1,637,587 at June 30, 2012 and June 30, 2011. The internal service fund had no activity during fiscal year 2012.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Dave Yost, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2012. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

Awards

GFOA Certificate of Achievement

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

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

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

The preparation of this report would not have been possible without the assistance and support of the staff of the CFO/Treasurer's office, various administrators and staff members of the District. In addition, assistance from the County Fiscal Officer's staff and outside agencies made possible the fair presentation of statistical data.

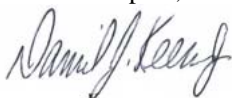
Special appreciation is expressed to the accounting firm of Julian & Grube, Inc. for assistance in planning, designing and reviewing this financial report.

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

Respectfully Submitted,



Mark C. Pepera, CFO/Treasurer



Dr. Daniel J. Keenan Jr., Superintendent of Schools

Westlake City School District
Principal Officials
June 30, 2012

Board of Education

Mr. Thomas Mays President
Ms. Carol Winter..... Vice-President
Mr. Nate Cross Member
Ms. Barb Leszynski..... Member
Mr. Tony Falcone..... Member

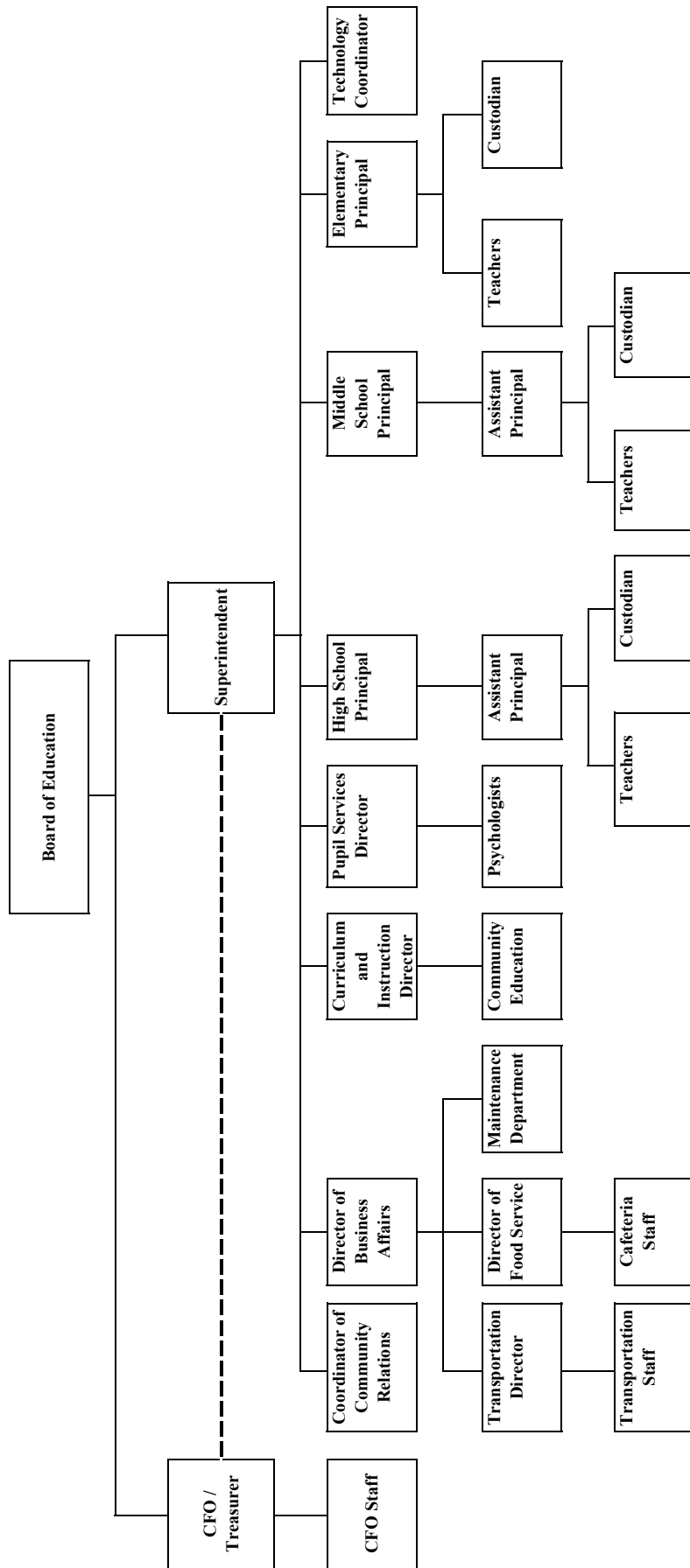
Chief Financial Officer/Treasurer

Mr. Mark C. Pepera

Executive Administration

Dr. Daniel J. Keenan Jr. Superintendent
Mr. David Puffer Director of Business Affairs
Mrs. Pam Griebel Director of Curriculum and Instruction

Westlake City School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westlake City School District
Ohio

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

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



Linda C. Sandison

President

Jeffrey R. Emer

Executive Director

***FINANCIAL
SECTION***



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westlake City School District
Cuyahoga County
27200 Hilliard Boulevard
Westlake, Ohio 44145

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 Westlake City School District, Cuyahoga County, Ohio, (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Westlake City School District, Cuyahoga County, Ohio, as of June 30, 2012, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2012, 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 relates 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". The signature is fluid and cursive, with a large loop at the end.

Dave Yost
Auditor of State

December 18, 2012

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

The management's discussion and analysis of the Westlake City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- In total, net assets of governmental activities increased \$1,819,162 which represents a 3.52% increase from 2011.
- General revenues accounted for \$56,402,050 in revenue or 89.26% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$6,785,020 or 10.74% of total revenues of \$63,187,070.
- The District had \$61,367,908 in expenses related to governmental activities; only \$6,785,020 of these expenses was offset by program specific charges for services and sales and operating grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$56,402,050 were adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and building fund. The general fund had \$49,551,800 in revenues and other financing sources and \$51,630,769 in expenditures and other financing uses. During fiscal 2012, the general fund's fund balance decreased \$2,078,969 from a balance of \$22,291,984 to \$20,213,015.
- The bond retirement fund had \$16,311,706 in revenues and other financing sources and \$16,108,274 in expenditures and other financing uses. During fiscal 2012, the bond retirement fund's fund balance increased \$203,432 from \$6,263,482 to \$6,466,914.
- The building fund had \$256,061 in revenues and \$19,442,023 in expenditures. During fiscal 2012, the building fund's fund balance decreased \$19,185,962 from a balance of \$81,347,384 to \$62,161,422.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Reporting the District as a Whole

Statement of net assets and the statement of activities

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

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

In the statement of net assets and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The District's statement of net assets and statement of activities can be found on pages 17-18 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 10. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and building fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net assets and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 19-23 of this report.

Proprietary Funds

Proprietary funds focus on the District's ongoing activities which are similar to those found in the private sector where net income is necessary or useful to sound financial management. Proprietary funds utilize the *accrual basis* of accounting under which revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

The District's only proprietary fund is an internal service fund which was used to account for a former self-insurance program for employee medical, surgical, prescription drug, dental and vision benefits. Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments on a cost-reimbursement basis. Proprietary fund statements can be found on pages 24-26 of the basic financial statements. For reporting on the statement of net assets and the statement of activities, internal service fund activities are eliminated and consolidated with governmental activities.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals or other entities. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages 27-28. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 29-63 of this report.

The District as a Whole

The statement of net assets provides the perspective of the District as a whole. The table below provides a summary of the District's net assets for 2012 and 2011.

	Net Assets	
	Governmental Activities 2012	Governmental Activities 2011
<u>Assets</u>		
Current and other assets	\$ 145,006,294	\$ 162,353,458
Capital assets, net	64,361,207	46,177,255
Total assets	<u>209,367,501</u>	<u>208,530,713</u>
<u>Liabilities</u>		
Current liabilities	50,045,588	47,030,602
Long-term liabilities	105,823,378	109,820,738
Total liabilities	<u>155,868,966</u>	<u>156,851,340</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	29,978,435	26,697,219
Restricted	7,502,554	6,752,055
Unrestricted	16,017,546	18,230,099
Total net assets	<u>\$ 53,498,535</u>	<u>\$ 51,679,373</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

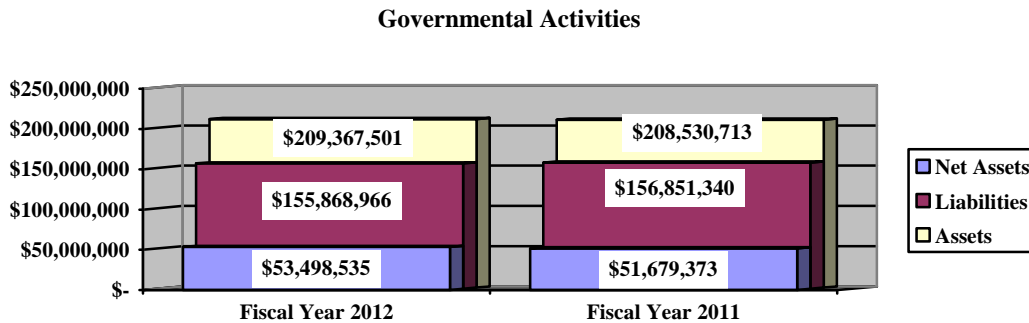
The increase in capital assets is due to the construction in progress work performed over the school improvements during the fiscal year. The increase in current liabilities is due to contracts payable on the capital assets due to the school improvement projects during the fiscal year. The decrease in long term liabilities is due to the payment of bonds in the current fiscal year. Restricted net assets increased to the amounts restricted for both debt service and capital projects.

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2012, the District's assets exceeded liabilities by \$53,498,535. Of this total, \$7,502,554 is restricted in use.

At year-end, capital assets represented 30.74% of total assets. Capital assets include land, construction in progress (CIP), land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. Invested in capital assets, net of related debt to acquire the assets at June 30, 2012, were \$29,978,435. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$7,502,554, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets is \$16,017,546.

The graph below illustrates the District's governmental activities assets, liabilities and net assets at June 30, 2012 and 2011:



The table on the following page shows the change in net assets for fiscal years 2012 and 2011.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Change in Net Assets

	Governmental Activities 2012	Governmental Activities 2011
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 2,402,131	\$ 2,025,265
Operating grants and contributions	4,382,889	4,801,544
General revenues:		
Property taxes	45,979,810	45,092,885
Grants and entitlements	9,901,584	11,180,263
Investment earnings	392,826	545,781
Miscellaneous	127,830	155,827
Total revenues	<u>63,187,070</u>	<u>63,801,565</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	23,352,699	23,000,156
Special	5,113,771	5,355,715
Vocational	279,679	277,138
Adult/continuing	75,712	93,920
Other	1,982,160	1,584,547
Support services:		
Pupil	3,688,102	3,735,847
Instructional staff	3,893,297	3,631,697
Board of education	34,898	31,539
Administration	3,111,459	2,946,534
Fiscal	1,339,376	1,246,556
Business	417,407	345,423
Operations and maintenance	4,563,603	4,709,177
Pupil transportation	4,529,102	4,679,476
Central	116,643	151,995
Operation of non-instructional services:		
Other non-instructional services	726,157	736,810
Food service operations	1,345,128	1,276,077
Extracurricular activities	1,539,352	1,604,308
Interest and fiscal charges	<u>5,259,363</u>	<u>4,815,718</u>
Total expenses	<u>61,367,908</u>	<u>60,222,633</u>
Change in net assets	1,819,162	3,578,932
Net assets at beginning of year	<u>51,679,373</u>	<u>48,100,441</u>
Net assets at end of year	<u><u>\$ 53,498,535</u></u>	<u><u>\$ 51,679,373</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Governmental Activities

Net assets of the District's governmental activities increased \$1,819,162. Total governmental expenses of \$61,367,908 were offset by program revenues of \$6,785,020 and general revenues of \$56,402,050. Program revenues supported 11.06% of the total governmental expenses.

In the area of program revenues, the significant decrease was in operating grants and contributions which decreased \$418,655. This decrease is attributable primarily to federal grants for education stabilization and education jobs that were issued for 2011 in the amount of \$205,620 and \$114,533 respectively.

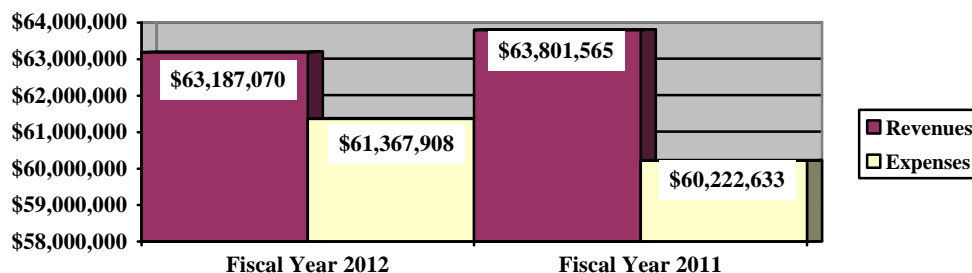
The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 88.44% of total governmental revenue. Tax revenue increased as the District continued collection of the 3.4 mill bond issue to support phase I of the District's capital improvement plan which was approved by the voters in May 2010.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$30,804,021 or 50.20% of total governmental expenses for fiscal 2012. Instruction expenses increased \$492,545, or 1.62%, from fiscal year 2011.

The increase in property taxes of 1.97 percent, coupled with expenses increasing about 1.90% over the prior year still allowed the increase in change in net assets. The increase in expenses is primarily due to an increase in interest and fiscal charges related to the refunding bond issue of the District and an increase in instruction related expenses. The District has worked to control costs through retirement incentives and other measures.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2012 and 2011.

Governmental Activities - Revenues and Expenses



**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

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

Governmental Activities

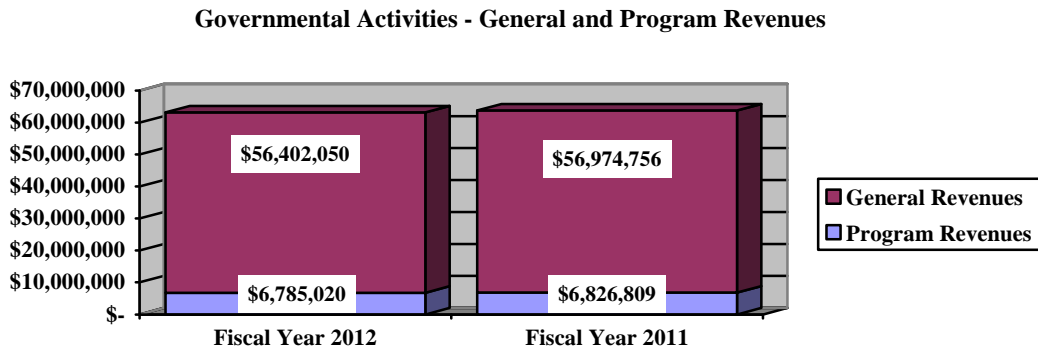
	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>
Program expenses				
Instruction:				
Regular	\$ 23,352,699	\$ 22,876,897	\$ 23,000,156	\$ 22,581,759
Special	5,113,771	4,709,563	5,355,715	4,596,740
Vocational	279,679	279,679	277,138	277,138
Adult/continuing	75,712	(3,258)	93,920	1,468
Other	1,982,160	1,703,187	1,584,547	1,265,578
Support services:				
Pupil	3,688,102	3,444,982	3,735,847	3,397,937
Instructional staff	3,893,297	3,628,308	3,631,697	3,323,356
Board of education	34,898	34,898	31,539	31,539
Administration	3,111,459	3,002,783	2,946,534	2,848,012
Fiscal	1,339,376	1,339,376	1,246,556	1,246,556
Business	417,407	417,407	345,423	345,423
Operations and maintenance	4,563,603	4,511,209	4,709,177	4,486,520
Pupil transportation	4,529,102	4,265,269	4,679,476	4,469,775
Central	116,643	104,043	151,995	131,070
Operation of non-instructional services:				
Other non-instructional services	726,157	(103,086)	736,810	(27,320)
Food service operations	1,345,128	(1,791)	1,276,077	19,432
Extracurricular activities	1,539,352	871,124	1,604,308	937,087
Interest and fiscal charges	<u>5,259,363</u>	<u>3,502,298</u>	<u>4,815,718</u>	<u>3,463,754</u>
Total expenses	<u>\$ 61,367,908</u>	<u>\$ 54,582,888</u>	<u>\$ 60,222,633</u>	<u>\$ 53,395,824</u>

The dependence upon tax and other general revenues for governmental activities is apparent, 95.98% of instruction activities are supported through taxes, grants and entitlements and other general revenues. For all governmental activities, general revenue support is 88.94%. Taxes and unrestricted grants and entitlements from the State of Ohio, as a whole, are by far the primary support for the District's students.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

The graph below presents the District's governmental activities revenue for fiscal year 2012 and 2011.



The District's Funds

The District's governmental funds (as presented on page 19) reported a combined fund balance of \$89,387,293, which is lower than last year's total of \$110,256,994. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2012 and 2011.

	Fund Balance <u>June 30, 2012</u>	Fund Balance <u>June 30, 2011</u>	Increase <u>(decrease)</u>
General	\$ 20,213,015	\$ 22,291,984	\$ (2,078,969)
Bond Retirement	6,466,914	6,263,482	203,432
Building	62,161,422	81,347,384	(19,185,962)
Other Governmental	<u>545,942</u>	<u>354,144</u>	<u>191,798</u>
Total	<u>\$ 89,387,293</u>	<u>\$ 110,256,994</u>	<u>\$ (20,869,701)</u>

General Fund

The District's general fund balance decreased \$2,078,969. An analysis of the general fund's revenues and expenditures is presented on the following page.

Bond Retirement Fund

The bond retirement fund had \$16,311,706 in revenues and other financing sources and \$16,108,274 in expenditures and other financing uses. During fiscal 2012, the bond retirement fund's fund balance increased \$203,432 from \$6,263,482 to \$6,466,914. Revenues increased due to collection on the 3.4 mill bond levy approved by the voters in May 2010. In addition, the District received \$1.35 million in subsidies from the federal government to help offset debt service expenses related to the issuance of BABs and QSCBs. The bond retirement fund also reported other financing sources and other financing uses as the District refunded bonds from 2003. Taxes generated by the District for bond retirement are sufficient to repay future principal and interest obligations.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Building Fund

The building fund had \$256,061 in revenues and \$19,442,023 in expenditures. During fiscal 2012, the building fund's fund balance decreased \$19,185,962 from a balance of \$81,347,384 to a balance of \$62,161,422. During fiscal year 2012, the District recorded expenditures of approximately \$19.442 million related to construction costs on the building project.

Other Governmental Funds

The fund balances of the other governmental funds increased 54.16% from the prior year. This increase was primarily due to a decrease in expenditures of 15.13% and a decrease in revenues of only 13.77%. The increase in fund balance was \$36,483 or 23.49% higher than the prior year increase.

The table that follows assists in illustrating the financial activities of the general fund.

	<u>2012 Amount</u>	<u>2011 Amount</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
<u>Revenues</u>				
Taxes	\$ 38,764,058	\$ 39,463,715	\$ (699,657)	(1.77) %
Tuition	688,926	425,948	262,978	61.74 %
Earnings on investments	180,349	258,868	(78,519)	(30.33) %
Intergovernmental	9,351,617	10,823,041	(1,471,424)	(13.60) %
Other revenues	<u>566,423</u>	<u>624,764</u>	<u>(58,341)</u>	(9.34) %
Total	<u>\$ 49,551,373</u>	<u>\$ 51,596,336</u>	<u>\$ (2,044,963)</u>	(3.96) %
<u>Expenditures</u>				
Instruction	\$ 29,420,961	\$ 28,250,210	1,170,751	4.14 %
Support services	20,460,521	20,528,719	(68,198)	(0.33) %
Other non-instructional services	306,958	250,088	56,870	22.74 %
Extracurricular activities	1,208,153	1,242,596	(34,443)	(2.77) %
Facilities acquisition and construction	139,501	37,943	101,558	267.66 %
Debt service	<u>84,675</u>	<u>84,675</u>	<u>-</u>	- %
Total	<u>\$ 51,620,769</u>	<u>\$ 50,394,231</u>	<u>\$ 1,226,538</u>	2.43 %

The decrease in tax revenue for fiscal year 2012 resulted from fluctuations in the amount of tax advance available from the Cuyahoga County Fiscal Officer at fiscal year-end. The amount of tax advance available can vary depending upon when tax bills are sent out by Cuyahoga County. At June 30, 2012, 2011 and 2010, the amount of tax advance available to the general fund was \$5,010,140, \$5,377,929 and \$5,001,385, respectively. The amount of tax advance available at fiscal year-end is reported as revenue in the general fund on the modified accrual basis of accounting. The decrease in intergovernmental revenues is due to the phasing out of reimbursement revenue for the tangible personal property taxes from the State. All other revenue items were comparable to the prior year or were immaterial in variance amount.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Instruction expenditures increased due to normal and customary increases in employee wage, benefit and retirement contributions.

Facilities acquisition and construction increased as the District started to perform more building improvement projects in the building fund versus the general fund. All expenditure items remained consistent with the prior year or were immaterial in variance amount.

General Fund Budgeting Highlights

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

During the course of fiscal 2012 the District amended its general fund budget several times. For the general fund, final budgeted revenues and other financing sources were \$47,824,489, which is lower than original budgeted revenues and other financing sources estimate of \$48,043,779. Actual revenues and other financing sources for fiscal 2012 were \$49,020,681 this is an increase of \$1,196,192 from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$55,309,069 were approximately the same as the \$55,309,070 the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2012 totaled \$53,293,351, which were \$2,015,719 lower than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2012, the District had \$64,361,207 invested in land, construction in progress (CIP), land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. This entire amount is reported in governmental activities. The following table shows fiscal 2012 balances compared to 2011:

**Capital Assets at June 30
(Net of Depreciation)**

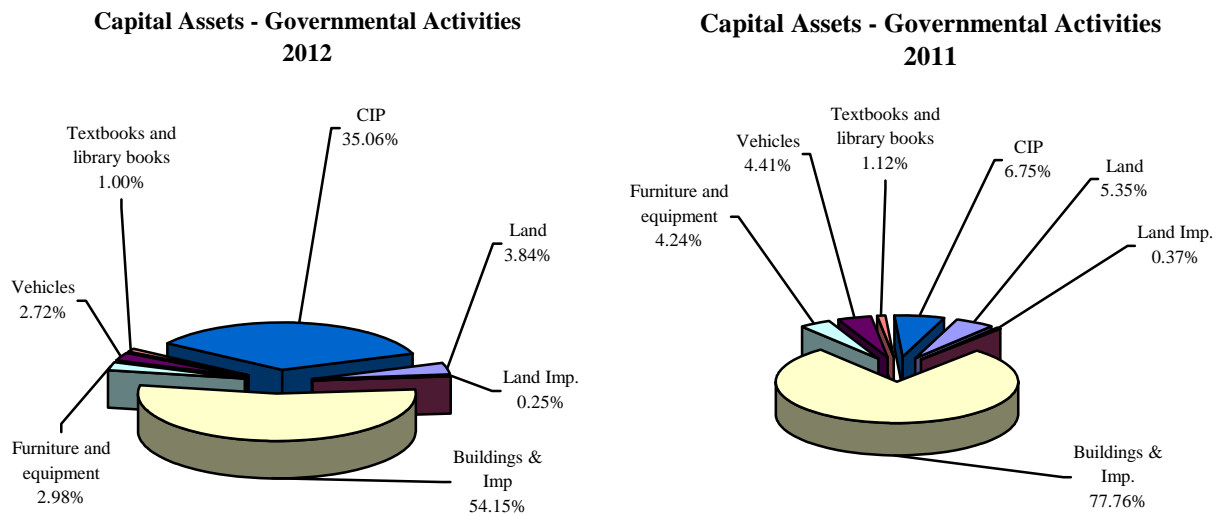
	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Land	\$ 2,468,751	\$ 2,468,751
Construction in progress	22,561,980	3,116,957
Land improvements	162,570	169,811
Buildings and improvements	34,857,016	35,905,928
Furniture and equipment	1,921,098	1,959,376
Vehicles	1,748,308	2,039,236
Textbooks and library books	<u>641,484</u>	<u>517,196</u>
Total	<u>\$ 64,361,207</u>	<u>\$ 46,177,255</u>

The overall increase in capital assets of \$18,183,952 is primarily due to capital outlays of \$20,111,718 exceeding depreciation expense of \$1,915,553 and disposals of \$12,213 (net of accumulated depreciation) in the fiscal year. Capital outlays increased as the District began construction projects financed by the 2011 school improvement bond issue. The costs related to this construction project are reported as construction in progress.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

The graphs below present the District's capital assets for fiscal 2012 and fiscal 2011.



See Note 9 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2012 the District had \$99,772,760 in general obligation bonds (the issue is comprised of current issue bonds, term bonds, sinking fund bonds and capital appreciation bonds) outstanding. Of this total, \$4,315,000 is due within one year and \$95,407,760 is due within greater than one year. The following table summarizes the bonds outstanding.

Outstanding Debt, at Year End

	Governmental Activities <u>2012</u>	Governmental Activities <u>2011</u>
Current interest bonds	\$ 28,815,000	\$ 32,955,000
Term bonds	57,165,000	57,165,000
Sinking fund bonds	11,260,000	11,260,000
Capital appreciation bonds	<u>2,482,760</u>	<u>1,992,182</u>
Total	<u><u>\$ 99,722,760</u></u>	<u><u>\$ 103,372,182</u></u>

The District made \$3,960,000 in principal payments on the current interest bonds during fiscal year 2012. The capital appreciation bonds accreted \$310,578 in interest during 2012 and none of the capital appreciation bonds matured during the fiscal year. The \$6,540,000 refunding bond issue in fiscal year 2012 consisted of \$6,360,000 in serial bonds (current interest) and \$180,000 in capital appreciation bonds.

See Note 10 to the basic financial statements for detail on the District's debt administration.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

Current Financial Related Activities

The Westlake Board of Education and administration closely monitor revenues and expenditures in accordance with its financial forecast and the School District Continuous Improvement Plan (CIP), which provides a roadmap for District achievement and performance measurement. This process was recently affirmed by the rating agencies of Moody's and Standard and Poor's.

Looking at financial ratios, one is able to better gauge the financial health of the District. The District's liquidity or the ability to meet its short-term obligations has decreased somewhat from 3.45 in Fiscal 2011 to 2.90 in Fiscal 2012, but means the District is still in a good position to meet current obligations in having enough assets to cover its liabilities. Another important financial concept is solvency. The District's solvency ratio remains stable at .26 in 2012 compared to .25 in 2011 and still indicates the ability of the District to cover obligations in the short and long term. In addition, the debt ratio for the District remained relatively low at .51 as compared to .53 in 2011 indicating the district is not heavily reliant on debt to facilitate its operations.

The financial future of the District is not without its internal as well as external challenges. In the foreseeable future, the internal challenge will remain as long as the District is required to rely on local property taxes to fund its operations. External challenges continue to evolve as the economy and the State of Ohio determine the outcome and viability of the State's educational funding system and in dealing with the many unfunded mandates being handed down from the State and Federal government.

While the District relies on its local property taxpayers to support its operations, the fiscal capacity and community support for the schools is quite strong. In May of 2000, the Westlake voters had passed a 5.5 mill replacement levy, which helped fund the general operations and permanent improvements of the District over the last several years. In addition, the community overwhelmingly passed a bond issue in late 2002 to support the construction of a new district Performing Arts center. In May of 2006, the community passed a 6.9 mill continuing levy for general operations. Most recently, in May of 2010, the community overwhelmingly passed a 3.4 mill bond issue to support phase I of its capital improvement plan.

Externally, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational funding system, one that was neither 'adequate' nor 'equitable'. Since 1997, the State has directed its additional financial support toward school districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again, ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes, which are inherently not 'equitable' nor 'adequate'. The court directed the Governor and the legislature to address the fundamental issue creating the inequities. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..". In the Summer of 2010, the Legislature approved HB1 which contained a major educational reform package proposed by the Governor. Due to funding constraints being experienced by the State, the new funding model was to be phased-in over several years. Most recently, in the Summer of 2011, a new administration emerged and HB153, the Biennial Budget was passed. The Bill contains many funding reform initiatives. At this time, the District is unable to determine with certainty what effect the new funding model will have on its future State funding and ultimately its financial operations.

The District has not projected any meaningful growth in State revenues due to the economy and a going concern regarding a new funding model and legislation which requires the redistribution and/or accelerated phase-out of state-reimbursed personal property taxes. With approximately 80 percent of general fund revenues being derived from local sources, one can see the significant impact these changes will have on the District and ultimately, the residential taxpayers.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012
(UNAUDITED)**

As a result of the challenges mentioned above, it will be imperative that management continues to carefully and prudently plan their finances in order to provide the facilities and resources required to meet student needs over the next several years. The District continues to communicate to the community the reliance upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the District's financial five-year plan. The Westlake community understands the income generated by local levies remains relatively constant, thereby forcing the District to come back to the voters from time to time asking for additional support.

In summary, the District has committed itself to financial and educational excellence for many years to come. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1993. Educationally, the District continues to rank among the top schools in Ohio for educational excellence receiving one of the highest performance designations by the Ohio Department of Education for the last 14 years.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to report the District's accountability for the money it receives.

If you have questions about this report or need additional financial information please contact: Mark C. Pepera, Chief Financial Officer/Treasurer, Westlake City School District, 27200 Hilliard Boulevard, Westlake, Ohio 44145. Or if you prefer, you may email inquiries to: Pepera@wlake.org.

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 96,047,685
Receivables:	
Property taxes	47,668,342
Accounts	29,624
Accrued interest	67,651
Intergovernmental	299,680
Materials and supplies inventory	10,578
Inventory held for resale	8,779
Unamortized bond issuance costs	873,955
Capital assets:	
Land and construction in progress	25,030,731
Depreciable capital assets, net	39,330,476
Total capital assets, net	<u>64,361,207</u>
Total assets	<u>209,367,501</u>
Liabilities:	
Accounts payable	167,683
Contracts payable	3,086,436
Retainage payable	432,509
Accrued wages and benefits	5,262,343
Pension obligation payable	1,188,959
Intergovernmental payable	479,343
Unearned revenue	38,986,196
Accrued interest payable	442,119
Long-term liabilities:	
Due within one year	5,121,533
Due in more than one year	100,701,845
Total liabilities	<u>155,868,966</u>
Net Assets:	
Invested in capital assets, net of related debt	29,978,435
Restricted for:	
Capital projects	510,474
Debt service	6,449,616
Locally funded programs	80,471
State funded programs	89,747
Federally funded programs	71,661
Student activities	210,533
Other purposes	90,052
Unrestricted	<u>16,017,546</u>
Total net assets	<u>\$ 53,498,535</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 23,352,699	\$ 344,761	\$ 131,041	\$ (22,876,897)
Special	5,113,771	-	404,208	(4,709,563)
Vocational	279,679	-	-	(279,679)
Adult/continuing.	75,712	7,832	71,138	3,258
Other	1,982,160	-	278,973	(1,703,187)
Support services:				
Pupil.	3,688,102	-	243,120	(3,444,982)
Instructional staff	3,893,297	2,998	261,991	(3,628,308)
Board of education	34,898	-	-	(34,898)
Administration.	3,111,459	95,575	13,101	(3,002,783)
Fiscal.	1,339,376	-	-	(1,339,376)
Business.	417,407	-	-	(417,407)
Operations and maintenance	4,563,603	52,158	236	(4,511,209)
Pupil transportation.	4,529,102	22,711	241,122	(4,265,269)
Central	116,643	-	12,600	(104,043)
Operation of non-instructional services:				
Other non-instructional services	726,157	331,146	498,097	103,086
Food service operations	1,345,128	1,028,386	318,533	1,791
Extracurricular activities.	1,539,352	516,564	151,664	(871,124)
Interest and fiscal charges	5,259,363	-	1,757,065	(3,502,298)
Total governmental activities	\$ 61,367,908	\$ 2,402,131	\$ 4,382,889	(54,582,888)

General Revenues:

Property taxes levied for:	
General purposes	39,089,032
Debt service.	6,890,778
Grants and entitlements not restricted to specific programs	9,901,584
Investment earnings	392,826
Miscellaneous	127,830
Total general revenues	56,402,050
Change in net assets	1,819,162
Net assets at beginning of year.	51,679,373
Net assets at end of year	\$ 53,498,535

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 22,579,479	\$ 5,546,730	\$ 65,664,120	\$ 619,769	\$ 94,410,098
Receivables:					
Property taxes.	40,578,098	7,090,244	-	-	47,668,342
Accounts	20,644	-	300	8,680	29,624
Accrued interest	31,551	-	36,100	-	67,651
Interfund loans	10,949	-	-	-	10,949
Intergovernmental.	62,793	-	-	236,887	299,680
Materials and supplies inventory.	5,339	-	-	5,239	10,578
Inventory held for resale.	-	-	-	8,779	8,779
Total assets	<u>\$ 63,288,853</u>	<u>\$ 12,636,974</u>	<u>\$ 65,700,520</u>	<u>\$ 879,354</u>	<u>\$ 142,505,701</u>
Liabilities:					
Accounts payable	\$ 142,366	\$ -	\$ -	\$ 25,317	\$ 167,683
Contracts payable.	-	-	3,086,436	-	3,086,436
Retainage payable.	-	-	432,509	-	432,509
Accrued wages and benefits.	5,122,879	-	-	139,464	5,262,343
Compensated absences payable	415,290	-	-	-	415,290
Retirement incentive payable	168,750	-	-	-	168,750
Interfund loans payable.	-	-	-	10,949	10,949
Intergovernmental payable	1,586,628	-	-	81,674	1,668,302
Deferred revenue	2,398,968	424,821	20,153	76,008	2,919,950
Unearned revenue.	33,240,957	5,745,239	-	-	38,986,196
Total liabilities.	<u>43,075,838</u>	<u>6,170,060</u>	<u>3,539,098</u>	<u>333,412</u>	<u>53,118,408</u>
Fund Balances:					
Nonspendable:					
Materials and supplies inventory.	5,339	-	-	14,018	19,357
Restricted:					
Debt service	-	6,466,914	-	-	6,466,914
Capital improvements	-	-	62,161,422	681	62,162,103
Adult education	-	-	-	4,321	4,321
Food service operations	-	-	-	87,478	87,478
Non-public schools	-	-	-	110,001	110,001
Special education	-	-	-	2	2
Targeted academic assistance	-	-	-	12,900	12,900
Other purposes.	-	-	-	106,479	106,479
Extracurricular	-	-	-	210,533	210,533
Assigned:					
Student instruction	1,409,718	-	-	-	1,409,718
Student and staff support.	1,021,201	-	-	-	1,021,201
Facilities acquisition and construction.	48,717	-	-	-	48,717
Subsequent year appropriation.	6,671,232	-	-	-	6,671,232
School supplies.	28,890	-	-	-	28,890
Other purposes.	111,310	-	-	-	111,310
Unassigned (deficit).	10,916,608	-	-	(471)	10,916,137
Total fund balances	<u>20,213,015</u>	<u>6,466,914</u>	<u>62,161,422</u>	<u>545,942</u>	<u>89,387,293</u>
Total liabilities and fund balances	<u>\$ 63,288,853</u>	<u>\$ 12,636,974</u>	<u>\$ 65,700,520</u>	<u>\$ 879,354</u>	<u>\$ 142,505,701</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2012

Total governmental fund balances	\$	89,387,293
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*Amounts reported for governmental activities on 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.		64,361,207
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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 receivable	\$	2,740,392	
Accrued interest receivable		34,403	
Accounts receivable		69,147	
Intergovernmental receivable		76,008	
Total		2,919,950	2,919,950

An internal service fund used by management to charge the costs of medical, dental and vision insurance to individual funds. The assets and liabilities of the internal service fund are included on the statement of net assets.		1,637,587
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Unamortized bond issuance costs are not recognized in the funds.		873,955
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Unamortized premiums on bond issuances are not recognized in the funds.		(2,631,577)
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Unamortized deferred charges on refundings are not recognized in the funds.		1,213,649
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On the statement of net assets, interest is accrued on outstanding bonds, whereas in governmental funds, interest is reported when due.		(442,119)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds		(99,722,760)	
Capital lease obligations		(156,025)	
Compensated absences		(3,717,625)	
Retirement incentives		(225,000)	
Total		(103,821,410)	(103,821,410)

Net assets of governmental activities	\$	53,498,535
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SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Property taxes	\$ 38,764,058	\$ 6,832,347	\$ -	\$ -	\$ 45,596,405
Tuition	688,926	-	-	-	688,926
Transportation fees	22,711	-	-	-	22,711
Earnings on investments	180,349	-	250,411	469	431,229
Charges for services	-	-	-	1,028,386	1,028,386
Extracurricular	106,264	-	-	206,746	313,010
Classroom materials and fees	257,721	-	-	-	257,721
Rental income	52,158	-	-	21,159	73,317
Contributions and donations	56,476	-	-	156,189	212,665
Contract services	18,060	-	-	-	18,060
Other local revenues	53,033	-	5,650	8,158	66,841
Intergovernmental - State	9,351,617	789,076	-	496,379	10,637,072
Intergovernmental - Federal	-	1,757,065	-	1,797,714	3,554,779
Total revenues	<u>49,551,373</u>	<u>9,378,488</u>	<u>256,061</u>	<u>3,715,200</u>	<u>62,901,122</u>
Expenditures:					
Current:					
Instruction:					
Regular	22,827,929	-	-	242,476	23,070,405
Special	4,621,238	-	-	406,328	5,027,566
Vocational	261,561	-	-	-	261,561
Adult/continuing	-	-	-	68,779	68,779
Other	1,710,233	-	-	281,696	1,991,929
Support services:					
Pupil	3,412,501	-	-	244,569	3,657,070
Instructional staff	3,593,612	-	-	243,379	3,836,991
Board of education	34,898	-	-	-	34,898
Administration	3,035,145	-	-	13,577	3,048,722
Fiscal	1,223,008	109,691	-	-	1,332,699
Business	414,840	-	-	-	414,840
Operations and maintenance	4,426,193	-	-	250	4,426,443
Pupil transportation	4,219,861	-	-	2,033	4,221,894
Central	100,463	-	-	12,600	113,063
Operation of non-instructional services:					
Other non-instructional services	306,958	-	-	418,897	725,855
Food service operations	-	-	-	1,302,398	1,302,398
Extracurricular activities	1,208,153	-	-	294,784	1,502,937
Facilities acquisition and construction	139,501	-	19,442,023	1,636	19,583,160
Debt service:					
Principal retirement	69,164	3,960,000	-	-	4,029,164
Interest and fiscal charges	15,511	4,962,478	-	-	4,977,989
Bond issuance costs	-	108,493	-	-	108,493
Total expenditures	<u>51,620,769</u>	<u>9,140,662</u>	<u>19,442,023</u>	<u>3,533,402</u>	<u>83,736,856</u>
Excess of revenues over (under) expenditures	<u>(2,069,396)</u>	<u>237,826</u>	<u>(19,185,962)</u>	<u>181,798</u>	<u>(20,835,734)</u>
Other financing sources (uses):					
Premium on refunding bonds sold	-	393,218	-	-	393,218
Sale of refunding bonds	-	6,540,000	-	-	6,540,000
Sale of capital assets	427	-	-	-	427
Transfers in	-	-	-	10,000	10,000
Transfers (out)	(10,000)	-	-	-	(10,000)
Payment to refunding bond escrow agent	-	(6,967,612)	-	-	(6,967,612)
Total other financing sources (uses)	<u>(9,573)</u>	<u>(34,394)</u>	<u>-</u>	<u>10,000</u>	<u>(33,967)</u>
Net change in fund balances	<u>(2,078,969)</u>	<u>203,432</u>	<u>(19,185,962)</u>	<u>191,798</u>	<u>(20,869,701)</u>
Fund balances at beginning of year	<u>22,291,984</u>	<u>6,263,482</u>	<u>81,347,384</u>	<u>354,144</u>	<u>110,256,994</u>
Fund balances at end of year	<u>\$ 20,213,015</u>	<u>\$ 6,466,914</u>	<u>\$ 62,161,422</u>	<u>\$ 545,942</u>	<u>\$ 89,387,293</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Net change in fund balances - total governmental funds \$ (20,869,701)

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 are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense during the current period.

Capital asset additions	\$ 20,111,718	
Current year depreciation	(1,915,553)	
Total		18,196,165

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets. (12,213)

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

Delinquent property taxes	383,405	
Interest	(37,935)	
Other local	69,147	
Intergovernmental	(128,669)	
Total		285,948

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported on the statement of activities:

Decrease in accrued interest payable	9,944	
Accretion of interest on "capital appreciation" bonds	(310,578)	
Amortization of bond premiums	247,301	
Amortization of loss on refunding	(181,869)	
Amortization of issuance costs	(46,172)	
Total		(281,374)

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

Principal payments during the year were:

Bonds	3,960,000	
Capital lease	69,164	
Total		4,029,164

The issuance of refunding bonds is an other financing source in the governmental funds, but the issuance increases long-term liabilities on the statement of net assets. (6,540,000)

Payments to refunding bond escrow agents are an other financing use in the governmental funds, but the payment reduces long-term liabilities on the statement of net assets. 6,967,612

Premiums on bonds issuance are recognized as an other financing source in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities. (393,218)

Bond issuance costs are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities. 108,493

Some expenses reported in the statement of activities, such as compensated absences and retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 328,286

Change in net assets of governmental activities \$ 1,819,162

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
From local sources:				
Property taxes	\$ 38,345,523	\$ 38,170,498	\$ 39,125,223	\$ 954,725
Tuition.	233,455	232,389	238,202	5,813
Transportation fees.	22,258	22,157	22,711	554
Earnings on investments	119,106	118,563	121,528	2,965
Classroom materials and fees	13,765	13,702	14,045	343
Rental income	49,921	49,693	50,936	1,243
Contract services.	17,700	17,619	18,060	441
Other local revenues	16,111	16,038	16,439	401
Intergovernmental - State	9,165,255	9,123,421	9,351,617	228,196
Total revenues	47,983,094	47,764,080	48,958,761	1,194,681
Expenditures:				
Current:				
Instruction:				
Regular	23,635,737	23,470,771	23,042,372	428,399
Special.	4,607,333	4,677,111	4,625,658	51,453
Vocational.	464,153	396,245	275,657	120,588
Other.	2,836,993	2,831,944	2,718,287	113,657
Support services:				
Pupil.	3,666,074	3,660,257	3,503,596	156,661
Instructional staff	3,507,262	3,729,639	3,695,041	34,598
Board of education	39,622	40,447	35,499	4,948
Administration.	3,486,683	3,341,638	3,061,484	280,154
Fiscal	1,302,591	1,310,804	1,265,438	45,366
Business	599,735	544,754	536,537	8,217
Operations and maintenance.	4,964,392	5,450,536	4,893,240	557,296
Pupil transportation	4,420,231	4,491,229	4,387,417	103,812
Central.	110,911	127,305	116,639	10,666
Extracurricular activities.	944,867	944,867	866,373	78,494
Facilities acquisition and construction	168,206	181,033	179,985	1,048
Total expenditures	54,754,790	55,198,580	53,203,223	1,995,357
Excess of revenues (under) expenditures	(6,771,696)	(7,434,500)	(4,244,462)	3,190,038
Other financing sources (uses):				
Refund of prior year's expenditures	28,310	28,181	28,886	705
Refund of prior year's receipts.	-	(4,293)	(4,293)	-
Transfers (out).	(460,000)	(17,259)	(10,000)	7,259
Advances in.	31,957	31,811	32,607	796
Advances (out)	(50,000)	(44,659)	(31,556)	13,103
Other uses.	(44,279)	(44,279)	(44,279)	-
Sale of capital assets	418	417	427	10
Total other financing sources (uses)	(493,594)	(50,081)	(28,208)	21,873
Net change in fund balance	(7,265,290)	(7,484,581)	(4,272,670)	3,211,911
Fund balance at beginning of year	21,062,864	21,062,864	21,062,864	-
Prior year encumbrances appropriated	2,969,393	2,969,393	2,969,393	-
Fund balance at end of year	<u>\$ 16,766,967</u>	<u>\$ 16,547,676</u>	<u>\$ 19,759,587</u>	<u>\$ 3,211,911</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2012

	<u>Internal Service Fund</u>
Assets:	
Current assets:	
Equity in pooled cash and investments . . .	\$ 1,637,587
Total assets.	<u>1,637,587</u>
 Net assets:	
Unrestricted.	<u>1,637,587</u>
Total net assets	<u><u>\$ 1,637,587</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Internal Service Fund
Net assets at beginning of year	\$ 1,637,587
Net assets at end of year.	\$ 1,637,587

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

	Internal Service Fund
Cash and cash equivalents at beginning of year . . .	\$ 1,637,587
Cash and cash equivalents at end of year	\$ 1,637,587

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 74,716	\$ 263,121
Receivables:		
Accounts	-	78
Total assets.	<u>\$ 74,716</u>	<u>\$ 263,199</u>
Liabilities:		
Accounts payable.	\$ -	\$ 2,001
Due to students.	-	261,198
Total liabilities	-	<u>\$ 263,199</u>
Net assets:		
Held in trust for scholarships	<u>74,716</u>	
Total net assets	<u>\$ 74,716</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Private Purpose Trust</u>
	<u>Scholarship</u>
Additions:	
Interest.	\$ 61
Gifts and contributions.	11,161
Total additions.	<u>11,222</u>
 Deductions:	
Scholarships awarded	<u>9,800</u>
Change in net assets.	1,422
Net assets at beginning of year	<u>73,294</u>
Net assets at end of year.	<u><u>\$ 74,716</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Westlake City School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under a locally-elected five-member Board form of government.

The District is located in Westlake, Ohio, Cuyahoga County. The Board of Education controls the District's seven instructional/support facilities staffed by 242 classified employees, 295 certified full-time teaching personnel and 22 administrators who provide services to 4,065 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". When applying GASB Statement No. 14, management has considered all potential component units. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the debt, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The financial statements of the reporting entity include only those of the District (the primary government). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For Westlake City School District, this includes general operations, food service and student related activities of the District.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

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

RELATED ORGANIZATION

Porter Public Library

The Porter Public Library (the "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 Westlake City 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 District for operational subsidies. Although the 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 Porter Public Library, Ms. Judy Dobbs, Fiscal Officer, at 27333 Center Ridge Road, Westlake, Ohio 44145.

JOINTLY GOVERNED ORGANIZATIONS

North Coast Council

The District is a member of the North Coast Council (NCC) which was formed when the Lakeshore Northeast Ohio Computer Association and the Lake Erie Educational Computer Association merged during fiscal year 2012. NCC was organized for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among 34 member districts. Each of the governments of these schools supports the NCC based on a per pupil charge. The District contributed \$114,715 to NCC during fiscal year 2012. NCC is governed by a nine member Board of Directors consisting of superintendents from member school districts. Financial information can be obtained by contacting the Treasurer at the Cuyahoga County Board of Education, who serves as fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization comprised of one hundred fifty-seven member school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2012, the District paid \$2,617 to the Council for annual membership and other fees. Financial information can be obtained by contacting William J. Zelei, the Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

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

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

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

INSURANCE PURCHASING POOL

Suburban Health Consortium

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

The Fiscal Agent shall be the Board of Education responsible for administering the financial transactions of the Consortium (Orange City School District). The Fiscal Agent shall carry out the responsibilities of the Consortium Fund, enter into contracts on behalf of the Consortium as authorized by the Directors and carry out such other responsibilities as approved by the Directors and agreed to by the Fiscal Agent. Each District Member enrolled in a benefit program may require contributions from its employees toward the cost of any benefit program being offered by such District Member, and such contributions shall be included in the payments from such District Member to the Fiscal Agent for such benefit program. Contributions are to be submitted by each District Member, to the Fiscal Agent, required under the terms of the Consortium Agreement and any benefit program in which such District Member is enrolled to the Fiscal Agent on a monthly basis, or as otherwise required in accordance with any benefit program in which such District Member is enrolled. All general administrative costs incurred by the Consortium that are not covered by the premium payments shall be shared equally by the Consortium Members as approved by the Directors, and shall be paid by each Consortium Member upon receipt of notice from the Fiscal Agent that such payment is due. It is the express intention of the Consortium Members that the Consortium Agreement and the Consortium shall continue for an indefinite term, but may be terminated as provided in the Consortium Agreement. Any Consortium Member wishing to withdraw from participation in the Consortium or any benefit program shall notify the Fiscal Agent at least one hundred eighty (180) days prior to the effective date of withdrawal.

Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal, a withdrawal fee in the amount equal to two months' premiums at the Consortium Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided that the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Member's current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from Mr. Greg Slemons, Treasurer of the Orange City School District (the "Fiscal Agent") at 32000 Chagrin Blvd., Pepper Pike, Ohio 44124-5974.

B. Fund Accounting

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

GOVERNMENTAL FUNDS

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond retirement fund - The bond retirement fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Building fund - The building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, not reported in the building fund, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. Proprietary funds consist of enterprise funds and internal service funds. The District has only an internal service fund.

Internal Service Fund - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The District's only internal service fund accounts for a former self-insurance program for employee health, prescription drug and dental benefits. This fund had no activity in fiscal year 2012. The District discontinued the self-insured program during fiscal year 2007.

FIDUCIARY FUNDS

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

C. Basis of Presentation and Measurement Focus

The 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

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

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

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. 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 fund type.

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

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

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the 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 District, available means expected to be received within sixty days of fiscal year end.

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

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2012 are recorded as deferred revenue in the fund financial statements.

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

E. Budgetary Process

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

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

F. Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

During fiscal year 2012, investments were limited to non-negotiable certificates of deposit, Federal Home Loan Bank (FHLB) bonds, Federal Farm Credit bank (FFCB) bonds, Federal Farm Credit Corporation (FFCC) bonds, Federal Home Loan Mortgage Corporation (FHLMC) bonds, Federal National Mortgage Association (FNMA) bonds, commercial paper, U.S. treasury notes, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as non-negotiable certificates of deposit, are reported at cost.

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

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2012 amounted to \$180,349 which includes \$44,838 assigned from other District funds.

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

An analysis of the District's investment account at fiscal year end is provided in Note 4B.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when received. Inventories are accounted for using the consumption method. Fund balance has been presented as nonspendable equal to the balance of the inventory at fiscal year-end.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

H. Capital Assets

All capital assets of the District are classified as general capital assets. 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.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$1,000 for its general capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and improvements	30 - 50 years
Furniture and equipment	5 - 10 years
Vehicles	10 years
Land improvements	30 years
Textbooks	5 years
Library books	2 years

I. Interfund Loans

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

J. Unamortized Bond Issuance Costs/Bond Premium/Accounting Gain or Loss

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

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

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 10.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's 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.

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2012, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

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

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables and accrued liabilities payable from internal service funds are reported on the internal service fund financial statements. There were no payables or accrued liabilities reported in the internal service fund at June 30, 2012.

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

M. Net Assets

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

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

N. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District 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 classification includes amounts that cannot be spent because they are not in spendable form or legally 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.

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

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 District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the 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 District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

O. Estimates

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are residual miscellaneous operating revenues of the District's former self-insurance program. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating. The internal service fund had no operating revenues or operating expenses in fiscal year 2012.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2012.

R. Interfund Activity

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

S. Nonpublic Schools

Within the District boundaries, there are various nonpublic schools. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the District on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public schools. The receipt and expenditure of these state monies by the District are reflected in a nonmajor governmental fund for financial reporting purposes.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2012, the District has implemented GASB Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and GASB Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions - an Amendment of GASB Statement No. 53".

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the District.

GASB Statement No. 64 clarifies the circumstances in which a hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. The implementation of GASB Statement No. 64 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2012 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
IDEA, Part B Special Education	\$ 470
Limited English Proficiency	1

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interim monies may be deposited or invested in the following securities:

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

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

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Deposits with Financial Institutions

At June 30, 2012, the carrying amount of all District deposits was \$3,628,866. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2012, \$277,464 of the District's bank balance of \$4,349,610 was exposed to custodial risk as discussed below, while \$4,072,146 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

B. Investments

As of June 30, 2012, the District had the following investments and maturities:

Investment type	Fair Value	6 months or less	Investment Maturities			Greater Than 24 months
			7 to 12 months	13 to 18 months	19 to 24 months	
FHLB bonds	\$ 39,710,535	\$ 6,169,470	\$ 15,283,091	\$ 15,279,472	\$ -	\$ 2,978,502
FFCB bonds	9,679,006	3,881,380	5,597,160	-	-	200,466
FFCC bonds	199,836	-	-	199,836	-	-
FHLMC bonds	6,132,081	6,132,081	-	-	-	-
FNMA bonds	20,260,408	8,758,404	-	1,653,932	-	9,848,072
Commercial paper	13,816,849	13,816,849	-	-	-	-
U.S. Treasury notes	2,742,432	-	-	1,630,393	-	1,112,039
U.S. government money market mutual funds	109,988	109,988	-	-	-	-
STAR Ohio	105,521	105,521	-	-	-	-
Total	<u>\$ 92,756,656</u>	<u>\$ 38,973,693</u>	<u>\$ 20,880,251</u>	<u>\$ 18,763,633</u>	<u>\$ -</u>	<u>\$ 14,139,079</u>

The weighted average maturity of investments is 1.01 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less. The District's investment policy also requires that the investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The District's investments in federal agency securities and U.S Treasury obligations were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio and the U.S. government money market mutual funds were rated AAAm by Standard & Poor's. The commercial paper was rated A-1+ and P-1 by Moody's and Standard & Poor's, respectively. The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities, U.S. Treasury notes and commercial paper are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2012:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB bonds	\$ 39,710,535	42.81
FFCB bonds	9,679,006	10.43
FFCC bonds	199,836	0.22
FHLMC bonds	6,132,081	6.61
FNMA bonds	20,260,408	21.84
Commercial paper	13,816,849	14.90
U.S. Treasury notes	2,742,432	2.96
U.S. government money market mutual funds	109,988	0.12
STAR Ohio	105,521	0.11
	<u>\$ 92,756,656</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2012:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 3,628,866
Investments	<u>92,756,656</u>
Total	<u>\$ 96,385,522</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

<u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 96,047,685
Private-purpose trust fund	74,716
Agency fund	<u>263,121</u>
Total	<u>\$ 96,385,522</u>

NOTE 5 - INTERFUND TRANSACTIONS

- A.** Interfund loans receivable/payable consisted of the following at June 30, 2012, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Nonmajor Governmental Funds	<u>\$ 10,949</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund transfers for the year ended June 30, 2012, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from General Fund to:</u>	
Other Governmental Funds	<u>\$ 10,000</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed values as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 6 - PROPERTY TAXES - (Continued)

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Public utility real and personal property taxes received in calendar year 2012 became a lien on December 31, 2010, were levied after April 1, 2011, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available as an advance at June 30, 2012 was \$5,010,140 in the general fund and \$919,172 in the bond retirement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2011 was \$5,377,929 in the general fund and \$989,863 in the bond retirement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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

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

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

	2011 Second Half Collections		2012 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,351,387,610	98.66	\$ 1,345,136,450	98.55
Public utility personal	<u>18,395,760</u>	<u>1.34</u>	<u>19,742,750</u>	<u>1.45</u>
Total	<u>\$ 1,369,783,370</u>	<u>100.00</u>	<u>\$ 1,364,879,200</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$70.10		\$70.10	

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 7 - RECEIVABLES

Receivables at June 30, 2012 consisted of taxes, accounts (billings for user charged services, rentals and student fees), accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net assets follows:

Governmental activities

Property taxes	\$47,668,342
Accounts	29,624
Intergovernmental	299,680
Accrued interest	<u>67,651</u>
Total governmental activities	<u><u>\$48,065,297</u></u>

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

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2009, the District entered into capital lease agreements for copiers. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the statement of revenues, expenditures and changes in fund balances - general fund. These expenditures are reflected as program/function expenditures on a budgetary basis. Capital assets acquired by lease have been capitalized in the amount of \$348,014, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2012 was \$107,286 leaving a current book value of \$240,728.

A corresponding liability was recorded in the statement of net assets. Principal payments in the 2012 fiscal year totaled \$69,164. This amount is reflected as debt service principal retirement in the general fund and as a reduction to the long-term liabilities reported on the statement of net assets. The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2012.

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2013	\$ 84,683
2014	<u>84,675</u>
	169,358
Less: amount representing interest	<u>(13,333)</u>
Present value of minimum lease payments	<u><u>\$ 156,025</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 9 - CAPITAL ASSETS

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

	Balance <u>June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2012</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,468,751	\$ -	\$ -	\$ 2,468,751
Construction in progress	<u>3,116,957</u>	<u>19,445,023</u>	<u>-</u>	<u>22,561,980</u>
Total capital assets, not being depreciated	<u>5,585,708</u>	<u>19,445,023</u>	<u>-</u>	<u>25,030,731</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	214,415	-	-	214,415
Buildings and improvements	55,488,532	3,527	-	55,492,059
Furniture and equipment	6,511,120	266,021	(40,302)	6,736,839
Vehicles	4,513,838	29,500	(220,018)	4,323,320
Textbooks and library books	<u>3,095,890</u>	<u>367,647</u>	<u>-</u>	<u>3,463,537</u>
Total capital assets, being depreciated	<u>69,823,795</u>	<u>666,695</u>	<u>(260,320)</u>	<u>70,230,170</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(44,604)	(7,241)	-	(51,845)
Buildings and improvements	(19,582,604)	(1,052,439)	-	(20,635,043)
Furniture and equipment	(4,551,744)	(300,703)	36,706	(4,815,741)
Vehicles	(2,474,602)	(311,811)	211,401	(2,575,012)
Textbooks and library books	<u>(2,578,694)</u>	<u>(243,359)</u>	<u>-</u>	<u>(2,822,053)</u>
Total accumulated depreciation	<u>(29,232,248)</u>	<u>(1,915,553)</u>	<u>248,107</u>	<u>(30,899,694)</u>
Governmental activities capital assets, net	<u>\$ 46,177,255</u>	<u>\$ 18,196,165</u>	<u>\$ (12,213)</u>	<u>\$ 64,361,207</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 956,276
Special	124,548
Vocational	17,250
Adult/continuing	6,933
Support Services:	
Pupil	84,359
Instructional staff	113,651
Administration	80,965
Fiscal	8,759
Business	7,920
Operations and maintenance	92,719
Pupil transportation	326,374
Central	2,573
Operation of non instructional services:	
Food service operations	45,567
Extracurricular activities	47,659
Total depreciation expense	<u>\$ 1,915,553</u>

NOTE 10 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the District's long-term obligations follows:

<u>Debt Issue</u>	<u>Original Issue Date</u>	<u>Original Issue Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>
General Obligation Bonds:				
School Improvements - Series 2003	2003	\$ 8,700,000	2.0-5.0%	December 1, 2012
School Improvements				
Refunding - Series 2004	2004	13,925,000	2.0-15.4%	December 1, 2016
Library Improvements				
Refunding - Series 2006	2006	3,785,000	3.55-5.0%	December 1, 2017
School Improvements - Series 2010	2010	84,055,000	1.5-6.028%	December 1, 2043
School Improvements				
Refunding - Series 2011	2011	6,540,000	3.40-5.0%	December 1, 2027

**WESTLAKE CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of the changes in long-term obligations during fiscal year 2012:

	Balance <u>June 30, 2011</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2012</u>	Amounts Due in <u>One Year</u>
Governmental activities					
General Obligation bonds:					
Library improvements refunding - Series 2006:					
Serial bonds	\$ 3,120,000	\$ -	\$ (340,000)	\$ 2,780,000	\$ 370,000
Unamortized premium	162,804	-	(25,372)	137,432	-
Deferred amount on refunding	(111,761)	-	17,418	(94,343)	-
School improvements - Series 2003:					
Serial bonds	7,005,000	-	(6,760,000)	245,000	245,000
Unamortized premium	114,345	-	(114,345)	-	-
School improvements refunding - Series 2004:					
Serial bonds	7,200,000	-	(1,645,000)	5,555,000	1,735,000
Unamortized premium	122,004	-	(20,334)	101,670	-
Capital appreciation bonds	725,000	-	-	725,000	-
Accretion on capital appreciation bonds	1,267,182	299,601	-	1,566,783	-
Unamortized premium	847,411	-	(141,236)	706,175	-
Deferred amount on refunding	(888,368)	-	148,062	(740,306)	-
School improvements - Series 2010:					
Serial bonds	15,630,000	-	(1,755,000)	13,875,000	1,880,000
Unamortized premium	1,351,059	-	(41,678)	1,309,381	-
Term bonds	57,165,000	-	-	57,165,000	-
Sinking fund bonds	11,260,000	-	-	11,260,000	-
School improvements refunding - Series 2011:					
Serial bonds	-	6,360,000	-	6,360,000	85,000
Unamortized premium	-	393,218	(16,299)	376,919	-
Capital appreciation bonds	-	180,000	-	180,000	-
Accretion on capital appreciation bonds	-	10,977	-	10,977	-
Deferred amount on refunding	-	(395,389)	16,389	(379,000)	-
Total general obligation bonds	<u>104,969,676</u>	<u>6,848,407</u>	<u>(10,677,395)</u>	<u>101,140,688</u>	<u>4,315,000</u>
Capital lease obligation	225,189	-	(69,164)	156,025	74,907
Retirement incentive	568,750	87,500	(262,500)	393,750	168,750
Compensated absences	<u>4,057,123</u>	<u>643,630</u>	<u>(567,838)</u>	<u>4,132,915</u>	<u>562,876</u>
Total governmental activities long-term liabilities	<u>\$ 109,820,738</u>	<u>\$ 7,579,537</u>	<u>\$ (11,576,897)</u>	<u>\$ 105,823,378</u>	<u>\$ 5,121,533</u>

All general obligation bonds will be paid from property taxes in the bond retirement fund.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Compensated absences will be paid from the general fund and the following nonmajor governmental funds: food service fund, auxiliary services fund, IDEA Part B special education fund, Title I fund and the early childhood educational development fund. The retirement incentive will be paid from the general fund.

The capital lease obligations will be paid from the general fund. See Note 8 for more detail.

Library Improvement Refunding Bonds – Series 2006

On October 12, 2006, the District issued \$3,785,000 in library improvement refunding bonds to advance refund a portion of the 1998 library improvement bonds. The refunding bonds were sold at a premium of \$279,092. Proceeds of \$3,996,593 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1998 library improvement bonds. As a result, \$3,805,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2012 the outstanding amount of the refunded bonds are \$2,840,000.

Interest payments on the refunding bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2017.

The reacquisition price exceeded the net carrying amount of the old debt by \$191,593. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

School Improvement Bonds - Series 2003

On March 1, 2003, the District issued bonds for the purpose of constructing a performing arts center in the amount of \$8,700,000. The bonds were issued at a premium of \$171,520 for a 25 year period with final maturity at December 1, 2027. On October 25, 2011, \$6,540,000 of these bonds was advanced refunded by the series 2011 school improvement refunding bonds. The final principal payment on the non-refunded portion of the series 2003 school improvement bonds in the amount of \$245,000 is scheduled to mature December 1, 2012.

School Improvement Refunding Bonds - Series 2004

On March 15, 2004, the District issued \$13,925,000, in general obligation refunding bonds, which included \$13,200,000 in serial bonds and \$725,000 in capital appreciation bonds at interest rates varying from 2.0 percent to 15.417 percent. Proceeds were used to refund \$13,925,000 of the outstanding 1997 school improvement bonds.

The bonds were sold at a premium of \$2,140,791. Proceeds of \$15,886,812 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1995 classroom facilities improvement bonds. As a result, \$13,925,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2012 the outstanding amount of the refunded bonds are \$7,245,000.

The serial bonds were issued for an 11 year period with a final maturity at December 1, 2014. The capital appreciation bonds were issued for a 13 year period with a final maturity at December 1, 2016 in the amount of \$4,305,000. At June 30, 2012, a total of \$1,566,783 in accreted interest has been recorded on the capital appreciation bonds. The bonds are being retired from the bond retirement fund. The 2004 school improvement refunding bonds are not subject to redemption prior to stated maturity.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

School Improvement Bonds - Series 2010

On August 10, 2010, the District issued \$84,055,000, in general obligation school improvement bonds, including \$15,630,000 in serial bonds, \$57,165,000 in term Build America Bonds (BABs) and \$11,260,000 in sinking fund Qualified School Construction Bonds (QSCBs). Proceeds from the bond issue are being used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$1,385,761. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year. Principal and interest payments are made from the Bond Retirement fund.

The serial bonds were issued for a nine year period with a final maturity at December 1, 2019. The serial bonds mature on December 1 in each year 2011 through 2019 and bear interest rates ranging from 1.5 percent to 5.0 percent. The serial bonds are not subject to redemption prior to maturity.

The BABs mature on December 1, 2030, December 1, 2035 and December 1, 2043 in the amounts of \$8,120,000, \$14,545,000 and \$34,500,000, respectively. These BABs bear interest rates ranging from 5.628 percent to 6.028 percent. The District receives a direct payment subsidy from the United States Treasury equal to thirty-five percent of the corresponding interest payments due on the BABs. The District records this subsidy from the federal government in the Bond Retirement fund. The BABs are subject to optional redemption and extraordinary optional redemption prior to maturity, at the sole discretion of the District, at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date. The BABs are subject to mandatory sinking fund redemption as follows:

<u>Year</u>	<u>Mandatory Sinking Fund Redemption</u>
2027	\$ 1,745,000
2028	2,010,000
2029	2,125,000
2030	2,240,000
2031	2,545,000
2032	2,680,000
2033	2,825,000
2034	3,165,000
2035	3,330,000
2036	3,500,000
2037	3,895,000
2038	4,095,000
2039	4,255,000
2040	4,420,000
2041	4,595,000
2042	4,775,000
2043	<u>4,965,000</u>
Total	<u>\$ 57,165,000</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The QSCBs mature on December 1, 2026 in the amount of \$11,260,000. The QSCBs bear an interest rate of 5.227 percent. The District receives a direct payment subsidy from the United States Treasury equal to 100% of the lesser of the interest payments on the bonds or the federal tax credits that would otherwise have been available to the holders of the bonds. The District records this subsidy from the federal government in the Bond Retirement fund. The QSCBs are subject to optional redemption, on any date on or after December 31, 2020, and extraordinary optional redemption, at the sole discretion of the District, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date. On December 1 in each year 2020 through 2026, the District is required to make a mandatory deposit into a sinking fund that will provide for payment of the QSCBs upon maturity. The QSCBs are subject to mandatory sinking fund requirements as follows:

<u>Year</u>	<u>Mandatory Sinking Fund Requirement</u>
2020	\$ 1,295,000
2021	1,490,000
2022	1,530,000
2023	1,565,000
2024	1,755,000
2025	1,795,000
2026	<u>1,830,000</u>
Total	<u>\$ 11,260,000</u>

School Improvement Refunding Bonds - Series 2011

On October 25, 2011, the District issued \$6,540,000, in general obligation refunding bonds, which included \$6,360,000 in serial and term bonds and \$180,000 in capital appreciation bonds at interest rates varying from 3.4 percent to 5.0 percent. Proceeds were used to refund \$6,540,000 of the outstanding 2003 school improvement bonds.

The bonds were sold at a premium of \$393,218. Proceeds of \$6,967,612 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 2003 school improvement bonds. As a result, \$6,540,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2012 the outstanding amount of the refunded bonds are \$6,540,000.

The serial bonds were issued for an 15 year period with a final maturity at December 1, 2027. The capital appreciation bonds were issued for a 9 year period with a final maturity at December 1, 2021 in the amount of \$485,000. At June 30, 2012, a total of \$10,977 in accreted interest has been recorded on the capital appreciation bonds. The bonds are being retired from the bond retirement fund. The 2011 school improvement refunding bonds are not subject to redemption prior to stated maturity.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$395,389. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce the combined total debt service payments over the next 15 years by \$557,314 and resulted in an economic gain of \$461,571.

Future Debt Service Requirements

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2012, are as follows:

Fiscal Year Ending,	General Obligation Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 4,315,000	\$ 4,937,123	\$ -	\$ -	\$ 4,315,000	\$ 4,937,123
2014	4,625,000	4,811,679	-	-	4,625,000	4,811,679
2015	4,880,000	4,648,791	-	-	4,880,000	4,648,791
2016	3,130,000	4,506,116	-	-	3,130,000	4,506,116
2017	3,470,000	4,380,955	725,000	3,580,000	4,195,000	7,960,955
2018 - 2022	7,905,000	20,700,206	180,000	305,000	8,085,000	21,005,206
2023 - 2027	11,145,000	19,826,313	-	-	11,145,000	19,826,313
2028 - 2032	11,270,000	15,460,546	-	-	11,270,000	15,460,546
2033 - 2037	15,500,000	11,733,116	-	-	15,500,000	11,733,116
2038 - 2042	21,260,000	6,243,502	-	-	21,260,000	6,243,502
2043 - 2044	9,740,000	592,854	-	-	9,740,000	592,854
Total	<u>\$ 97,240,000</u>	<u>\$ 97,841,201</u>	<u>\$ 905,000</u>	<u>\$ 3,885,000</u>	<u>\$ 98,145,000</u>	<u>\$ 101,726,201</u>

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2012, are a voted debt margin of \$29,743,114 (including available funds of \$6,466,914) and an unvoted debt margin of \$1,364,879.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 11 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-one days of vacation per year, depending upon type of contract, length of service and hours worked. Teachers and administrators who are not on a twelve month contract do not earn vacation time. Administrators employed to work 260 days per year earn vacation annually as specified in their individual contracts. Classified employees and administrators who earn vacation are paid for accumulated unused vacation time upon termination of employment. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 325 days for classified employees. The certified employees' sick leave accrual is continuous, without limit. Upon retirement, certified employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. Classified employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. In addition, the classified employee may qualify based on sick leave usage to receive 10% of his/her unused days accumulated but unused during the last five years of employment. Administrative employees with five or more years of service receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. In addition, administrative employees with 10 or more years of service receive an additional 10 days for every year worked in excess of 10 years to a maximum of 30 additional days.

B. Insurance Benefits

The District provides term life insurance and accidental death and dismemberment insurance to eligible employees through Anthem Life Insurance, in the amount of \$50,000 or \$25,000 for all certified employees depending upon full and part time teaching, \$45,000 or \$30,000 for all noncertified employees depending upon the number of years each employee worked, and \$60,000 for each administrator except the superintendent and treasurer which are three times annual compensation and \$100,000, respectively.

C. Retirement Incentive Plan

During fiscal year 2006 and 2009, the District offered a Retirement Incentive Bonus ("RIB") and a Health Care Reimbursement Account ("HRA") to certified teaching employees who are currently eligible to retire with the State Teachers Retirement System. Teachers electing to retire and accept the RIB and HRA are entitled to their normal severance payment (See Note 11.A.) plus a \$17,000 RIB plus an \$8,000 HRA. The employee's severance payment is payable in three substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee's retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee's RIB payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee's retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee's HRA payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee's retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date.

**WESTLAKE CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 11 - OTHER EMPLOYEE BENEFITS - (Continued)

At June 30, 2012, the total liability for retirement incentives (both RIB and HRA payments) is \$393,750. Of this total, \$168,750 is due within one year and recorded as a liability of the general fund. The remaining long-term portion is payable through fiscal year 2016.

The District has entered into a Memorandum of Agreement (MOA) with the Westlake Teachers Association whereby any teacher who would like to retire under the STRS parameters of age 55 with at least 25 years of service credit, or age 60 with at least 5 years of service credit, may do so and may be eligible for the retirement incentive plan. Under the MOA, any teacher who elects to retire and is eligible to retire under STRS parameters can do so under the retirement incentive plan.

The employee's severance payment has been recorded as a component of "compensated absences payable" on the fund financial statements and the RIB and HRA payments have been recorded as "retirement incentive" on the fund financial statements to the extent that each will be liquidated using current expendable financial resources. The entire liability is recorded on the statement of net assets.

NOTE 12 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2012, the District once again contracted with the Ohio School Plan to provide property, fleet and liability insurance, as well as boiler and machinery coverage. There is a \$1,000 deductible with an agreed value co-insurance for property and a \$1,000 deductible for boiler and machinery coverage. There is no deductible for general liability.

General liability is provided by Ohio School Plan with a \$5,000,000 single occurrence limit, a \$7,000,000 aggregate limit in addition to a \$5,000,000 excess coverage policy. Employee dishonesty coverage is also provided by the Ohio School Plan with a \$1,000 deductible. Vehicles are covered by the Ohio School Plan and have a \$250 deductible for comprehensive and \$500 deductible for collision; buses have a \$1,000 deductible for comprehensive and \$1,000 deduction for collision. Automobile liability has a \$5,000,000 combined single limit of liability excluding the excess coverage indicated above.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in coverage from the prior year.

B. Employee Medical Benefits

The District is a member of the Suburban Health Consortium, a shared risk pool (Note 2.A.) to provide employee medical, surgical, prescription drug, vision and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution and a pro-rata share of their "buy-in" contribution to existing plan reserves which is placed in a common fund from which the claim payments are made for all participating districts. For fiscal year 2012, the District paid 90% of the cost of the monthly medical and prescription-drug premium for classified, certified and administrative employees.

**WESTLAKE CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 12 - RISK MANAGEMENT - (Continued)

C. Workers' Compensation

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. During fiscal year 2012, the District was enrolled in a Group Retrospective rating program offered by the Ohio Bureau of Worker's Compensation and administered by CompManagement Inc.

NOTE 13 - PENSION PLANS

A. School Employees Retirement System

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2012, 12.65 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2012, 2011 and 2010 were \$1,027,296, \$976,483 and \$1,003,077, respectively; 64.47 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

B. State Teachers Retirement System of Ohio

Plan Description - The 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 website at www.strsoh.org, under "Publications".

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 13 - PENSION PLANS - (Continued)

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 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 fiscal year 2012, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. 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 District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2012, 2011 and 2010 were \$3,261,763, \$3,218,832 and \$3,111,261, respectively; 82.96 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. Contributions to the DC and Combined Plans for fiscal year 2012 were \$122,258 made by the District and \$87,328 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2012, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 (latest information available) was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income and the SERS' reimbursement to retirees was \$45.50. 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. It is also posted on the SERS' Ohio website, www.ohsers.org, under "Employers/Audit Resources".

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2012, 0.55 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2012, 2011 and 2010 were \$169,897, \$237,626 and \$186,396, respectively; 64.47 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2012, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$60,667, \$62,839 and \$59,651, respectively; 64.47 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The District contributes to the cost sharing, multiple employer defined benefit Health Plan (the "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, under "Publications" 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 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2012, 2011 and 2010 were \$250,905, \$247,602 and \$239,328, respectively; 82.96 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

NOTE 15 - CONTINGENCIES

A. Grants and Statewide Review of Attendance Data

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

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data; however, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2012, if applicable, cannot be determined at this time.

B. Litigation

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 16 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 2,290,639
Building	50,991,444
Other governmental	<u>90,176</u>
Total	<u>\$ 53,372,259</u>

NOTE 17 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, 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 fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2011	\$ -
Current year set-aside requirement	671,834
Current year qualifying expenditures	<u>(1,684,740)</u>
Total	<u>\$ (1,012,906)</u>
Balance carried forward to fiscal year 2013	<u>\$ -</u>
Set-aside balance June 30, 2012	<u>\$ -</u>

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (4,272,670)
Net adjustment for revenue accruals	(288,682)
Net adjustment for expenditure accruals	(15,729)
Net adjustment for other sources/uses	18,635
Funds budgeted elsewhere	69,401
Adjustment for encumbrances	<u>2,410,076</u>
GAAP basis	<u><u>\$ (2,078,969)</u></u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the public school support fund, the interdistrict summer school fund, the community education fund and the uniform school supplies fund.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MAJOR FUNDS

General Fund

The general fund accounts for and reports all financial resources not accounted for and reported in another fund. These general fund's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

OTHER MAJOR FUNDS

Bond Retirement Fund

The bond retirement fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Building Fund

This building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or and other capital assets.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
From local sources:				
Property taxes	\$ 38,345,523	\$ 38,170,498	\$ 39,125,223	\$ 954,725
Tuition	233,455	232,389	238,202	5,813
Transportation fees	22,258	22,157	22,711	554
Earnings on investments	119,106	118,563	121,528	2,965
Classroom materials and fees	13,765	13,702	14,045	343
Rental income	49,921	49,693	50,936	1,243
Contract services	17,700	17,619	18,060	441
Other local revenues	16,111	16,038	16,439	401
Intergovernmental - State	9,165,255	9,123,421	9,351,617	228,196
Total revenues	47,983,094	47,764,080	48,958,761	1,194,681
Expenditures:				
Instruction:				
Regular:				
Salaries and wages	16,586,289	16,386,697	16,378,947	7,750
Fringe benefits	5,667,233	5,564,471	5,292,500	271,971
Purchased services	89,170	84,180	55,064	29,116
Supplies	992,055	1,062,714	1,045,065	17,649
Capital outlay	300,990	306,709	204,796	101,913
Other	-	66,000	66,000	-
Total regular	23,635,737	23,470,771	23,042,372	428,399
Special:				
Salaries and wages	3,196,164	3,252,409	3,252,409	-
Fringe benefits	1,380,550	1,380,550	1,329,944	50,606
Purchased services	2,784	14,873	14,526	347
Supplies	17,040	18,766	18,766	-
Capital outlay	7,795	7,513	7,513	-
Other	3,000	3,000	2,500	500
Total special	4,607,333	4,677,111	4,625,658	51,453
Vocational:				
Salaries and wages	339,820	272,071	193,538	78,533
Fringe benefits	62,433	62,433	55,426	7,007
Purchased services	56,350	56,350	21,349	35,001
Supplies	5,550	5,391	5,344	47
Total vocational	464,153	396,245	275,657	120,588
Other:				
Salaries and wages	151,349	151,349	90,510	60,839
Fringe benefits	88,918	88,918	75,744	13,174
Purchased services	2,596,726	2,591,677	2,552,033	39,644
Total other	2,836,993	2,831,944	2,718,287	113,657
Total instruction	31,544,216	31,376,071	30,661,974	714,097
Support Services:				
Pupil:				
Salaries and wages	2,088,063	2,102,292	2,102,292	-
Fringe benefits	744,783	744,783	669,635	75,148
Purchased services	761,343	741,286	662,020	79,266
Supplies	42,442	42,458	41,565	893
Capital outlay	1,000	995	995	-
Other	28,443	28,443	27,089	1,354
Total pupil	3,666,074	3,660,257	3,503,596	156,661

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Instructional staff:				
Salaries and wages	\$ 2,130,230	\$ 2,268,511	\$ 2,268,511	\$ -
Fringe benefits	814,556	838,314	838,314	-
Purchased services	227,942	275,701	243,119	32,582
Supplies	180,761	221,693	221,646	47
Capital outlay	146,323	118,370	118,370	-
Other	7,450	7,050	5,081	1,969
Total instructional staff	<u>3,507,262</u>	<u>3,729,639</u>	<u>3,695,041</u>	<u>34,598</u>
Board of Education:				
Salaries and wages	17,091	17,250	17,250	-
Fringe benefits	2,699	3,364	3,364	-
Purchased services	3,775	3,499	1,127	2,372
Supplies	3,957	4,234	4,234	-
Other	12,100	12,100	9,524	2,576
Total board of education	<u>39,622</u>	<u>40,447</u>	<u>35,499</u>	<u>4,948</u>
Administration:				
Salaries and wages	1,906,389	1,906,389	1,819,619	86,770
Fringe benefits	883,391	883,391	834,369	49,022
Purchased services	425,240	410,965	287,171	123,794
Supplies	202,564	67,703	62,831	4,872
Capital outlay	1,425	5,483	4,216	1,267
Other	67,674	67,707	53,278	14,429
Total administration	<u>3,486,683</u>	<u>3,341,638</u>	<u>3,061,484</u>	<u>280,154</u>
Fiscal:				
Salaries and wages	363,620	363,620	361,744	1,876
Fringe benefits	159,333	171,423	171,423	-
Purchased services	57,510	57,468	36,209	21,259
Supplies	7,862	7,862	7,025	837
Capital outlay	29,275	29,275	28,044	1,231
Other	684,991	681,156	660,993	20,163
Total fiscal	<u>1,302,591</u>	<u>1,310,804</u>	<u>1,265,438</u>	<u>45,366</u>
Business:				
Salaries and wages	268,352	291,817	291,817	-
Fringe benefits	128,340	124,518	116,321	8,197
Purchased services	124,182	102,698	102,698	-
Supplies	77,921	23,777	23,757	20
Capital outlay	-	315	315	-
Other	940	1,629	1,629	-
Total business	<u>599,735</u>	<u>544,754</u>	<u>536,537</u>	<u>8,217</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Operations and maintenance:				
Salaries and wages	\$ 1,911,009	\$ 1,911,009	\$ 1,737,285	\$ 173,724
Fringe benefits	789,235	789,235	707,371	81,864
Purchased services	1,962,118	2,445,890	2,144,182	301,708
Supplies	293,575	248,751	248,751	-
Capital outlay	8,455	55,651	55,651	-
Total operations and maintenance	<u>4,964,392</u>	<u>5,450,536</u>	<u>4,893,240</u>	<u>557,296</u>
Pupil transportation:				
Salaries and wages	2,391,417	2,391,417	2,356,987	34,430
Fringe benefits	1,191,479	1,191,478	1,122,887	68,591
Purchased services	63,796	277,390	276,599	791
Supplies	757,026	620,572	620,572	-
Capital outlay	2,200	10,297	10,297	-
Other	14,313	75	75	-
Total pupil transportation	<u>4,420,231</u>	<u>4,491,229</u>	<u>4,387,417</u>	<u>103,812</u>
Central:				
Salaries and wages	53,090	68,135	68,135	-
Fringe benefits	24,230	26,473	26,473	-
Purchased services.	24,558	24,558	14,405	10,153
Supplies	6,464	7,551	7,158	393
Capital outlay	2,069	88	88	-
Other	500	500	380	120
Total central.	<u>110,911</u>	<u>127,305</u>	<u>116,639</u>	<u>10,666</u>
Total support services	<u>22,097,501</u>	<u>22,696,609</u>	<u>21,494,891</u>	<u>1,201,718</u>
Extracurricular activities:				
Academic and subject oriented activities:				
Salaries and wages	125,417	125,417	108,138	17,279
Fringe benefits	23,526	23,526	17,067	6,459
Total academic and subject oriented activities	<u>148,943</u>	<u>148,943</u>	<u>125,205</u>	<u>23,738</u>
Sports oriented activities:				
Salaries and wages	641,066	641,066	599,756	41,310
Fringe benefits	154,108	154,108	141,412	12,696
Other	750	750	-	750
Total sports oriented activities	<u>795,924</u>	<u>795,924</u>	<u>741,168</u>	<u>54,756</u>
Total extracurricular activities	<u>944,867</u>	<u>944,867</u>	<u>866,373</u>	<u>78,494</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Facilities acquisition and construction:				
Site improvement services:				
Capital outlay- replacement	\$ -	\$ 30,943	\$ 30,943	\$ -
Architecture and engineering services:				
Purchased services	123,020	95,750	95,750	-
Building acquisition and construction services:				
Other	-	43,435	42,387	1,048
Building improvement services:				
Capital outlay-replacement	45,186	10,905	10,905	-
Total building improvement services. . .	45,186	10,905	10,905	-
Total facilities acquisition and construction . .	168,206	181,033	179,985	1,048
Total expenditures	54,754,790	55,198,580	53,203,223	1,995,357
Excess of revenues over (under) expenditures	(6,771,696)	(7,434,500)	(4,244,462)	3,190,038
Other financing sources (uses):				
Refund of prior year's expenditures	28,310	28,181	28,886	705
Refund of prior year's receipts	-	(4,293)	(4,293)	-
Transfers (out).	(460,000)	(17,259)	(10,000)	7,259
Advances in.	31,957	31,811	32,607	796
Advances (out).	(50,000)	(44,659)	(31,556)	13,103
Other uses.	(44,279)	(44,279)	(44,279)	-
Sale of capital assets	418	417	427	10
Total other financing sources (uses)	(493,594)	(50,081)	(28,208)	21,873
Net change in fund balance	(7,265,290)	(7,484,581)	(4,272,670)	3,211,911
Fund balance at beginning of year	21,062,864	21,062,864	21,062,864	-
Prior year encumbrances appropriated . .	2,969,393	2,969,393	2,969,393	-
Fund balance at end of year.	<u>\$ 16,766,967</u>	<u>\$ 16,547,676</u>	<u>\$ 19,759,587</u>	<u>\$ 3,211,911</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 5,539,142	\$ 6,235,409	\$ 6,902,451	\$ 667,042
Intergovernmental - State	633,225	712,821	789,076	76,255
Intergovernmental-federal	1,410,026	1,587,265	1,757,065	169,800
Total revenues.	<u>7,582,393</u>	<u>8,535,495</u>	<u>9,448,592</u>	<u>913,097</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other.	18,600	119,357	109,691	9,666
Total fiscal	<u>18,600</u>	<u>119,357</u>	<u>109,691</u>	<u>9,666</u>
Debt service:				
Principal retirement	3,960,000	3,960,000	3,960,000	-
Interest and fiscal charges	4,962,478	4,962,478	4,962,478	-
Bond issue costs	162,688	108,493	108,493	-
Total debt service.	<u>9,085,166</u>	<u>9,030,971</u>	<u>9,030,971</u>	<u>-</u>
Total expenditures	<u>9,103,766</u>	<u>9,150,328</u>	<u>9,140,662</u>	<u>9,666</u>
Excess of revenues (under) expenditures	<u>(1,521,373)</u>	<u>(614,833)</u>	<u>307,930</u>	<u>922,763</u>
Other financing sources (uses):				
Issuance of refunding bonds	-	5,907,985	6,540,000	632,015
Premium on bonds sold	-	355,218	393,218	38,000
Payment to refunding bond escrow agent	-	(6,967,612)	(6,967,612)	-
Total other financing sources (uses)	<u>-</u>	<u>(704,409)</u>	<u>(34,394)</u>	<u>670,015</u>
Net change in fund balance	(1,521,373)	(1,319,242)	273,536	1,592,778
Fund balance at beginning of year	<u>5,273,194</u>	<u>5,273,194</u>	<u>5,273,194</u>	<u>-</u>
Fund balance at end of year.	<u><u>\$ 3,751,821</u></u>	<u><u>\$ 3,953,952</u></u>	<u><u>\$ 5,546,730</u></u>	<u><u>\$ 1,592,778</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 97,838	\$ 242,137	\$ 144,299
Other local revenues	2,162	5,350	3,188
Total revenues	<u>100,000</u>	<u>247,487</u>	<u>147,487</u>
Expenditures:			
Facilities acquisition and construction:			
Building acquisition and construction services:			
Purchased services	18,593,432	13,609,009	4,984,423
Supplies	4,000	-	4,000
Capital outlay	61,392,196	56,637,934	4,754,262
Total facilities acquisition and construction .	<u>79,989,628</u>	<u>70,246,943</u>	<u>9,742,685</u>
Total expenditures	<u>79,989,628</u>	<u>70,246,943</u>	<u>9,742,685</u>
Net change in fund balance	(79,889,628)	(69,999,456)	9,890,172
Fund balance at beginning of year	74,872,137	74,872,137	-
Prior year encumbrances appropriated . .	6,667,576	6,667,576	-
Fund balance at end of year.	<u><u>\$ 1,650,085</u></u>	<u><u>\$ 11,540,257</u></u>	<u><u>\$ 9,890,172</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report specific revenue sources that are restricted or committed to an expenditure for a specific purpose. A description of the District's special revenue funds follows:

Food Service Fund

This fund accounts for the financial transactions related to the food service operations of the District.

Local Grants Fund

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

Professional Development Grant Fund

This fund accounts for grant monies that are legally restricted to expenditures for professional development.

Athletic and Music Fund

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

Auxiliary Services Fund

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

Data Communications Support Fund

This fund accounts for State monies received to provide Ohio Educational Computer Network Connections.

Adult Basic Education Fund

This fund accounts for federal and state monies used to provide financial support to programs in reading, writing and math competency for adults that do not have a high school diploma.

Education Jobs Fund

This fund accounts for federal monies whose purpose is to create education jobs for the 2011-2012 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

Resident Educator Fund

This fund accounts for federal monies whose purpose is to create education jobs for the 2011-2012 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

IDEA, Part B Special Education Fund

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

Stimulus Title II D Fund

Grant focus on Professional Development and Student Learning. Through sustained, collaborative, job-embedded professional development and the use of research-based methods, teachers will experience new models and strategies for teaching and learning.

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Nonmajor Special Revenue Funds - (Continued)

Limited English Proficiency Fund

This fund accounts for federal monies used for instruction in the child's native language to the extent necessary to allow a child to achieve competence in English.

Title I Fund

This fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff developments.

Early Childhood Education Development Fund

This fund accounts for federal monies which partially support the preschool program focusing on the early education of handicapped children.

Improving Teacher Quality Fund

This fund accounts for various monies to hire additional classroom teachers, so that the number of students per teacher will be reduced.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Uniform School Supplies Fund

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

Interdistrict Summer School Fund

This fund accounts for tuition received from four surrounding school districts as well as Westlake City School District students for the purpose of summer school education.

Community Education Fund

This fund accounts for revenues and expenses involved in upgrading and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation.

Public School Support Fund

This fund accounts for school site sales revenue and expenditures for field trips, assemblies and other activity costs.

Nonmajor Capital Projects Fund

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or and other capital assets.

Permanent Improvement Fund

This fund accounts for the acquisition and construction of permanent improvements as authorized by Chapter 5705, Revised Code.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 619,088	\$ 681	\$ 619,769
Receivables:			
Accounts	8,680	-	8,680
Intergovernmental	236,887	-	236,887
Materials and supplies inventory	5,239	-	5,239
Inventory held for resale	8,779	-	8,779
Total assets	<u>\$ 878,673</u>	<u>\$ 681</u>	<u>\$ 879,354</u>
Liabilities:			
Accounts payable	\$ 25,317	\$ -	\$ 25,317
Accrued wages and benefits	139,464	-	139,464
Interfund loans payable	10,949	-	10,949
Intergovernmental payable	81,674	-	81,674
Deferred revenue	76,008	-	76,008
Total liabilities	<u>333,412</u>	<u>-</u>	<u>333,412</u>
Fund Balances:			
Nonspendable:			
Materials and supplies inventory	14,018	-	14,018
Restricted:			
Capital improvements	-	681	681
Adult education	4,321	-	4,321
Food service operations	87,478	-	87,478
Non-public schools	110,001	-	110,001
Special education	2	-	2
Targeted academic assistance	12,900	-	12,900
Other purposes	106,479	-	106,479
Extracurricular	210,533	-	210,533
Unassigned (deficit)	(471)	-	(471)
Total fund balances	<u>545,261</u>	<u>681</u>	<u>545,942</u>
Total liabilities and fund balances	<u>\$ 878,673</u>	<u>\$ 681</u>	<u>\$ 879,354</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Charges for services	\$ 1,028,386	\$ -	\$ 1,028,386
Earnings on investments	468	1	469
Extracurricular	206,746	-	206,746
Rental income	21,159	-	21,159
Contributions and donations	156,189	-	156,189
Other local revenues	8,158	-	8,158
Intergovernmental - State	496,379	-	496,379
Intergovernmental - Federal	1,797,714	-	1,797,714
	<hr/>	<hr/>	<hr/>
Total revenue	3,715,199	1	3,715,200
	<hr/>	<hr/>	<hr/>
Expenditures:			
Current:			
Instruction:			
Regular	242,476	-	242,476
Special	406,328	-	406,328
Adult/continuing	68,779	-	68,779
Other	281,696	-	281,696
Support services:			
Pupil	244,569	-	244,569
Instructional staff	243,379	-	243,379
Administration	13,577	-	13,577
Operations and maintenance	250	-	250
Pupil transportation	2,033	-	2,033
Central	12,600	-	12,600
Operation of non-instructional services:			
Other non-instructional services	418,897	-	418,897
Food service operations	1,302,398	-	1,302,398
Extracurricular activities	294,784	-	294,784
Facilities acquisition and construction	1,636	-	1,636
	<hr/>	<hr/>	<hr/>
Total expenditures	3,533,402	-	3,533,402
	<hr/>	<hr/>	<hr/>
Excess of revenues over (under) expenditures.	181,797	1	181,798
	<hr/>	<hr/>	<hr/>
Other financing sources:			
Transfers in	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Total other financing sources	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Net change in fund balances.	191,797	1	191,798
	<hr/>	<hr/>	<hr/>
Fund balances at beginning of year	353,464	680	354,144
	<hr/>	<hr/>	<hr/>
Fund balances at end of year	<u>\$ 545,261</u>	<u>\$ 681</u>	<u>\$ 545,942</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2012

	<u>Food Service</u>	<u>Local Grants</u>	<u>Professional Development Grant</u>	<u>Athletic and Music</u>
Assets:				
Equity in pooled cash and investments	\$ 160,020	\$ 17,154	\$ 81,380	\$ 215,185
Receivables:				
Accounts.	559	7,500	-	621
Intergovernmental	39,682	-	-	-
Materials and supplies inventory	5,239	-	-	-
Inventory held for resale	8,779	-	-	-
Total assets.	<u>\$ 214,279</u>	<u>\$ 24,654</u>	<u>\$ 81,380</u>	<u>\$ 215,806</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ 909	\$ 5,078
Accrued wages and benefits	70,397	-	-	-
Interfund loans payable.	-	-	-	-
Intergovernmental payable	42,386	-	-	195
Deferred revenue.	-	-	-	-
Total liabilities.	<u>112,783</u>	<u>-</u>	<u>909</u>	<u>5,273</u>
Fund Balances:				
Nonspendable:				
Materials and supplies inventory.	14,018	-	-	-
Restricted:				
Adult education	-	-	-	-
Food service operations	87,478	-	-	-
Non-public schools	-	-	-	-
Special education	-	-	-	-
Targeted academic assistance	-	-	-	-
Other purposes.	-	24,654	80,471	-
Extracurricular	-	-	-	210,533
Unassigned (deficit).	-	-	-	-
Total fund balances (deficits).	<u>101,496</u>	<u>24,654</u>	<u>80,471</u>	<u>210,533</u>
Total liabilities and fund balances	<u>\$ 214,279</u>	<u>\$ 24,654</u>	<u>\$ 81,380</u>	<u>\$ 215,806</u>

Auxiliary Services	Adult Basic Education	Resident Educator	IDEA, Part B Special Education	Stimulus Title II D	Limited English Proficiency
\$ 145,304	\$ -	\$ -	\$ 25	\$ -	\$ 11
-	-	-	-	-	-
-	22,484	1,050	87,315	748	8,236
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 145,304</u>	<u>\$ 22,484</u>	<u>\$ 1,050</u>	<u>\$ 87,340</u>	<u>\$ 748</u>	<u>\$ 8,247</u>
\$ 12,000	\$ 5	\$ -	\$ 6,711	\$ -	\$ 34
18,530	391	-	8,640	-	-
-	10,113	-	-	413	423
4,773	3,476	-	18,154	-	-
-	4,178	-	54,305	31	7,791
<u>35,303</u>	<u>18,163</u>	<u>-</u>	<u>87,810</u>	<u>444</u>	<u>8,248</u>
-	-	-	-	-	-
-	4,321	-	-	-	-
-	-	-	-	-	-
110,001	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,050	-	304	-
-	-	-	-	-	-
-	-	-	(470)	-	(1)
<u>110,001</u>	<u>4,321</u>	<u>1,050</u>	<u>(470)</u>	<u>304</u>	<u>(1)</u>
<u>\$ 145,304</u>	<u>\$ 22,484</u>	<u>\$ 1,050</u>	<u>\$ 87,340</u>	<u>\$ 748</u>	<u>\$ 8,247</u>

- - Continued

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2012

	<u>Title I</u>	<u>Early Childhood Education Development</u>	<u>Improving Teacher Quality</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:				
Equity in pooled cash and investments	\$ 2	\$ 2	\$ 5	\$ 619,088
Receivables:				
Accounts.	-	-	-	8,680
Intergovernmental	67,956	1,106	8,310	236,887
Materials and supplies inventory	-	-	-	5,239
Inventory held for resale	-	-	-	8,779
Total assets.	<u>\$ 67,958</u>	<u>\$ 1,108</u>	<u>\$ 8,315</u>	<u>\$ 878,673</u>
Liabilities:				
Accounts payable.	\$ 35	\$ -	\$ 545	\$ 25,317
Accrued wages and benefits	41,506	-	-	139,464
Interfund loans payable	-	-	-	10,949
Intergovernmental payable	12,511	-	179	81,674
Deferred revenue.	1,427	1,106	7,170	76,008
Total liabilities.	<u>55,479</u>	<u>1,106</u>	<u>7,894</u>	<u>333,412</u>
Fund Balances:				
Nonspendable:				
Materials and supplies inventory.	-	-	-	14,018
Restricted:				
Adult education	-	-	-	4,321
Food service operations	-	-	-	87,478
Non-public schools	-	-	-	110,001
Special education	-	2	-	2
Targeted academic assistance	12,479	-	421	12,900
Other purposes.	-	-	-	106,479
Extracurricular	-	-	-	210,533
Unassigned (deficit).	-	-	-	(471)
Total fund balances (deficits).	<u>12,479</u>	<u>2</u>	<u>421</u>	<u>545,261</u>
Total liabilities and fund balances	<u>\$ 67,958</u>	<u>\$ 1,108</u>	<u>\$ 8,315</u>	<u>\$ 878,673</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Food Service	Local Grants	Professional Development Grant	Athletic and Music
Revenues:				
From local sources:				
Charges for services	\$ 1,028,386	\$ -	\$ -	\$ -
Earnings on investments	228	-	-	-
Extracurricular	-	-	-	206,746
Rental income.	-	-	21,159	-
Contributions and donations	-	50,500	22,250	83,439
Other local revenues	1,827	-	3,950	2,381
Intergovernmental - State	5,673	-	-	-
Intergovernmental - Federal	310,805	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue.	1,346,919	50,500	47,359	292,566
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:				
Current:				
Instruction:				
Regular.	-	3,490	1,309	-
Special	-	-	-	-
Adult/continuing	-	-	3,710	-
Other	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff.	-	24,000	1,420	-
Administration	-	-	-	-
Operations and maintenance.	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	-	-	-
Food service operations	1,302,398	-	-	-
Extracurricular activities.	-	-	3,584	291,200
Facilities acquisition and construction.	-	-	1,636	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	1,302,398	27,490	11,659	291,200
	<hr/>	<hr/>	<hr/>	<hr/>
Excess of revenues over (under) expenditures.	44,521	23,010	35,700	1,366
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources:				
Transfers in.	-	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources.	-	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances	44,521	23,010	35,700	11,366
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at beginning of year	56,975	1,644	44,771	199,167
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at end of year	\$ 101,496	\$ 24,654	\$ 80,471	\$ 210,533
	<hr/>	<hr/>	<hr/>	<hr/>

<u>Auxiliary Services</u>	<u>Data Communications Support</u>	<u>Adult Basic Education</u>	<u>Education Jobs</u>	<u>Resident Educator</u>	<u>IDEA, Part B Special Education</u>	<u>Stimulus Title II D</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
240	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
451,492	12,600	26,614	-	-	-	-
-	-	86,999	117,607	1,050	768,933	2,771
<u>451,732</u>	<u>12,600</u>	<u>113,613</u>	<u>117,607</u>	<u>1,050</u>	<u>768,933</u>	<u>2,771</u>
-	-	-	117,607	-	-	-
-	-	-	-	-	386,980	-
-	-	65,069	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	232,150	-
-	-	38,228	-	-	128,815	2,413
-	-	7,472	-	-	-	-
-	-	250	-	-	-	-
-	-	-	-	-	-	-
-	12,600	-	-	-	-	-
371,826	-	197	-	-	38,136	54
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>371,826</u>	<u>12,600</u>	<u>111,216</u>	<u>117,607</u>	<u>-</u>	<u>786,081</u>	<u>2,467</u>
79,906	-	2,397	-	1,050	(17,148)	304
-	-	-	-	-	-	-
-	-	-	-	-	-	-
79,906	-	2,397	-	1,050	(17,148)	304
30,095	-	1,924	-	-	16,678	-
<u>\$ 110,001</u>	<u>\$ -</u>	<u>\$ 4,321</u>	<u>\$ -</u>	<u>\$ 1,050</u>	<u>\$ (470)</u>	<u>\$ 304</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Limited English Proficiency	Title I	Early Childhood Education Development	Improving Teacher Quality
Revenues:				
From local sources:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Extracurricular	-	-	-	-
Rental income.	-	-	-	-
Contributions and donations	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	24,479	390,788	17,947	76,335
	<u>24,479</u>	<u>390,788</u>	<u>17,947</u>	<u>76,335</u>
Total revenue.	<u>24,479</u>	<u>390,788</u>	<u>17,947</u>	<u>76,335</u>
Expenditures:				
Current:				
Instruction:				
Regular.	-	75,770	-	44,300
Special	17,613	-	1,735	-
Adult/continuing	-	-	-	-
Other	-	281,696	-	-
Support services:				
Pupil	-	-	12,419	-
Instructional staff.	6,867	10,050	2,248	29,338
Administration	-	6,105	-	-
Operations and maintenance.	-	-	-	-
Pupil transportation	-	2,033	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	6,659	-	2,025
Food service operations	-	-	-	-
Extracurricular activities.	-	-	-	-
Facilities acquisition and construction.	-	-	-	-
	<u>24,480</u>	<u>382,313</u>	<u>16,402</u>	<u>75,663</u>
Total expenditures	<u>24,480</u>	<u>382,313</u>	<u>16,402</u>	<u>75,663</u>
Excess of revenues over (under) expenditures.	(1)	8,475	1,545	672
Other financing sources:				
Transfers in.	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1)	8,475	1,545	672
Fund balances (deficit) at beginning of year	<u>-</u>	<u>4,004</u>	<u>(1,543)</u>	<u>(251)</u>
Fund balances (deficit) at end of year	<u>\$ (1)</u>	<u>\$ 12,479</u>	<u>\$ 2</u>	<u>\$ 421</u>

**Total
Nonmajor
Special Revenue
Funds**

\$ 1,028,386
468
206,746
21,159
156,189
8,158
496,379
1,797,714

3,715,199

242,476
406,328
68,779
281,696

244,569
243,379
13,577
250
2,033
12,600

418,897
1,302,398
294,784
1,636

3,533,402

181,797

10,000

10,000

191,797

353,464

\$ 545,261

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Charges for services	\$ 941,854	\$ 1,028,386	\$ 86,532
Earnings on investments	209	228	19
Other local revenues	1,530	1,671	141
Intergovernmental - State	5,196	5,673	477
Intergovernmental - Federal	250,790	273,831	23,041
Total revenues.	<u>1,199,579</u>	<u>1,309,789</u>	<u>110,210</u>
Expenditures:			
Operation of non-instructional services:			
Food service operations:			
Salaries and wages	457,547	457,244	303
Fringe benefits	183,886	180,788	3,098
Purchased services	2,487	2,273	214
Supplies	675,042	672,150	2,892
Capital outlay	14,089	11,851	2,238
Total food service operations	<u>1,333,051</u>	<u>1,324,306</u>	<u>8,745</u>
Total expenditures	<u>1,333,051</u>	<u>1,324,306</u>	<u>8,745</u>
Excess of revenues over (under) expenditures	<u>(133,472)</u>	<u>(14,517)</u>	<u>118,955</u>
Other financing sources (uses):			
Refund of prior year's expenditures	421	460	39
Refund of prior year's receipts	(223)	(223)	-
Advances (out)	(1,000)	-	1,000
Total other financing sources (uses)	<u>(802)</u>	<u>237</u>	<u>1,039</u>
Net change in fund balance.	(134,274)	(14,280)	119,994
Fund balance at beginning of year	114,919	114,919	-
Prior year encumbrances appropriated	22,122	22,122	-
Fund balance at end of year.	<u>\$ 2,767</u>	<u>\$ 122,761</u>	<u>\$ 119,994</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Contributions and donations	\$ 43,000	\$ 43,000	\$ -
Total revenues	<u>43,000</u>	<u>43,000</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Supplies	5,132	1,932	3,200
Capital outlay	7,158	1,558	5,600
Total instruction-regular.	<u>12,290</u>	<u>3,490</u>	<u>8,800</u>
Support services:			
Instructional staff:			
Purchased services	31,005	24,000	7,005
Total instructional staff	<u>31,005</u>	<u>24,000</u>	<u>7,005</u>
Operation of non-instructional services:			
Other non-instructional services:			
Supplies	195	-	195
Total operation of non-instructional services	<u>195</u>	<u>-</u>	<u>195</u>
Total expenditures	<u>43,490</u>	<u>27,490</u>	<u>16,000</u>
Net change in fund balance	(490)	15,510	16,000
Fund balance at beginning of year	<u>1,644</u>	<u>1,644</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 1,154</u>	<u>\$ 17,154</u>	<u>\$ 16,000</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROFESSIONAL DEVELOPMENT GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Rental income.	\$ -	\$ 21,159	\$ 21,159
Contributions and donations	-	22,250	22,250
Other local revenues	-	10,471	10,471
Total revenues.	<u>-</u>	<u>53,880</u>	<u>53,880</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	2,360	-	2,360
Supplies	2,265	1,309	956
Total regular	<u>4,625</u>	<u>1,309</u>	<u>3,316</u>
Adult/continuing:			
Salaries and wages.	3,204	3,204	-
Fringe benefits.	506	506	-
Total adult/continuing	<u>3,710</u>	<u>3,710</u>	<u>-</u>
Support services:			
Instructional staff:			
Salaries and wages	1,238	1,238	-
Fringe benefits	182	182	-
Purchased services	1,381	-	1,381
Total instructional staff	<u>2,801</u>	<u>1,420</u>	<u>1,381</u>
Extracurricular:			
School and public service co-curricular activities:			
Purchased services	3,260	3,260	-
Supplies	1,167	1,167	-
Total school and public service co-curricular activities	<u>4,427</u>	<u>4,427</u>	<u>-</u>
Facilities acquisition and construction:			
Site improvement services:			
Capital outlay	1,706	1,636	70
Total facilities acquisition and construction	<u>1,706</u>	<u>1,636</u>	<u>70</u>
Total expenditures	<u>17,269</u>	<u>12,502</u>	<u>4,767</u>
Net change in fund balance	(17,269)	41,378	58,647
Fund balance at beginning of year	36,250	36,250	-
Prior year encumbrances appropriated	2,000	2,000	-
Fund balance at end of year.	<u>\$ 20,981</u>	<u>\$ 79,628</u>	<u>\$ 58,647</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ATHLETIC AND MUSIC FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Extracurricular	\$ 206,413	\$ 206,746	\$ 333
Contributions and donations	83,304	83,439	135
Other local revenues	1,872	1,875	3
Total revenues.	<u>291,589</u>	<u>292,060</u>	<u>471</u>
Expenditures:			
Extracurricular activities:			
Sports oriented activities:			
Salaries and wages	17,000	16,834	166
Fringe benefits	2,000	1,840	160
Purchased services	81,681	75,715	5,966
Supplies	108,268	100,097	8,171
Capital outlay	11,965	7,094	4,871
Other	114,847	104,876	9,971
Total extracurricular activities.	<u>335,761</u>	<u>306,456</u>	<u>29,305</u>
Total expenditures	<u>335,761</u>	<u>306,456</u>	<u>29,305</u>
Excess of revenues over (under) expenditures	<u>(44,172)</u>	<u>(14,396)</u>	<u>29,776</u>
Other financing sources (uses):			
Refund of prior year's expenditures	427	428	1
Refund of prior year's receipts	(60)	(60)	-
Transfers in.	9,984	10,000	16
Total other financing sources (uses)	<u>10,351</u>	<u>10,368</u>	<u>17</u>
Net change in fund balance	(33,821)	(4,028)	29,793
Fund balance at beginning of year	176,083	176,083	-
Prior year encumbrances appropriated	23,240	23,240	-
Fund balance at end of year.	<u>\$ 165,502</u>	<u>\$ 195,295</u>	<u>\$ 29,793</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 240	\$ 240	\$ -
Intergovernmental - State	451,445	451,492	47
Total revenues.	<u>451,685</u>	<u>451,732</u>	<u>47</u>
Expenditures:			
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	103,264	84,015	19,249
Fringe benefits	47,843	36,781	11,062
Purchased services	119,847	112,684	7,163
Supplies	182,556	110,704	71,852
Capital outlay	60,931	40,274	20,657
Total other non-instructional services	<u>514,441</u>	<u>384,458</u>	<u>129,983</u>
Total expenditures	<u>514,441</u>	<u>384,458</u>	<u>129,983</u>
Excess of revenues			
(under) expenditures	<u>(62,756)</u>	<u>67,274</u>	<u>130,030</u>
Other financing uses:			
Refund of prior year's (receipts)	(1,134)	(1,134)	-
Total other financing uses	<u>(1,134)</u>	<u>(1,134)</u>	<u>-</u>
Net change in fund balance	(63,890)	66,140	130,030
Fund balance at beginning of year	22,401	22,401	-
Prior year encumbrances appropriated . .	41,489	41,489	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 130,030</u>	<u>\$ 130,030</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-State	\$ 12,600	\$ 12,600	\$ -
Total revenues.	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Central:			
Purchased services.	12,600	12,600	-
Total central	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Total expenditures	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year.	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADULT BASIC EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - State.	\$ 29,337	\$ 26,614	\$ (2,723)
Intergovernmental - Federal	95,533	86,664	(8,869)
Total revenues.	<u>124,870</u>	<u>113,278</u>	<u>(11,592)</u>
Expenditures:			
Current:			
Instruction:			
Adult/Continuing:			
Salaries and wages	62,502	58,998	3,504
Fringe benefits	10,590	9,587	1,003
Supplies	7,374	7,134	240
Capital outlay	46	46	-
Total adult/continuing	<u>80,512</u>	<u>75,765</u>	<u>4,747</u>
Support services:			
Instructional staff:			
Salaries and wages	38,202	31,058	7,144
Fringe benefits	6,484	5,240	1,244
Purchased services	3,515	2,519	996
Supplies	678	377	301
Other.	200	-	200
Total instructional staff	<u>49,079</u>	<u>39,194</u>	<u>9,885</u>
Administration:			
Salaries and wages	6,670	6,670	-
Fringe benefits	1,133	1,097	36
Total administration.	<u>7,803</u>	<u>7,767</u>	<u>36</u>
Operations and maintenance:			
Purchased services	250	250	-
Total operations and maintenance	<u>250</u>	<u>250</u>	<u>-</u>
Operation of non-instructional services:			
Other non-instructional services:			
Supplies	450	447	3
Total other non-instructional services	<u>450</u>	<u>447</u>	<u>3</u>
Total expenditures	<u>138,094</u>	<u>123,423</u>	<u>14,671</u>
Excess of revenues over (under) expenditures	<u>(13,224)</u>	<u>(10,145)</u>	<u>3,079</u>
Other financing sources (uses):			
Advances in	33,445	30,341	(3,104)
Advances (out)	(20,228)	(20,228)	-
Total other financing sources (uses)	<u>13,217</u>	<u>10,113</u>	<u>(3,104)</u>
Net change in fund balance.	(7)	(32)	(25)
Fund balance (deficit) at beginning of year .	(6,061)	(6,061)	-
Prior year encumbrances appropriated . .	6,068	6,068	-
Fund balance (deficit) at end of year. . . .	<u>\$ -</u>	<u>\$ (25)</u>	<u>\$ (25)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EDUCATION JOBS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-federal	\$ 117,607	\$ 117,607	\$ -
Total revenues.	<u>117,607</u>	<u>117,607</u>	<u>-</u>
Expenditures:			
Current:			
Instruction-regular			
Salaries and wages	102,280	102,280	-
Fringe benefits	15,327	15,327	-
Total instruction-regular.	<u>117,607</u>	<u>117,607</u>	<u>-</u>
Total expenditures	<u>117,607</u>	<u>117,607</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IDEA, PART B SPECIAL EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 887,828	\$ 800,512	\$ (87,316)
Total revenues	<u>887,828</u>	<u>800,512</u>	<u>(87,316)</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	9,915	9,915	-
Purchased services	379,795	378,762	1,033
Supplies	7,250	7,224	26
Capital outlay	11,165	10,922	243
Total special	<u>408,125</u>	<u>406,823</u>	<u>1,302</u>
Support services:			
Pupil:			
Salaries and wages	9,585	9,585	-
Purchased services	282,170	264,504	17,666
Total pupil	<u>291,755</u>	<u>274,089</u>	<u>17,666</u>
Instructional staff:			
Salaries and wages	62,428	56,776	5,652
Fringe benefits	48,570	41,988	6,582
Purchased services	38,901	35,590	3,311
Total instructional staff	<u>149,899</u>	<u>134,354</u>	<u>15,545</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	38,136	38,136	-
Total other non-instructional services	<u>38,136</u>	<u>38,136</u>	<u>-</u>
Total expenditures	<u>887,915</u>	<u>853,402</u>	<u>34,513</u>
Net change in fund balance	(87)	(52,890)	(52,803)
Fund balance (deficit) at beginning of year.	(67,916)	(67,916)	-
Prior year encumbrances appropriated . .	68,003	68,003	-
Fund balance (deficit) at end of year. . . .	<u>\$ -</u>	<u>\$ (52,803)</u>	<u>\$ (52,803)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STIMULUS TITLE II D FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-Federal	\$ 2,333	\$ 2,054	\$ (279)
Total revenues.	<u>2,333</u>	<u>2,054</u>	<u>(279)</u>
Expenditures:			
Current:			
Support services:			
Support services-instructional staff			
Purchased services	2,417	2,413	4
Total support services-instructional staff	<u>2,417</u>	<u>2,413</u>	<u>4</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	27	-	27
Supplies	358	358	-
Total other non-instructional services	<u>385</u>	<u>358</u>	<u>27</u>
Total expenditures	<u>2,802</u>	<u>2,771</u>	<u>31</u>
Excess of revenues (under) expenditures	<u>(469)</u>	<u>(717)</u>	<u>(248)</u>
Other financing sources:			
Advances in	469	413	(56)
Total other financing sources	<u>469</u>	<u>413</u>	<u>(56)</u>
Net change in fund balance	-	(304)	(304)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u><u>\$ -</u></u>	<u><u>\$ (304)</u></u>	<u><u>\$ (304)</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIMITED ENGLISH PROFICIENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 31,711	\$ 24,034	\$ (7,677)
Total revenues	<u>31,711</u>	<u>24,034</u>	<u>(7,677)</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	9,645	9,645	-
Supplies	<u>8,500</u>	<u>7,969</u>	<u>531</u>
Total special	<u>18,145</u>	<u>17,614</u>	<u>531</u>
Support services:			
Instructional staff:			
Salaries and wages	5,097	1,253	3,844
Purchased services	8,028	4,614	3,414
Supplies	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total instructional staff	<u>14,125</u>	<u>6,867</u>	<u>7,258</u>
Total expenditures	<u>32,270</u>	<u>24,481</u>	<u>7,789</u>
Excess of revenues over (under) expenditures	<u>(559)</u>	<u>(447)</u>	<u>112</u>
Other financing sources:			
Advances in	<u>559</u>	<u>424</u>	<u>(135)</u>
Total other financing sources	<u>559</u>	<u>424</u>	<u>(135)</u>
Net change in fund balance	-	(23)	(23)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year.	<u><u>\$ -</u></u>	<u><u>\$ (23)</u></u>	<u><u>\$ (23)</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 472,951	\$ 405,059	\$ (67,892)
Total revenues.	<u>472,951</u>	<u>405,059</u>	<u>(67,892)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	35,995	28,560	7,435
Fringe benefits	6,360	4,698	1,662
Purchased services	18,471	18,471	-
Supplies	28,647	28,434	213
Total regular	<u>89,473</u>	<u>80,163</u>	<u>9,310</u>
Other:			
Salaries and wages	293,220	250,092	43,128
Fringe benefits	48,052	40,925	7,127
Total other	<u>341,272</u>	<u>291,017</u>	<u>50,255</u>
Support services:			
Instructional staff:			
Purchased services	17,450	17,450	-
Supplies	1,800	1,800	-
Total instructional staff	<u>19,250</u>	<u>19,250</u>	<u>-</u>
Administration			
Salaries and wages	5,823	5,061	762
Fringe benefits	969	831	138
Total administration.	<u>6,792</u>	<u>5,892</u>	<u>900</u>
Pupil transportation:			
Salaries and wages	2,033	2,033	-
Total pupil transportation	<u>2,033</u>	<u>2,033</u>	<u>-</u>
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	11,389	5,000	6,389
Fringe benefits	1,889	829	1,060
Purchased services	931	931	-
Total other non-instructional services	<u>14,209</u>	<u>6,760</u>	<u>7,449</u>
Total expenditures	<u>473,029</u>	<u>405,115</u>	<u>67,914</u>
Excess of revenues over (under) expenditures	<u>(78)</u>	<u>(56)</u>	<u>22</u>
Other financing (uses):			
Advances in	443	379	(64)
Advances (out)	<u>(379)</u>	<u>(379)</u>	<u>-</u>
Total other financing (uses)	<u>64</u>	<u>-</u>	<u>(64)</u>
Net change in fund balance	(14)	(56)	(42)
Fund balance (deficit) at beginning of year.	(13,746)	(13,746)	-
Prior year encumbrances appropriated	13,760	13,760	-
Fund balance (deficit) at end of year.	<u>\$ -</u>	<u>\$ (42)</u>	<u>\$ (42)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EARLY CHILDHOOD EDUCATION DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal.	\$ 23,681	\$ 22,575	\$ (1,106)
Total revenues.	<u>23,681</u>	<u>22,575</u>	<u>(1,106)</u>
Expenditures:			
Current:			
Instruction:			
Special:			
Supplies	1,798	1,736	62
Capital outlay	500	-	500
Total special	<u>2,298</u>	<u>1,736</u>	<u>562</u>
Support services:			
Pupil:			
Salaries and wages	18,594	18,594	-
Total pupil	<u>18,594</u>	<u>18,594</u>	<u>-</u>
Instructional staff:			
Salaries and wages	1,793	1,793	-
Purchased services	1,000	454	546
Total instructional staff.	<u>2,793</u>	<u>2,247</u>	<u>546</u>
Total expenditures	<u>23,685</u>	<u>22,577</u>	<u>1,108</u>
Net change in fund balance	(4)	(2)	2
Fund balance (deficit) at beginning of year.	(25)	(25)	-
Prior year encumbrances appropriated . .	29	29	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IMPROVING TEACHER QUALITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal.	\$ 83,505	\$ 75,195	\$ (8,310)
Total revenues.	<u>83,505</u>	<u>75,195</u>	<u>(8,310)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	38,000	38,000	-
Fringe benefits	6,300	6,300	-
Total regular	<u>44,300</u>	<u>44,300</u>	<u>-</u>
Support services:			
Instructional staff:			
Salaries and wages	21,340	17,274	4,066
Fringe benefits	2,928	2,839	89
Purchased services	9,709	7,369	2,340
Supplies	3,078	2,995	83
Total instructional staff	<u>37,055</u>	<u>30,477</u>	<u>6,578</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	2,157	2,150	7
Total other non-instructional services	<u>2,157</u>	<u>2,150</u>	<u>7</u>
Total expenditures	<u>83,512</u>	<u>76,927</u>	<u>6,585</u>
Net change in fund balance	(7)	(1,732)	(1,725)
Fund balance (deficit) at beginning of year.	(749)	(749)	-
Prior year encumbrances appropriated . . .	756	756	-
Fund balance (deficit) at end of year. . . .	<u>\$ -</u>	<u>\$ (1,725)</u>	<u>\$ (1,725)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Classroom materials and fees	\$ 43,000	\$ 43,166	\$ 166
Total revenues.	<u>43,000</u>	<u>43,166</u>	<u>166</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Supplies	35,381	35,365	16
Total regular	<u>35,381</u>	<u>35,365</u>	<u>16</u>
Total expenditures	<u>35,381</u>	<u>35,365</u>	<u>16</u>
Excess of revenues over (under) expenditures	<u>7,619</u>	<u>7,801</u>	<u>182</u>
Other financing uses:			
Advances (out)	(9,710)	-	9,710
Total other financing uses	<u>(9,710)</u>	<u>-</u>	<u>9,710</u>
Net change in fund balance	(2,091)	7,801	9,892
Fund balance at beginning of year	20,998	20,998	-
Prior year encumbrances appropriated . .	91	91	-
Fund balance at end of year.	<u>\$ 18,998</u>	<u>\$ 28,890</u>	<u>\$ 9,892</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERDISTRICT SUMMER SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Tuition	\$ 53,000	\$ 62,170	\$ 9,170
Total revenues	<u>53,000</u>	<u>62,170</u>	<u>9,170</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	52,000	51,426	574
Fringe benefits	7,900	7,891	9
Supplies	3,412	2,598	814
Capital outlay	13,230	4,785	8,445
Total regular	<u>76,542</u>	<u>66,700</u>	<u>9,842</u>
Support services:			
Administration:			
Salaries and wages	12,700	12,676	24
Fringe benefits	2,100	2,080	20
Purchased services	1,000	-	1,000
Total administration	<u>15,800</u>	<u>14,756</u>	<u>1,044</u>
Total expenditures	<u>92,342</u>	<u>81,456</u>	<u>10,886</u>
Excess of revenues (under) expenditures	<u>(39,342)</u>	<u>(19,286)</u>	<u>20,056</u>
Other financing uses:			
Refund of prior year's (receipts)	<u>(1,500)</u>	<u>(1,460)</u>	<u>40</u>
Total other financing uses	<u>(1,500)</u>	<u>(1,460)</u>	<u>40</u>
Net change in fund balance	(40,842)	(20,746)	20,096
Fund balance at beginning of year	96,241	96,241	-
Prior year encumbrances appropriated . .	2,842	2,842	-
Fund balance at end of year.	<u><u>\$ 58,241</u></u>	<u><u>\$ 78,337</u></u>	<u><u>\$ 20,096</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Tuition	\$ 373,083	\$ 388,554	\$ 15,471
Classroom materials and fees	4,265	4,442	177
Other local revenues	11,310	11,779	469
Total revenues.	<u>388,658</u>	<u>404,775</u>	<u>16,117</u>
Expenditures:			
Current:			
Support services:			
Administration:			
Salaries and wages	48,975	48,975	-
Fringe benefits	29,029	29,029	-
Supplies	1,000	200	800
Total administration	<u>79,004</u>	<u>78,204</u>	<u>800</u>
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	203,660	203,660	-
Fringe benefits	50,761	50,761	-
Purchased services	9,855	9,663	192
Supplies	42,745	41,410	1,335
Capital outlay	613	613	-
Total other non-instructional services	<u>307,634</u>	<u>306,107</u>	<u>1,527</u>
Total expenditures	<u>386,638</u>	<u>384,311</u>	<u>2,327</u>
Excess of revenues (under) expenditures	<u>2,020</u>	<u>20,464</u>	<u>18,444</u>
Other financing uses:			
Refund of prior year's (receipts)	(754)	(754)	-
Advances (out)	(12,000)	(12,000)	-
Total other financing uses	<u>(12,754)</u>	<u>(12,754)</u>	<u>-</u>
Net change in fund balance	(10,734)	7,710	18,444
Fund balance at beginning of year	16,015	16,015	-
Prior year encumbrances appropriated	5,426	5,426	-
Fund balance at end of year.	<u><u>\$ 10,707</u></u>	<u><u>\$ 29,151</u></u>	<u><u>\$ 18,444</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Extracurricular	\$ 99,367	\$ 106,265	\$ 6,898
Classroom materials and fees.	183,266	195,988	12,722
Contributions and donations	56,577	60,505	3,928
Other local revenues	10,790	11,539	749
Total revenues.	<u>350,000</u>	<u>374,297</u>	<u>24,297</u>
Expenditures:			
Current:			
Support services:			
Board of education:			
Purchased services	<u>2,000</u>	<u>1,625</u>	<u>375</u>
Total support services-board of education	<u>2,000</u>	<u>1,625</u>	<u>375</u>
Support services-central			
Purchased services	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total support services-central	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total support services	<u>3,000</u>	<u>2,625</u>	<u>375</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	1,850	1,850	-
Supplies	<u>4,921</u>	<u>4,136</u>	<u>785</u>
Total other non-instructional services	<u>6,771</u>	<u>5,986</u>	<u>785</u>
Extracurricular activities:			
School and public service co-curricular activities:			
Supplies	430,758	343,575	87,183
Capital outlay	<u>28,444</u>	<u>5,821</u>	<u>22,623</u>
Total school and public service co-curricular activities	<u>459,202</u>	<u>349,396</u>	<u>109,806</u>
Total expenditures	<u>468,973</u>	<u>358,007</u>	<u>110,966</u>
Excess of revenues over (under) expenditures	<u>(118,973)</u>	<u>16,290</u>	<u>135,263</u>
Other financing sources:			
Refund of prior year's expenditures	<u>(15)</u>	<u>(15)</u>	<u>-</u>
Total other financing sources	<u>(15)</u>	<u>(15)</u>	<u>-</u>
Net change in fund balance	(118,988)	16,275	135,263
Fund balance at beginning of year	214,692	214,692	-
Prior year encumbrances appropriated	4,929	4,929	-
Fund balance at end of year.	<u><u>\$ 100,633</u></u>	<u><u>\$ 235,896</u></u>	<u><u>\$ 135,263</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUND
JUNE 30, 2012

	<u>Permanent Improvement</u>
Assets:	
Equity in pooled cash and investments	\$ 681
Total assets.	<u>\$ 681</u>
Fund Balances:	
Restricted:	
Capital improvements	\$ 681
Total fund balances	<u>681</u>
Total liabilities and fund balances	<u>\$ 681</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Permanent Improvement</u>
Revenues:	
From local sources:	
Earnings on investments	<u>\$ 1</u>
Total revenue	<u> 1</u>
Net change in fund balances	1
Fund balances at beginning of year	<u> 680</u>
Fund balances at end of year	<u><u> \$ 681</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ -	\$ 1	\$ 1
Total revenues.	<u>-</u>	<u>1</u>	<u>1</u>
Net change in fund balance	-	1	1
Fund balance at beginning of year	680	680	-
Fund balance at end of year.	<u>\$ 680</u>	<u>\$ 681</u>	<u>\$ 1</u>

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
PROPRIETARY FUND DESCRIPTION

Internal Service Fund

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

Self Insurance Fund

A fund used to account for a former self-insurance program that provided medical, dental and vision benefits to employees.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF INSURANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operating expenses:			
Purchased services	\$ 100,000	\$ -	\$ 100,000
Total operating expenses	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net change in fund equity	(100,000)	-	100,000
Fund equity at beginning of year	<u>1,637,587</u>	<u>1,637,587</u>	<u>-</u>
Fund equity at end of year.	<u><u>\$ 1,537,587</u></u>	<u><u>\$ 1,637,587</u></u>	<u><u>\$ 100,000</u></u>

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

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

Private-Purpose Trust Fund

Scholarship Fund

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

Agency Fund

Student Activities

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOLARSHIP FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 20	\$ 61	\$ 41
Other local revenues	6,400	11,161	4,761
Total revenues.	<u>6,420</u>	<u>11,222</u>	<u>4,802</u>
Expenses:			
Current:			
Extracurricular activities:			
School and public service:			
Purchased services	14,645	10,145	4,500
Total school and public service	<u>14,645</u>	<u>10,145</u>	<u>4,500</u>
Total expenses.	<u>14,645</u>	<u>10,145</u>	<u>4,500</u>
Excess of revenues over (under) expenditures	<u>(8,225)</u>	<u>1,077</u>	<u>9,302</u>
Other financing sources (uses):			
Refund of prior year's (receipts)	(500)	(500)	-
Total other financing sources (uses)	<u>(500)</u>	<u>(500)</u>	<u>-</u>
Net change in fund equity	(8,725)	577	9,302
Fund equity at beginning of year	73,308	73,308	-
Prior year encumbrances appropriated . .	486	486	-
Fund equity at end of year.	<u>\$ 65,069</u>	<u>\$ 74,371</u>	<u>\$ 9,302</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Beginning Balance June 30, 2011	Additions	Deletions	Ending Balance June 30, 2012
Student Activities				
Assets:				
Equity in pooled cash and investments	\$ 278,560	\$ 287,376	\$ 302,815	\$ 263,121
Receivables				
Accounts	1,796	78	1,796	78
Total assets	<u>\$ 280,356</u>	<u>\$ 287,454</u>	<u>\$ 304,611</u>	<u>\$ 263,199</u>
Liabilities:				
Accounts payable	\$ 2,750	\$ 2,001	\$ 2,750	\$ 2,001
Due to students	277,606	285,453	301,861	261,198
Total liabilities.	<u>\$ 280,356</u>	<u>\$ 287,454</u>	<u>\$ 304,611</u>	<u>\$ 263,199</u>

***STATISTICAL
SECTION***

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	114-125
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	126-133
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	134-137
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	138-139
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	140-151

Sources: Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 29,978,435	\$ 26,697,219	\$ 27,100,371	\$ 26,089,735
Restricted	7,502,554	6,752,055	4,966,633	4,883,579
Unrestricted (Deficit)	16,017,546	18,230,099	16,033,437	12,942,962
Total governmental activities net assets	<u>\$ 53,498,535</u>	<u>\$ 51,679,373</u>	<u>\$ 48,100,441</u>	<u>\$ 43,916,276</u>

Source: School District financial records.

2008	2007	2006	2005	2004	2003
\$ 24,749,953	\$ 23,919,272	\$ 22,301,426	\$ 23,730,387	\$ 23,293,698	\$ 18,625,939
4,862,901	4,144,612	4,860,941	2,623,364	2,109,310	3,722,056
9,990,465	1,103,109	(2,954,828)	(4,286,694)	(1,968,260)	(456,470)
<u>\$ 39,603,319</u>	<u>\$ 29,166,993</u>	<u>\$ 24,207,539</u>	<u>\$ 22,067,057</u>	<u>\$ 23,434,748</u>	<u>\$ 21,891,525</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 23,352,699	\$ 23,000,156	\$ 22,316,141	\$ 22,673,208
Special	5,113,771	5,355,715	4,879,232	4,526,920
Vocational	279,679	277,138	283,704	455,026
Adult/Continuing	75,712	93,920	65,515	75,909
Other instructional	1,982,160	1,584,547	1,266,107	1,047,544
Support services:				
Pupil	3,688,102	3,735,847	3,513,646	3,471,572
Instructional staff	3,893,297	3,631,697	3,481,561	3,391,280
Board of education	34,898	31,539	25,952	34,216
Administration	3,111,459	2,946,534	2,987,406	3,117,290
Fiscal	1,339,376	1,246,556	1,212,175	1,164,119
Business	417,407	345,423	359,885	467,300
Operations and maintenance	4,563,603	4,709,177	4,726,262	4,560,697
Pupil transportation	4,529,102	4,679,476	4,506,745	4,196,978
Central	116,643	151,995	154,053	145,385
Operation of non-instructional services				
Food service operations	1,345,128	1,276,077	1,233,229	1,171,096
Other non-instructional services	726,157	736,810	752,129	830,827
Extracurricular activities	1,539,352	1,604,308	1,627,922	1,544,201
Interest and fiscal charges	5,259,363	4,815,718	1,064,601	1,050,230
Total governmental activities expenses	<u>\$ 61,367,908</u>	<u>\$ 60,222,633</u>	<u>\$ 54,456,265</u>	<u>\$ 53,923,798</u>

2008	2007	2006	2005	2004	2003
\$ 20,733,249	\$ 20,374,661	\$ 20,190,940	\$ 20,578,822	\$ 20,669,591	\$ 18,915,663
3,966,107	3,717,072	3,555,142	3,801,153	3,597,814	3,405,179
426,626	397,990	477,265	475,462	469,663	392,114
36,757	34,064	56,634	45,809	70,955	58,192
1,207,397	1,290,541	1,214,300	-	-	-
3,212,792	3,048,974	2,963,597	2,625,987	2,481,334	2,184,689
3,042,408	2,870,362	2,671,046	2,790,065	2,897,289	1,977,693
27,009	45,462	27,125	29,261	2,066	79,923
2,927,678	2,919,666	2,829,414	2,890,037	2,884,080	2,674,304
1,189,276	1,067,467	1,084,520	1,071,904	1,003,922	936,066
436,519	454,909	394,801	439,462	245,822	358,033
4,420,612	4,317,707	4,126,995	3,745,704	3,682,109	3,358,389
3,956,627	3,758,572	3,307,927	3,752,277	3,408,168	3,456,556
120,267	108,327	142,244	187,161	147,463	134,189
1,131,429	1,072,986	927,577	961,507	935,514	816,766
766,805	870,831	696,189	978,734	758,102	802,918
1,544,991	1,423,143	1,352,070	1,359,205	1,386,634	1,192,747
1,104,594	1,127,099	1,304,616	1,436,038	1,561,790	1,773,682
<u>\$ 50,251,143</u>	<u>\$ 48,899,833</u>	<u>\$ 47,322,402</u>	<u>\$ 47,168,588</u>	<u>\$ 46,202,316</u>	<u>\$ 42,517,103</u>

-- Continued

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	2012	2011	2010	2009
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 344,761	\$ 150,267	\$ 149,017	\$ 145,688
Special	-	-	-	-
Vocational	-	-	-	-
Adult/Continuing	7,832	1,702	1,276	2,660
Support services:				
Pupil	-	-	-	-
Instructional staff	2,998	109	679	2,390
Board of education	-	-	-	253
Administration	95,575	84,845	81,151	85,259
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	52,158	42,216	66,563	97,238
Pupil transportation	22,711	9,662	8,867	235,506
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	1,028,386	982,339	963,486	933,603
Other non-instructional services	331,146	267,213	260,349	247,519
Extracurricular activities	516,564	486,912	553,066	507,994
Operating grants and contributions:				
Instruction:				
Regular	131,041	268,130	273,727	441,448
Special	404,208	758,975	627,566	443,996
Adult/Continuing	71,138	90,750	52,876	70,844
Other	278,973	318,969	291,851	-
Support services:				
Pupil	243,120	337,910	379,539	206,538
Instructional staff	261,991	308,232	276,923	249,131
Board of education	-	-	-	52
Administration	13,101	13,677	8,968	753
Operations and maintenance	236	180,441	158,119	-
Pupil transportation	241,122	200,039	407,412	-
Central	12,600	20,925	23,243	32,781
Operation of non-instructional services:				
Food service operations	318,533	274,306	250,721	215,760
Other non-instructional services	498,097	496,917	486,846	489,310
Extracurricular activities	151,664	180,309	142,276	119,935
Interest and fiscal charges	1,757,065	1,351,964	-	-
Capital grants and contributions:	-			
Instruction:				
Regular	-	-	-	-
Support services:				
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	47,281
Total governmental program revenues	<u>\$ 6,785,020</u>	<u>\$ 6,826,809</u>	<u>\$ 5,464,521</u>	<u>\$ 4,575,939</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (54,582,888)</u>	<u>\$ (53,395,824)</u>	<u>\$ (48,991,744)</u>	<u>\$ (49,347,859)</u>

2008	2007	2006	2005	2004	2003
\$ 152,776	\$ 118,726	\$ 109,724	\$ 118,064	\$ 149,346	\$ 157,176
-	-	-	9,560	-	-
-	-	-	1,373	-	-
-	-	-	-	-	-
-	-	-	7,373	-	-
-	-	-	7,159	-	-
97	-	-	869	-	674
84,816	87,421	128,000	93,025	-	87,604
-	-	-	3,158	-	-
-	-	-	1,294	-	-
91,900	89,231	83,044	10,940	54,545	51,146
263,872	121,090	22,242	10,071	33,151	-
-	-	-	373	-	-
948,821	866,401	867,448	836,920	755,888	717,887
268,965	266,439	212,786	225,021	314,571	238,959
578,185	531,518	533,335	503,064	535,955	506,141
67,572	173,634	46,455	41,326	79,428	152,704
531,496	584,854	417,238	553,493	750,363	498,630
67,048	37,651	65,289	44,631	79,168	46,813
-	-	-	-	-	-
196,527	135,839	183,967	57,663	28,562	87,629
305,478	260,434	258,771	223,372	81,765	81,482
18	-	-	-	-	-
-	-	-	-	-	4,172
-	-	-	3,770	-	3,338
-	-	-	-	-	-
35,315	34,824	34,759	33,685	35,176	38,521
177,214	163,190	139,300	101,685	106,374	-
498,673	540,665	630,693	622,368	494,652	556,992
104,619	108,061	107,659	72,493	84,547	32,156
-	-	-	-	-	-
27,880	-	-	36,225	-	-
-	-	-	-	-	-
25,712	-	-	-	19,066	-
<u>\$ 4,426,984</u>	<u>\$ 4,119,978</u>	<u>\$ 3,840,710</u>	<u>\$ 3,618,975</u>	<u>\$ 3,602,557</u>	<u>\$ 3,262,024</u>
<u>\$ (45,824,159)</u>	<u>\$ (44,779,855)</u>	<u>\$ (43,481,692)</u>	<u>\$ (43,549,613)</u>	<u>\$ (42,599,759)</u>	<u>\$ (39,255,079)</u>

-- Continued

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 39,089,032	\$ 39,263,204	\$ 39,046,558	\$ 39,762,946
Debt service	6,890,778	5,829,681	2,737,032	2,625,491
Grants and entitlements not restricted to specific programs	9,901,584	11,180,263	11,003,434	10,290,480
Investment earnings	392,826	545,781	280,765	782,731
Gain on sale of capital assets	-	-	-	-
Miscellaneous	127,830	155,827	108,120	199,168
Total governmental activities	<u>\$ 56,402,050</u>	<u>\$ 56,974,756</u>	<u>\$ 53,175,909</u>	<u>\$ 53,660,816</u>
Change in Net Assets				
Governmental activities	<u>\$ 1,819,162</u>	<u>\$ 3,578,932</u>	<u>\$ 4,184,165</u>	<u>\$ 4,312,957</u>

Source: School District financial records.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 43,133,279	\$ 37,720,302	\$ 33,550,807	\$ 30,545,074	\$ 32,333,981	\$ 28,045,815
2,820,681	2,981,953	3,894,057	3,591,433	4,119,328	3,292,240
9,198,641	7,945,412	7,357,649	7,522,123	7,315,688	7,356,828
1,010,579	977,551	730,754	397,000	282,326	407,405
-	1,632	-	-	-	-
134,559	112,459	88,907	126,292	91,659	125,189
<u>\$ 56,297,739</u>	<u>\$ 49,739,309</u>	<u>\$ 45,622,174</u>	<u>\$ 42,181,922</u>	<u>\$ 44,142,982</u>	<u>\$ 39,227,477</u>
<u>\$ 10,473,580</u>	<u>\$ 4,959,454</u>	<u>\$ 2,140,482</u>	<u>\$ (1,367,691)</u>	<u>\$ 1,543,223</u>	<u>\$ (27,602)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:				
Nonspendable	\$ 5,339	\$ 6,540	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	9,291,068	2,942,446	-	-
Unassigned	10,916,608	19,342,998	-	-
Reserved	-	-	7,668,287	8,064,469
Unreserved (deficit)	-	-	13,180,434	10,857,245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total general fund	<u>\$ 20,213,015</u>	<u>\$ 22,291,984</u>	<u>\$ 20,848,721</u>	<u>\$ 18,921,714</u>
All Other Governmental Funds:				
Nonspendable	\$ 14,018	\$ 9,020	\$ -	\$ -
Restricted	69,160,731	87,957,784	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	(471)	(1,794)	-	-
Reserved	-	-	4,423,702	4,215,267
Unreserved (deficit), reported in:				
Special revenue funds	-	-	325,863	516,687
Capital projects funds	-	-	(75,436)	11,436
Debt service funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total all other governmental funds	<u>\$ 69,174,278</u>	<u>\$ 87,965,010</u>	<u>\$ 4,674,129</u>	<u>\$ 4,743,390</u>
Total governmental funds	<u>\$ 89,387,293</u>	<u>\$ 110,256,994</u>	<u>\$ 25,522,850</u>	<u>\$ 23,665,104</u>

Source: School District financial records.

Note: The School District implemented GASB 54 in 2011.

2008	2007	2006	2005	2004	2003
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,826,707	6,406,103	4,585,206	5,422,395	6,305,643	4,769,165
6,362,075	204,662	(1,189,649)	(1,956,239)	897,476	1,704,821
<u>\$ 14,188,782</u>	<u>\$ 6,610,765</u>	<u>\$ 3,395,557</u>	<u>\$ 3,466,156</u>	<u>\$ 7,203,119</u>	<u>\$ 6,473,986</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,945,718	3,472,172	4,019,137	863,335	5,455,916	1,219,840
575,333	588,056	604,950	301,564	567,848	581,585
10,902	23,537	142,183	182,055	506,831	8,286,260
-	-	-	2,954,018	2,960,566	2,395,910
<u>\$ 4,531,953</u>	<u>\$ 4,083,765</u>	<u>\$ 4,766,270</u>	<u>\$ 4,300,972</u>	<u>\$ 9,491,161</u>	<u>\$ 12,483,595</u>
<u>\$ 18,720,735</u>	<u>\$ 10,694,530</u>	<u>\$ 8,161,827</u>	<u>\$ 7,767,128</u>	<u>\$ 16,694,280</u>	<u>\$ 18,957,581</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

	2012	2011	2010	2009
Revenues				
From local sources:				
Property taxes	\$ 45,596,405	\$ 45,089,726	\$ 41,131,376	\$ 43,331,596
Tuition	688,926	425,948	403,330	417,510
Transportation fees	22,711	9,662	8,867	17,201
Charges for services	1,028,386	982,339	963,486	933,603
Earnings on investments	431,229	562,239	278,293	802,027
Extracurricular	313,010	291,336	332,193	326,839
Classroom materials and fees	257,721	253,414	289,196	242,364
Contributions and donations	212,665	185,001	154,134	130,720
Rental income	73,317	46,146	70,613	102,288
Other local revenues	84,901	172,247	124,889	199,168
Intergovernmental	14,191,851	15,722,569	14,206,900	12,925,406
Total revenues	<u>62,901,122</u>	<u>63,740,627</u>	<u>57,963,277</u>	<u>59,428,722</u>
Expenditures				
Current:				
Instruction:				
Regular	23,070,405	22,340,830	22,074,806	21,540,301
Special	5,027,566	5,270,067	4,871,042	4,362,750
Vocational	261,561	258,978	271,866	433,570
Adult/Continuing	68,779	86,987	58,582	106,960
Other	1,991,929	1,579,574	1,262,671	1,041,855
Current:				
Pupil	3,657,070	3,630,520	3,444,392	3,332,392
Instructional staff	3,836,991	3,569,005	3,411,558	3,243,215
Board of education	34,898	31,539	25,952	34,216
Administration	3,048,722	2,960,532	2,975,946	3,046,009
Fiscal	1,332,699	1,226,200	1,183,863	1,169,785
Business	414,840	383,740	349,305	452,497
Operations and maintenance	4,426,443	4,720,517	4,450,026	4,482,016
Pupil transportation	4,221,894	4,691,657	4,628,794	4,247,517
Central	113,063	147,655	153,295	141,709
Operation of non-instructional services:				
Food service operations	1,302,398	1,230,889	1,200,931	1,167,000
Other non-instructional services	725,855	734,860	748,294	792,378
Extracurricular activities	1,502,937	1,576,940	1,632,120	1,542,829
Facilities acquisitions and construction	19,583,160	2,979,138	536,858	660,047
Capital outlay	-	-	-	348,014
Debt service:				
Principal retirement	4,029,164	2,103,859	1,978,966	1,816,167
Interest and fiscal charges	4,977,989	4,209,828	847,164	872,284
Bond issuance costs	108,493	714,366	-	-
Total expenditures	<u>83,736,856</u>	<u>64,447,681</u>	<u>56,106,431</u>	<u>54,833,511</u>
Excess of revenues over (under) expenditures	(20,835,734)	(707,054)	1,856,846	4,595,211
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	10,000	10,000
Transfers (out)	(10,000)	(10,000)	(10,000)	(10,000)
Payment to refunded bond escrow agent	(6,967,612)	-	-	-
Sale of capital assets	427	407	900	1,144
Inception of Lease	-	-	-	348,014
Bonds issued	-	84,055,000	-	-
Sale of refunding bonds	6,540,000	-	-	-
Premium on bonds	393,218	1,385,791	-	-
Total other financing sources (uses)	<u>(33,967)</u>	<u>85,441,198</u>	<u>900</u>	<u>349,158</u>
Net change in fund balances	<u>\$ (20,869,701)</u>	<u>\$ 84,734,144</u>	<u>\$ 1,857,746</u>	<u>\$ 4,944,369</u>
Capital expenditures (included in expenditures above)	20,111,718	3,818,908	1,516,369	1,337,258
Debt service as a percentage of noncapital expenditures	14.157%	10.414%	5.177%	5.025%

Source: School District financial records.

	2008	2007	2006	2005	2004	2003
\$	44,919,560	\$ 41,112,568	\$ 37,291,262	\$ 33,898,407	\$ 36,863,886	\$ 30,876,368
	461,172	431,003	411,740	603,441	726,473	715,411
	15,676	23,897	22,242	-	-	-
	948,821	866,401	867,448	873,361	773,199	734,988
	990,006	984,115	664,008	397,000	284,238	407,405
	386,484	330,093	297,213	319,623	289,239	258,838
	237,183	243,008	274,892	-	-	-
	110,446	227,348	108,268	72,893	84,224	32,156
	91,900	89,231	83,044	31,839	54,545	50,350
	134,559	112,459	88,907	126,292	91,659	125,189
	11,136,896	9,745,061	9,236,576	9,120,922	9,041,153	8,776,049
	59,432,703	54,165,184	49,345,600	45,443,778	48,208,616	41,976,754
	20,467,323	20,277,095	19,199,554	20,122,682	19,966,271	18,063,764
	3,833,676	3,695,144	3,598,717	3,673,697	3,450,581	3,372,679
	419,596	389,208	464,226	463,537	456,127	382,559
	37,994	34,064	63,625	45,101	64,786	58,078
	1,204,857	1,293,840	1,188,732	-	-	-
	3,166,059	2,978,081	2,852,742	2,528,374	2,364,661	2,071,929
	2,917,571	2,831,709	2,677,746	2,798,253	2,572,913	1,998,084
	27,009	45,462	27,125	29,985	1,342	32,633
	2,738,591	2,880,859	2,868,430	2,893,638	2,693,589	2,563,907
	1,149,518	1,074,777	1,107,229	1,090,299	984,521	914,567
	435,762	391,821	424,687	465,880	280,150	260,981
	4,163,862	4,067,776	3,837,147	3,981,154	3,485,862	3,230,539
	3,890,867	3,855,696	3,246,356	3,557,715	3,147,406	3,307,033
	112,689	104,855	140,866	189,052	161,673	128,603
	1,078,495	1,057,083	925,578	992,600	873,448	796,763
	768,356	872,274	735,560	1,044,258	666,651	756,871
	1,516,854	1,390,364	1,370,828	1,344,416	1,363,726	1,170,928
	822,693	380,169	305,272	-	-	-
	-	-	-	4,939,263	4,079,092	1,788,880
	1,694,658	3,023,696	2,722,834	2,896,791	2,313,518	1,916,738
	929,315	994,317	1,193,647	1,331,337	1,559,585	1,766,888
	-	66,290	-	-	165,194	122,152
	51,375,745	51,704,580	48,950,901	54,388,032	50,651,096	44,704,576
	8,056,958	2,460,604	394,699	(8,944,254)	(2,442,480)	(2,727,822)
	12,089	9,570	10,000	135,000	185,000	531,199
	(12,089)	(9,570)	(10,000)	(135,000)	(185,000)	(531,199)
	-	(3,996,593)	-	-	(15,886,812)	-
	6,501	4,600	-	-	200	2,074
	-	-	-	17,102	-	-
	-	3,785,000	-	-	13,925,000	8,700,000
	-	-	-	-	-	-
	-	279,092	-	-	2,140,791	171,520
	6,501	72,099	-	17,102	179,179	8,873,594
\$	8,063,459	\$ 2,532,703	\$ 394,699	\$ (8,927,152)	\$ (2,263,301)	\$ 6,145,772
	1,000,439	285,117	5,775,497	4,778,466	2,012,792	1,498,357
	5.209%	7.814%	9.071%	8.523%	7.963%	8.526%

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2012	\$ 1,345,136,450	\$ 3,843,247,000	\$ -	\$ -	\$ 19,742,750	\$ 22,434,943
2011	1,351,387,610	3,861,107,457	-	-	18,395,760	20,904,273
2010 (3)	1,346,534,600	3,847,241,714	-	-	17,904,860	20,346,432
2009	1,382,016,100	3,948,617,429	12,193,793	195,100,688	16,859,840	19,158,909
2008	1,370,873,670	3,916,781,914	21,832,430	174,659,440	15,913,580	18,083,616
2007 (2)	1,366,677,360	3,904,792,457	57,142,606	248,446,113	20,385,360	23,165,182
2006	1,230,619,170	3,516,054,771	68,945,138	299,761,470	20,367,010	23,144,330
2005	1,209,509,470	3,455,741,343	64,928,167	282,296,378	22,225,550	25,256,307
2004 (3)	1,181,766,920	3,376,476,914	67,303,512	292,645,704	22,652,240	25,741,182
2003	1,092,555,030	3,121,585,800	74,078,302	322,079,574	22,213,040	25,242,091

Source: Cuyahoga County Fiscal Officer's Office - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Fiscal Officer.

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

Real estate is assessed at 35 percent of actual value.

Public utility personal is assessed at varying rates of actual value.

Tangible personal property, including inventory, was eliminated in calendar year 2009.

(2) Reappraisal of property values.

(3) Triennial update of property values.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 1,364,879,200	\$ 3,865,681,943	35.31%	\$ 70.10
1,369,783,370	3,882,011,730	35.29%	70.10
1,364,439,460	3,867,588,146	35.28%	66.70
1,411,069,733	4,162,877,026	33.90%	66.50
1,408,619,680	4,109,524,970	34.28%	66.50
1,444,205,326	4,176,403,752	34.58%	66.50
1,319,931,318	3,838,960,571	34.38%	60.80
1,296,663,187	3,763,294,028	34.46%	60.70
1,271,722,672	3,694,863,800	34.42%	61.00
1,188,846,372	3,468,907,465	34.27%	61.20

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

Tax Year/ Collection Year	Overlapping Rates			Direct Rates			
	County	Library	City	Voted		Unvoted	Total
				General	Bond		
2011/2012	\$ 18.40	\$ 2.80	\$ 9.60	\$ 58.60	\$ 5.70	\$ 5.80	\$ 70.10
2010/2011	18.40	2.80	9.60	58.60	5.70	5.80	70.10
2009/2010	18.10	2.80	9.60	58.60	2.30	5.80	66.70
2008/2009	18.10	2.80	9.60	58.60	2.10	5.80	66.50
2007/2008	18.20	2.50	9.80	58.60	2.10	5.80	66.50
2006/2007	18.20	2.50	9.90	58.60	2.10	5.80	66.50
2005/2006	18.30	2.50	10.00	51.70	3.30	5.80	60.80
2004/2005	18.30	2.50	10.10	51.70	3.20	5.80	60.70
2003/2004	18.00	2.50	10.10	51.70	3.50	5.80	61.00
2002/2003	16.20	2.00	10.30	51.70	3.70	5.80	61.20

Source: Cuyahoga County Fiscal Officer's Office

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2011 AND DECEMBER 31, 2002

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Toledo Lucas County Port Authority	\$ 42,010,220	1	3.12%
St John Medical Center	19,326,890	2	1.44%
Promenade Delaware LLC	12,181,550	3	0.91%
Energizer Battery Manufacuring	7,101,510	4	0.53%
Sturbridge Square Apartments	6,531,850	5	0.49%
Remington Apartments	6,499,330	6	0.48%
ARC Westlake Village, Inc	6,068,230	7	0.45%
BCM Westlake, LLC	6,048,360	8	0.45%
Village in the Park	5,449,500	9	0.41%
DRG Hunter's Chase TIC 6, LLC	5,297,080	10	0.39%
Total	<u>\$ 116,514,520</u>		<u>\$ 1,345,136,450</u>

December 31, 2002			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
K-Mart Corporation	\$ 10,737,400	1	0.98%
Westlake Center Association Ltd.	8,853,880	2	0.81%
University Hospitals	8,246,850	3	0.75%
Cleveland Retirement Properties	6,037,500	4	0.55%
King James Point, LLC	5,962,400	5	0.55%
JG Westlake Hotel	5,887,390	6	0.54%
Remington-OP&F, Inc. Inc.	5,713,120	7	0.52%
KOPF-Newton Venture I	5,505,500	8	0.50%
Sturbridge Square Apartments	5,195,750	9	0.48%
WXZ Arbors, LLC	5,190,470	10	0.48%
Total	<u>\$ 67,330,260</u>		<u>1,092,555,030</u>

Source: Cuyahoga County Fiscal Officer's Office

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY TAX
DECEMBER 31, 2011 AND DECEMBER 31, 2002

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 15,986,020	1	80.97%
Columbia Gas of Ohio	2,797,970	2	14.17%
Total	<u>\$ 18,783,990</u>		<u>\$ 19,742,750</u>

December 31, 2002			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 11,605,230	1	12.05%
USG Interiors, Inc.	7,862,790	2	8.17%
Ohio Bell Telephone Company	6,108,670	3	6.34%
Eveready Battery Company	3,738,630	4	3.88%
Truserv Corporation	2,689,350	5	2.79%
Bonne Bell, Inc.	2,632,950	6	2.73%
Aluminum Line Products, Inc.	2,391,920	7	2.48%
Nordson Corp.	2,077,850	8	2.16%
Columbia Gas of Ohio, Incorporated	1,896,350	9	1.97%
Uniroyal Chemical Co Inc.	1,820,580	10	1.89%
Total	<u>\$ 42,824,320</u>		<u>\$ 96,291,342</u>

Source: Cuyahoga County Fiscal Officer's Office

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS

Tax Year/ Collection Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected
2011/2012	\$ 52,383,722	\$ 1,845,185	\$ 54,228,907	\$ 49,233,603	93.99%
2010/2011	51,791,950	2,462,228	54,254,178	49,535,385	95.64%
2009/2010	46,835,159	2,407,628	49,242,787	45,410,732	96.96%
2008/2009	46,531,097	1,875,415	48,406,512	44,880,351	96.45%
2007/2008	47,386,744	2,045,810	49,432,554	45,407,786	95.82%
2006/2007	48,577,064	1,823,623	50,400,687	46,836,166	96.42%
2005/2006	39,789,285	1,756,087	41,545,372	39,743,798	99.89%
2004/2005	39,699,267	2,214,049	41,913,316	37,878,790	95.41%
2003/2004	38,967,423	2,620,334	41,587,757	37,394,113	95.96%
2002/2003	38,158,204	2,854,274	41,012,478	35,859,530	93.98%

Source: Cuyahoga County Fiscal Officer's Office

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

(2) Represents collection year information cannot be presented because all collections have not been made by June 30.

(3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions.

Delinquent Collection		Total Collection	Total Collection As a Percent of Total Levy
\$	1,447,349	\$ 50,680,952	93.46%
	1,310,486	50,845,871	93.72%
	1,283,853	46,694,585	94.83%
	891,324	45,771,675	94.56%
	1,597,512	47,005,298	95.09%
	952,159	47,788,325	94.82%
	1,175,113	40,918,911	98.49%
	1,361,128	39,239,918	93.62%
	1,401,979	38,796,092	93.29%
	1,685,033	37,544,563	91.54%

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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

Fiscal Year	Governmental Activities		Total Primary Government	(b) Per Capita	(b) Per ADM	(c) Percentage of Personal Income
	(a) General Obligation Bonds	Capital Leases				
2012	\$ 99,562,928	\$ 156,025	\$ 99,718,953	\$ 3,047	\$ 24,531	7.33%
2011	103,702,494	225,189	103,927,683	3,175	25,706	7.64%
2010	20,365,043	289,048	20,654,091	646	5,143	1.74%
2009	22,313,651	348,014	22,661,665	709	5,608	1.91%
2008	24,147,260	11,167	24,158,427	756	5,862	2.04%
2007	25,860,870	20,825	25,881,695	810	6,297	2.19%
2006	28,535,000	29,521	28,564,521	893	7,022	2.41%
2005	31,250,000	37,355	31,287,355	979	7,834	2.64%
2004	34,140,000	95,867	34,235,867	1,071	8,740	2.89%
2003	36,365,000	184,385	36,549,385	1,143	9,420	3.09%

Sources:

- (a) See notes to the financial statements regarding the District's outstanding debt information. Excludes accreted interest on capital appreciation bonds.
- (b) See schedule "Demographic and Economic Statistic, Last Ten Years" for population and enrollment information.
- (c) See schedule "Demographic and Economic Statistic, Last Ten Years" for per capita personal income and population. Personal income equals per capital personal income times population.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	(a) Total General Obligation Bonded Debt	Net Assets Restricted for Debt Service	Net General Obligation Bonded Debt	(b) Percentage of Actual Taxable Value of Property	(c) Per Capita
2012	\$ 99,562,928	\$ 6,449,616	\$ 93,113,312	2.41%	\$ 2,845
2011	103,702,494	6,177,809	97,524,685	2.51%	2,980
2010	20,365,043	4,378,630	15,986,413	0.41%	500
2009	22,313,651	4,086,581	18,227,070	0.44%	570
2008	24,147,260	3,848,916	20,298,344	0.49%	635
2007	25,860,870	3,353,147	22,507,723	0.54%	704
2006	28,535,000	4,048,838	24,486,162	0.64%	766
2005	31,250,000	1,528,174	29,721,826	0.79%	930
2004	34,140,000	1,500,313	32,639,687	0.88%	1,021
2003	36,365,000	2,887,330	33,477,670	0.97%	1,047

Sources:

- (a) See notes to the financial statements regarding the District's outstanding debt information. Excludes accreted interest on capital appreciation bonds.
- (b) See schedule "Assessed Valuation and Estimated Actual Value of Taxable Property" for assessed valuation of property.
- (c) See schedule "Demographic and Economic Statistic, Last Ten Years" for population information.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2012**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Direct debt:			
Westlake City School District (2)	\$ 99,718,953	100.00%	\$ 99,718,953
Total direct debt	<u>99,718,953</u>		<u>99,718,953</u>
Overlapping debt:			
Cuyahoga County	215,533,843	4.62%	9,957,664
City of Westlake	14,065,000	100.00%	14,065,000
Total overlapping debt	<u>229,598,843</u>		<u>24,022,664</u>
Total direct and overlapping debt	<u>\$ 329,317,796</u>		<u>\$ 123,741,617</u>

Source: Ohio Municipal Advisory Council

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

(2) See notes to the financial statements regarding the District's outstanding debt including capital lease obligations. Excludes accreted interest on capital appreciation bonds.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2012	\$ 122,839,128	\$ 93,113,312	\$ 6,466,914	\$ 86,646,398	\$ 29,743,114	70.54%
2011	123,280,503	97,524,685	6,263,482	91,261,203	25,841,524	74.03%
2010	122,799,551	15,986,413	4,300,664	11,685,749	111,113,802	9.52%
2009	125,898,835	18,227,070	4,062,615	14,164,455	111,734,380	11.25%
2008	124,810,853	20,298,344	3,756,053	16,542,291	108,268,562	13.25%
2007	124,393,537	22,507,723	3,338,117	19,169,606	105,223,931	15.41%
2006	118,793,819	24,486,162	3,915,579	20,570,583	98,223,236	17.32%
2005	116,699,687	31,250,000	3,496,820	27,753,180	88,946,507	23.78%
2004	114,455,040	32,639,687	3,678,372	28,961,315	85,493,725	25.30%
2003	106,996,173	33,477,670	2,815,390	30,662,280	76,333,893	28.66%

Voted Debt Limit Calculation for Fiscal Year 2012

Assessed Value	\$ 1,364,879,200
Debt Limit (9% of assessed value)	X 9%
Voted Debt Limit	<u><u>\$ 122,839,128</u></u>

Source: Cuyahoga County Fiscal Officer and District financial records

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

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

Note: Beginning in 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude general business tangible personal property as well as railroad and telephone tangible property. See Note 10 to the basic financial statements for detail.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rates</u>		
					<u>Cuyahoga County</u>	<u>Ohio</u>	<u>United States</u>
2012	32,729	\$ 41,588	45.0	4,065	6.9%	7.0%	7.8%
2011	32,729	41,588	45.0	4,043	8.8%	9.2%	9.3%
2010	31,972	37,044	42.0	4,016	9.7%	10.0%	9.6%
2009	31,972	37,044	42.0	4,041	10.2%	11.2%	10.2%
2008	31,972	37,044	42.0	4,121	5.7%	6.6%	5.5%
2007	31,972	37,044	42.0	4,110	5.7%	5.5%	4.4%
2006	31,972	37,044	42.0	4,068	4.8%	4.7%	4.4%
2005	31,972	37,044	42.0	3,994	5.7%	5.9%	5.0%
2004	31,972	37,044	42.0	3,917	6.6%	5.7%	5.1%
2003	31,972	37,044	42.0	3,880	6.7%	5.5%	5.7%

Sources:

- (1) U. S. Census Bureau
- (2) U. S. Census Bureau
- (3) U. S. Census Bureau
- (4) School District records

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR AND EIGHT YEARS AGO

Employer	December 31, 2011		
	Employees	Rank	Percentage of Total City Employment
St. John Westshore Hospital	1,392	1	5.38%
Hyland Software	1,038	2	4.01%
Westlake City Schools	579	3	2.24%
City of Westlake	443	4	1.71%
Energizer	349	5	1.35%
Lutheran Home @ Concord Reserve	349	6	1.35%
Cleveland Clinic	343	7	1.32%
Travel Centers of America	341	8	1.32%
Rae Ann Skilled Nursing & Rehabilitation	250	9	0.97%
University Hospitals	244	10	0.94%
Total	5,328		20.57%
Total City Employment	25,896		

Employer	December 31, 2003 (1)		
	Employees	Rank	Percentage of Total City Employment
St. John Westshore Hospital	1,232	1	3.82%
Eveready Battery	530	2	1.64%
Westlake City Schools	506	3	1.57%
Bonne Bell	498	4	1.54%
City of Westlake	409	5	1.27%
USG Interiors, Inc.	310	6	0.96%
Travel Centers of America	300	7	0.93%
Lutheran Home	290	8	0.90%
Hyland Software	267	9	0.83%
Antares Management Solutions	250	10	0.77%
Total	4,592		14.22%
Total City Employees	32,288		

Source: City of Westlake, Ohio, Department of Planning of Economic Development - amounts are estimates. Total City employment based upon estimate from the Regional Income Tax Authority 2011 withholding information.

(1) Information prior to 2003 is not available

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE
LAST TEN FISCAL YEARS

Type	2012	2011	2010	2009	2008
Professional Staff:					
Teaching Staff:					
Elementary	92	87	87	87	87
Intermediate	43	43	43	41	41
Middle	50	50	50	46	45
High	89	89	89	93	93
Administration:					
District	22	21	20	21	21
Auxiliary Positions:					
Counselors	10	10	10	10	10
Nurses	2	2	2	2	2
Speech	8	8	8	7	6
Mental Health Specialists	4	4	4	4	4
Support Staff:					
Secretarial	42	42	42	42	42
Aides	72	72	68	67	67
Hall monitor/Security	9	12	12	12	12
Technical	2	2	2	2	2
Cooks	33	33	33	33	33
Custodial	34	34	35	35	35
Maintenance	6	6	6	6	6
Bus Driver	73	78	76	70	69
Mechanics	3	3	3	3	3
Extracurricular	200	200	200	200	200
Total	<u>794</u>	<u>796</u>	<u>790</u>	<u>781</u>	<u>778</u>

Source: School District records
Head-count only

2007	2006	2005	2004	2003
87	86	86	86	85
41	41	41	40	41
45	45	45	45	44
92	92	90	91	90
21	21	21	21	21
10	10	10	10	10
2	2	2	2	2
5	4	4	4	4
2	2	2	2	2
42	42	42	42	42
66	63	60	59	57
12	12	12	12	12
2	2	2	2	2
33	33	33	33	33
35	35	35	35	35
6	6	6	6	6
64	64	66	66	65
3	3	3	3	3
200	200	200	200	200
768	763	760	759	753

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2012	2011	2010	2009	2008	2007	2006	2005
Instruction:								
Regular and Special								
Enrollment (students)	4,065	4,043	4,016	4,041	4,121	4,110	4,068	3,994
Graduates	309	310	324	314	334	314	n/a	269
Support services:								
Instructional staff								
Library								
Daily circulation	791	759	759	759	763	773	761	1,103
Board of education								
Regular meetings per year	24	24	24	12	24	24	24	24
Administration								
Student attendance rate	95.4	95.4	95.0	95.8	95.4	95.4	95.7	95.5
Fiscal								
Purchase orders								
processed	5,534	5,450	5,777	5,758	6,800	6,458	5,687	6,714
Nonpayroll checks								
issued	5,183	5,231	5,342	6,221	5,281	5,139	4,754	5,248
Operations and maintenance								
Work orders completed	578	473	590	606	771	929	879	706
Square footage								
maintained	608,159	608,159	608,159	608,159	608,159	608,159	608,159	608,159
Central								
Work orders completed	1,885	1,659	2,173	1,803	1,458	1,752	1,309	1,160
Extracurricular activities								
Varsity teams	22	22	22	22	22	21	21	21
Junior varsity teams	19	19	19	19	19	19	19	19
Food service operations								
Meals served to students	266,278	252,337	237,418	219,937	185,381	186,355	163,605	142,180

Source: School District records

n/a - information not available.

<u>2004</u>	<u>2003</u>
3,917	3,880
315	294
1,360	1,366
24	24
95.7	95.3
6,149	6,794
5,742	5,209
330	43
570,659	570,659
808	551
21	21
19	19
134,405	132,327

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	2012	2011	2010	2009	2008
Land	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
Construction in progress	22,561,980	3,116,957	87,881	-	-
Land improvements	162,570	169,811	177,052	184,293	191,534
Buildings and improvements	34,857,016	35,905,928	36,960,053	37,949,416	38,344,229
Furniture and equipment	1,921,098	1,959,376	2,094,293	1,989,071	1,513,032
Vehicles	1,748,308	2,039,236	1,976,914	1,830,072	1,756,596
Textbooks and library books	641,484	517,196	500,521	205,999	298,672
Total Governmental Activities Capital Assets, net	<u>\$ 64,361,207</u>	<u>\$ 46,177,255</u>	<u>\$ 44,265,465</u>	<u>\$ 44,627,602</u>	<u>\$ 44,572,814</u>

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

2007	2006	2005	2004	2003
\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
-	-	-	3,830,296	-
179,252	70,318	73,179	76,040	68,762
38,972,069	40,127,848	41,160,787	33,182,803	33,716,064
1,572,356	1,393,774	1,499,585	1,625,811	1,774,616
1,697,313	1,619,270	1,899,608	1,962,811	2,045,440
356,899	440,627	642,514	515,743	421,691
<u>\$ 45,246,640</u>	<u>\$ 46,120,588</u>	<u>\$ 47,744,424</u>	<u>\$ 43,662,255</u>	<u>\$ 40,495,324</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	2012	2011	2010	2009	2008	2007
Bassett Elementary (1967)						
Square feet	25,439	25,439	25,439	25,439	25,439	25,439
Capacity (students)	335	335	335	335	335	335
Enrollment	-	-	-	-	-	-
Bassett Elementary (1987)						
Square feet	10,267	10,267	10,267	10,267	10,267	10,267
Capacity (students)	335	335	335	335	335	335
Enrollment	-	-	-	-	-	-
Bassett Elementary (1998)						
Square feet	6,174	6,174	6,174	6,174	6,174	6,174
Capacity (students)	335	335	335	335	335	335
Enrollment	436	393	386	394	384	388
Dover Elementary (1949)						
Square feet	38,325	38,325	38,325	38,325	38,325	38,325
Capacity (students)	352	352	352	352	352	352
Enrollment	-	-	-	-	-	-
Dover Elementary (1970)						
Square feet	5,346	5,346	5,346	5,346	5,346	5,346
Capacity (students)	352	352	352	352	352	352
Enrollment	353	370	383	389	395	421
Hilliard Elementary (1954)						
Square feet	39,750	39,750	39,750	39,750	39,750	39,750
Capacity (students)	328	328	328	328	328	328
Enrollment	-	-	-	-	-	-
Hilliard Elementary (1998)						
Square feet	1,187	1,187	1,187	1,187	1,187	1,187
Capacity (students)	328	328	328	328	328	328
Enrollment	334	328	315	309	316	324
Holly Lane Elementary (1961)						
Square feet	33,297	33,297	33,297	33,297	33,297	33,297
Capacity (students)	283	283	283	283	283	283
Enrollment	-	-	-	-	-	-
Holly Lane Elementary (1998)						
Square feet	2,191	2,191	2,191	2,191	2,191	2,191
Capacity (students)	283	283	283	283	283	283
Enrollment	352	327	328	307	324	304
Parkside Intermediate (1966)						
Square feet	54,407	54,407	54,407	54,407	54,407	54,407
Capacity (students)	519	519	519	519	519	519
Enrollment	-	-	-	-	-	-
Parkside Intermediate (1998)						
Square feet	18,114	18,114	18,114	18,114	18,114	18,114
Capacity (students)	519	519	519	519	519	519
Enrollment	586	594	590	630	642	618
Lee Burneson Middle (1975)						
Square feet	18,853	18,853	18,853	18,853	18,853	18,853
Capacity (students)	-	-	-	-	646	646
Enrollment	-	-	-	-	-	-
Lee Burneson Middle (1982)						
Square feet	55,274	55,274	55,274	55,274	55,274	55,274
Capacity (students)	646	646	646	646	646	646
Enrollment	-	-	-	-	-	-

2006	2005	2004	2003
25,439	25,439	25,439	25,439
335	335	335	335
-	-	-	-
10,267	10,267	10,267	10,267
335	335	335	335
-	-	-	-
6,174	6,174	6,174	6,174
335	335	335	335
388	397	403	386
38,325	38,325	38,325	38,325
352	352	352	352
-	-	-	-
5,346	5,346	5,346	5,346
352	352	352	352
406	424	404	400
39,750	39,750	39,750	39,750
328	328	328	328
-	-	-	-
1,187	1,187	1,187	1,187
328	328	328	328
369	292	318	312
33,297	33,297	33,297	33,297
283	283	283	283
-	-	-	-
2,191	2,191	2,191	2,191
283	283	283	283
296	250	249	271
54,407	54,407	54,407	54,407
519	519	519	519
-	-	-	-
18,114	18,114	18,114	18,114
519	519	519	519
619	626	626	614
18,853	18,853	18,853	18,853
646	646	646	646
-	-	-	-
55,274	55,274	55,274	55,274
646	646	646	646
-	-	-	-

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHOOL BUILDING INFORMATION - Continued
LAST TEN FISCAL YEARS

	2012	2011	2010	2009	2008	2007
Lee Burneson Middle (1998)						
Square feet	18,129	18,129	18,129	18,129	18,129	18,129
Capacity (students)	646	646	646	646	646	646
Enrollment	641	666	680	664	672	673
Westlake High School (1960)						
Square feet	97,923	97,923	97,923	97,923	97,923	97,923
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1970)						
Square feet	39,651	39,651	39,651	39,651	39,651	39,651
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1988)						
Square feet	47,841	47,841	47,841	47,841	47,841	47,841
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1998)						
Square feet	22,691	22,691	22,691	22,691	22,691	22,691
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (2004)						
Square feet	37,500	37,500	37,500	37,500	37,500	37,500
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	1,365	1,365	1,334	1,348	1,388	1,382
Administration Building (Old)						
Square feet	6,500	6,500	6,500	6,500	6,500	6,500
Administration Building (2003)						
Square feet	15,000	15,000	15,000	15,000	15,000	15,000
Transportation Facility						
Square feet	14,300	14,300	14,300	14,300	14,300	14,300
 Total Square Feet	 608,159	 608,159	 608,159	 608,159	 608,159	 608,159
Total Capacity	11,491	11,491	11,491	11,491	12,137	12,137
Total Enrollment	4,065	4,043	4,016	4,041	4,121	4,110

Source: School District records

Note: Year of original construction is in parentheses. Increases in square footage and capacity are the result of renovations and additions.
Capacity is the "program" capacity and decreases are the result of changes in federal, state or local standards.

2006	2005	2004	2003
18,129	18,129	18,129	18,129
646	646	646	646
561	615	602	565
97,923	97,923	97,923	97,923
1,246	1,246	1,246	1,246
-	-	-	-
39,651	39,651	39,651	39,651
1,246	1,246	1,246	1,246
-	-	-	-
47,841	47,841	47,841	47,841
1,246	1,246	1,246	1,246
-	-	-	-
22,691	22,691	22,691	22,691
1,246	1,246	1,246	1,246
-	-	1,315	1,332
37,500	37,500	-	-
1,246	1,246	-	-
1,429	1,390	-	-
6,500	6,500	6,500	6,500
15,000	15,000	15,000	15,000
14,300	14,300	14,300	14,300
608,159	608,159	570,659	570,659
12,137	12,137	10,891	10,891
4,068	3,994	3,917	3,880

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities		Enrollment
	Expenses (1)	Cost per pupil	Expenses (1)	Cost per pupil	
2012	\$ 74,621,210	\$ 18,357	\$ 56,108,545	\$ 13,803	4,065
2011	57,419,628	14,202	55,406,915	13,704	4,043
2010	53,280,301	13,267	53,391,664	13,295	4,016
2009	52,145,060	12,904	52,873,568	13,084	4,041
2008	48,751,772	11,830	49,146,549	11,926	4,121
2007	47,620,277	11,586	47,772,734	11,624	4,110
2006	46,535,447	11,439	46,017,786	11,312	4,068
2005	50,159,904	12,559	45,732,550	11,450	3,994
2004	46,612,799	11,900	44,709,349	11,414	3,917
2003	40,892,585	10,539	40,737,748	10,499	3,880

Source: District records

(1) Debt Service totals have been excluded. Cost per pupil calculated using general government expenditures which utilize the modified accrual basis of accounting and on governmental activities expenses which utilize the accrual basis of accounting.

(2) Full-time certificated staff.

Percent Change	Teaching Staff (2)	Pupil/Teacher Ratio	Student Attendance Percentage
0.54%	274	14.84	95.40%
0.67%	269	15.03	95.40%
-0.62%	269	14.93	95.00%
-1.94%	267	15.13	95.80%
0.27%	251	16.42	95.40%
1.03%	250	16.44	95.40%
1.85%	276	14.74	95.70%
1.97%	272	14.68	95.50%
0.95%	271	14.45	95.70%
3.66%	266	14.59	95.30%



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<http://www.wlake.org>