



Westlake, Ohio

We Educate For Excellence...



Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2015



Board of Education

Tony Falcone, President
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*Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015*

Prepared By
Mark C. Pepera, CFO

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

TITLE PAGE

| | |
|-------------------------------|----------|
| TABLE OF CONTENTS..... | i |
|-------------------------------|----------|

I. INTRODUCTORY SECTION

| | |
|--|-------|
| Letter of Transmittal | v |
| Principal Officials | xvi |
| Organizational Chart..... | xvii |
| Certificate of Achievement for Excellence in Financial Reporting | xviii |

II. FINANCIAL SECTION

| | |
|--|----------|
| INDEPENDENT AUDITOR’S REPORT..... | 1 |
|--|----------|

| | |
|--|----------|
| MANAGEMENT’S DISCUSSION AND ANALYSIS..... | 5 |
|--|----------|

BASIC FINANCIAL STATEMENTS:

Government-Wide Financial Statements:

| | |
|---------------------------------|----|
| Statement of Net Position | 20 |
| Statement of Activities | 21 |

Fund Financial Statements:

| | |
|---|----|
| Balance Sheet - Governmental Funds..... | 22 |
|---|----|

| | |
|---|----|
| Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities..... | 23 |
|---|----|

| | |
|--|----|
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 24 |
|--|----|

| | |
|--|----|
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 25 |
|--|----|

| | |
|--|----|
| Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund | 26 |
|--|----|

| | |
|--|----|
| Statement of Fiduciary Net Position - Fiduciary Funds..... | 27 |
|--|----|

| | |
|---|----|
| Statement of Changes in Fiduciary Net Position - Fiduciary Fund | 28 |
|---|----|

| | |
|---|----|
| Notes to the Basic Financial Statements | 29 |
|---|----|

REQUIRED SUPPLEMENTARY INFORMATION:

Schedule of the District’s Proportionate Share of the Net Pension Liability:

| | |
|--|----|
| School Employees Retirement System (SERS) of Ohio..... | 72 |
| State Teachers Retirement System (STRS) of Ohio | 73 |

Schedule of District Contributions:

| | |
|--|----|
| School Employees Retirement System (SERS) of Ohio..... | 74 |
| State Teachers Retirement System (STRS) of Ohio | 76 |
| Notes to Required Supplementary..... | 78 |

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Combining Statements - Major Funds:

| | |
|--|----|
| Fund Descriptions – Major Governmental Funds | 81 |
|--|----|

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) - Major Funds:

| | |
|----------------------------|----|
| General Fund..... | 82 |
| Bond Retirement Fund | 86 |

Combining Statements - Nonmajor Funds:

| | |
|---|----|
| Fund Descriptions – Nonmajor Governmental Funds | 87 |
|---|----|

| | |
|--|----|
| Combining Balance Sheet - Nonmajor Governmental Funds..... | 89 |
|--|----|

| | |
|--|----|
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds..... | 90 |
|--|----|

| | |
|--|----|
| Combining Balance Sheet – Nonmajor Special Revenue Funds | 92 |
|--|----|

| | |
|--|----|
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds | 96 |
|--|----|

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Special Revenue Funds:

| | |
|---|-----|
| Food Service Fund | 99 |
| Local Grants Fund | 100 |
| Professional Development Grant Fund..... | 101 |
| Athletic and Music Fund | 102 |
| Auxiliary Services Fund | 103 |
| Data Communications Support Fund..... | 104 |
| Miscellaneous State Grants Fund | 105 |
| IDEA, Part B Special Education Fund | 106 |
| Limited English Proficiency Fund..... | 107 |
| Title I Fund | 108 |
| Early Childhood Education Development Fund..... | 109 |
| Improving Teacher Quality Fund | 110 |

Nonmajor Governmental Funds included in the General Fund on GAAP basis:

| | |
|--|-----|
| Uniform School Supplies Fund | 111 |
| Interdistrict Summer School Fund | 112 |
| Community Education Fund | 113 |
| Public School Support Fund..... | 114 |

| | |
|--|-----|
| Combining Balance Sheet – Nonmajor Capital Projects Funds..... | 115 |
|--|-----|

| | |
|---|-----|
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds | 116 |
|---|-----|

Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis) – Nonmajor Capital Projects Fund:

| | |
|----------------------------------|-----|
| Permanent Improvement Fund | 117 |
| Building Fund | 118 |

Combining Statements - Fiduciary Funds:

| | |
|---|-----|
| Fiduciary Fund Descriptions - Fiduciary Funds | 119 |
|---|-----|

Schedule of Revenues, Expenses and Changes in Fund Equity -
Budget and Actual (Non-GAAP Budgetary Basis) - Private-Purpose Trust Fund:

| | |
|--|-----|
| Scholarship Fund | 120 |
| Statement of Changes in Assets and Liabilities - Agency Fund | 121 |

III. STATISTICAL SECTION

| | |
|--|-----|
| Contents | 123 |
| Net Position by Component - Last Ten Fiscal Years | 124 |
| Changes in Net Position - Last Ten Fiscal Years | 126 |
| Fund Balances, Governmental Funds - Last Ten Fiscal Years | 132 |
| Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years..... | 134 |
| Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years..... | 136 |
| Direct and Overlapping Property Tax Rates – Last Ten Years | 138 |
| Principal Taxpayers, Real Estate Tax – December 31, 2014 and December 31, 2005 | 139 |
| Principal Taxpayers, Tangible Personal Property and Public Utility Property Tax - December 31, 2014 and December 31, 2005 | 140 |
| Property Tax Levies and Collections - Last Ten Fiscal Years | 142 |
| Ratios of Outstanding Debt by Type - Last Ten Fiscal Years | 144 |
| Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years | 145 |
| Direct and Overlapping Governmental Activities Debt As of June 30, 2015 | 146 |
| Legal Debt Margin Information – Last Ten Fiscal Years | 147 |
| Demographic and Economic Statistics – Last Ten Fiscal Years | 148 |
| Principal Employers - Current Year and Nine Years Ago | 149 |
| Staffing Statistics, Full Time Equivalents (FTE) by Type - Last Ten Fiscal Years | 150 |
| Operating Indicators by Function - Last Ten Fiscal Years | 152 |
| Capital Asset Statistics - Last Ten Fiscal Years | 154 |
| School Building Information - Last Ten Fiscal Years | 156 |
| Operating Statistics - Last Ten Fiscal Years | 160 |

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INTRODUCTORY SECTION

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December 17, 2015

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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, 2015. 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 GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". 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).

The District provides education to 4,059 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 remain stable 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 1 to 60 years old. The District operates a variety of non-classroom facilities that consist of athletic fields, an administration facility and a transportation depot.

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 2015 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 | 70.41% |
| Commercial/Industrial | 27.74% |
| Public Utility | 1.85% |
| 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 newspapers, including *The [Cleveland] Plain Dealer*, and two local newspapers serve the area. The District is within the broadcast area of all major television and radio stations. Multi-channel cable television service, including educational, governmental and public access channels, is currently available to the District via the local cable authority.

Several acute-care hospitals with a total capacity in excess of 11,790 beds serve the local vicinity. 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 (Cleveland Clinic), Southwest General Hospital and Fairview General Hospital (Cleveland Clinic). Also located within the City are clinic and outpatient facilities for every major health care provider in the Cleveland area, including the renowned 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 local vicinity.

Within commuting distance are numerous public and private two-year and four-year colleges and universities, including Baldwin-Wallace University, 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 within the local vicinity include two major professional sports teams, concert venues offering year-round entertainment, 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. In 2006, construction began on 116 units of residential housing consisting of lofts and townhomes that surround themed gardens. This development has created a downtown center for the City with retail, office, restaurant, and residential spaces. Recent expansion efforts have been made to this property including the relocation of American Greetings headquarters and the addition of a hotel and additional retail space.

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 median home values have risen over the last year to \$247,500 and were compared with the County at \$125,700.

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

Major Initiatives

During fiscal year 2015, 4,059 students were enrolled in the District's seven schools (four elementary schools, one intermediate school, one middle school, and one high school), which figure includes District residents attending classes at the West Shore Career Technical District (described further below). The District employs (full- and part-time) 275 professional staff members, 248 non-teaching and support staff employees and 21 administrators.

The District operates a variety of non-classroom facilities that consist of athletic fields, an administration facility and a transportation depot.

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.

Approximately 82% of the teaching staff have master's degrees. The District's faculty has an average of 16 years of teaching experience, compared to the statewide average of 14 years (as of Fiscal Year 2014), placing them in the top 3% in the state.

Classroom teachers at all levels are supported by specialists in reading, guidance, technology, library services, art, music and physical education. Aides are employed on an as-needed basis to support programming requirements. Nurses, psychologists, aides assisting at-risk and disabled students, and speech pathologists are employed to work with students at all levels. The District's Pupil Personnel Services program includes school health and psychological services, pupil appraisal, counseling and guidance services, special education services, and speech-language and hearing services. Guidance counselors are available at the elementary, intermediate, middle school, and high school levels.

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. This vocational program has over 500 students, including 30 from the District, enrolled in either a two-year intensive training or one-year work/study program.

Career Technical courses offered at the high school include Occupational Work Experience. Other career technical 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. Students consistently score well above the state average at the third through eighth and tenth grade levels on the State achievement tests. Westlake High School students score above the national and State averages on the SAT and the ACT tests. In recent years, the District has had several students earn National Merit Semifinalist and Commended student honors. These honors are based on scores on the PSAT test administered during the junior year. Students earning the National Merit Semifinalist designation scored in the upper one-half of one percent of graduating seniors in the State.

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

- The District offers 54 Advanced Placement (AP)/Honors/International Baccalaureate courses in a variety of disciplines.
- On the 2013-2014 State Report Card, the District earned a gifted ranking of #1 in the State for its work in educating the District's gifted and talented population. The District also ranked 22nd in the State on "value-added", which measures student achievement for all students over time.
- 8 High School students were named finalists and 11 students were named commended in the 2014 National Merit Scholarship Program, placing them in the top 1% and top 5% of students in the nation, respectively.
- High School students performed significantly higher than state averages on the SAT and ACT examinations.
- Four High School student scored a perfect 36 on the ACT test in the 2014-2015 school year.
- The District offers an introductory second language learning program at the elementary level to provide students with a foundation for future learning of second and/or third languages. At the intermediate level, students are given the option to continue with the language they studied at the elementary level or to explore another language. At the middle and high school levels, students are given a choice of languages to study.
- 100% of the District's 3rd graders met the criteria for promotion to fourth grade under the State's "Third Grade Reading Guarantee".
- Middle School students are offered high school credit courses in Spanish, French, Algebra, Honors Geometry, and Honors Physical Science. 394 Middle School students earned high school credit last year – 175 in World Language, 58 in Honors Physical Science, 125 in Algebra I, 36 in Honors Geometry.
- The District's music program for all K-12 students includes an instrumental, strings, and chorus program beginning in fifth grade. Students are consistently recognized with superior performance ratings at *Ohio Music Education Association* state contests.
- The High School television station, WHBS-TV, provides students a unique opportunity to experience a working television studio.
- A high school senior won the silver medal and runner-up honors in the national TechDirections annual Inventors Competition for designing a skyscraper that utilizes piezo electric absorbers embedded into the building to harness the seemingly constant wind off Lake Michigan to create electricity.
- The middle school math team ranked third in the state and first in the region on the Ohio Math League Contest.
- Spanish I students from the middle school earned 11 Gold, 13 Silver, and 6 Bronze medals in the 2015 National Spanish Examinations. At the high school, 24 Spanish 2 Honors students scored in the 90th percentile on the exam, earning 13 gold, 21 silver, and 10 bronze medals.
- An intermediate school team scored high enough on a general science knowledge test to rank 4th in the country and second in the state in the 2014-2015 National Science League contest.
- The intermediate school sixth-grade Math Club team ranked 1st in the region and second in the state in the 2015 Ohio Mathematics League Contest.

- The Ohio Association of Elementary School Administrators named Holly Lane Elementary a 2015 Hall of Fame /School for going above and beyond the call of duty to get students, teachers and community members excited about education.
- A high school senior earned a National Silver Key Medal in the Scholastic Art & Writing Awards after earning a regional Gold Key award in the regional contest.
- A high school senior was named a semifinalist in the preliminary selection of the 2015 U.S. Presidential Scholars.
- A high school senior was admitted into the Eminence Fellows Program at The Ohio State University Honors & Scholars Center and received the Eminence Scholarship, the most prestigious scholarship offered to undergraduates at OSU.
- A middle school student's letter was named among the top 20% in Ohio to be a finalist in the Library of Congress' Letters About Literature 2015 Contest.
- The middle school Academic Challenge team finished undefeated in its bracket and went on to finish 2nd out of 28 teams to bring home a trophy and an overall 7-1 record to qualify for the National Academic Quiz Tournaments National Championship Tournament.
- The high school and middle school Academic Challenge teams finished in the Top 5 in the nation in the 3-2-1 Questions Unlimited online quiz competition, qualifying them for the national competition.
- An intermediate school fifth-grade student won a national story contest for Cricket magazine for her story about a temperamental fire-breathing dragon named Mr. Feugo.
- The high school girls' swim/dive team earned the Scholar Team Award from the National Interscholastic Swimming Coaches Association for having the highest team GPA in Ohio for the 3rd consecutive year.
- The middle school received the William M. Jones/Harvard Business School Club Excellence in School Management Award for its focus on children and student outcomes.

The District initiated a primary years International Baccalaureate (IB) Program with its four elementary schools in the spring of 2011. During this first phase, the Consideration Phase, IB-related staff development began at all four buildings. During the 2013-14 school year, the four schools entered the Candidate Phase (during which the schools take actions necessary to fulfill the requirements for IB Authorization) and were recently awarded IB Authorization during the 2014-15 school year.

In the spring of 2012, the District implemented a feasibility study for the IB Diploma Program at the High School and hired a part-time coordinator for the Program. For the 2012-13 school year, the District partnered with three area school districts to form a Diploma Years Programme. The High School entered the Candidate Phase in the spring of 2014 and received IB Authorization during the 2014-15 school year.

The District operates a before and after school care program, along with an expanded enrichment program (at the former Parkside school building) that serves over 500 students during the school year and over 300 students during the summer by providing supervised care and activities. The District also offers an adult community education programming with a participation of approximately 100 individuals.

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 June 2010, a two-day CIP Summit was held that included staff, students, parents, and business and community members. The information gathered at this Summit was used to write a new, three-year plan to build upon and strengthen the tradition of excellence in the School District. In April and May 2014 a team of parents, students and staff met to build on that foundation and to develop a revision to the existing plan. The CIP continues to serve as the District’s compass and is critical to the District’s continued success.

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 safety, nutrition and curriculum advisement. A 20/20 Vision Committee was established years ago to study and recommend facilities improvements for the District. The result was the successful passage of a bond issue in May 2010. The Committee is still active today.

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

Community News: The District has several avenues of communication, including print and e-mail newsletters, to deliver news and information about the 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 several times a year 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.

Website: The District website is a comprehensive source of information about the 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 ProgressBook program for online access to student grades and other information posted by teachers.

The State, in its academic assessments for the 2012-13 school year, began implementing a number of changes in the way in which the performance of its school districts and their individual schools is to be measured and reported. This new reporting is being phased in over several years. The four components initially included on the new report card are Achievement (measuring absolute academic achievement compared to national standards of success), Progress (measuring the average annual improvement for each student), Gap Closing (measuring how well a school district or school is doing in narrowing gaps in reading, math and graduation rate among students according to socioeconomic, racial, ethnic or disability status), and Graduation Rate (measuring the percentage of students who entered the 9th grade and graduated in four and five years). Two additional components, K-3 Literacy (measuring the improvement in reading for students in kindergarten through 3rd grade) and Prepared for Success (measuring whether students who graduate are prepared for college or a career), will be added in future years.

For academic year 2013-14, the District's grades in the nine measures included within the four components described above were:

| | Grade |
|---|--------------|
| Achievement | |
| Performance Index | B |
| Performance Indicators | A |
| Progress | |
| Value Added: Overall | A |
| Value Added: Gifted | A |
| Value Added: Students with Disabilities | C |
| Value Added: Lowest 20% in Achievement | B |
| Gap Closing | |
| Annual Measurable Objectives (AMOs) | C |
| Graduation Rate | |
| Graduation Rate (four year) | B |
| Graduation Rate (five year) | A |

**2014-15 Report Card Data was not yet available*

Additional measures within the four components will be graded over the next two academic years, with component and overall grades to be added in the assessments for academic year 2015-16.

By satisfying 23 of the State's 24 performance indicators for academic year 2013-14 (all based on achievement or graduation test passage rates), the District earned an "A" under the State's academic performance rating system. School districts throughout the State, in the aggregate, were assigned the following designations related to their performance on the State's achievement assessments and graduation tests.

| Designation | Number of School Districts |
|--------------------|-----------------------------------|
| A | 188 |
| B | 114 |
| C | 131 |
| D | 113 |
| F | 63 |

Long-Term Financial Planning

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

Financial Policies Impacting the Financial Statements

The District had offered a Retirement Incentive Bonus (“RIB”) and a Health Care Reimbursement Account (“HRA”) to certified teaching employees who were eligible to retire with the State Teachers Retirement System and made that election on or before July 1, 2011. This incentive provided a savings on future personnel costs for the District. Teachers electing to retire and accept the RIB and HRA were 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 “early 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 position.

At June 30, 2015, the total liability for retirement incentives (both RIB and HRA payments) is \$31,250. The total amount is due in fiscal year 2016 and is recorded as a liability of the general fund.

During fiscal year 2015, the District advance refunded \$57,165,000 of Build America Bonds. This advance refunding was undertaken to reduce the combined total debt service payments by \$2,110,668 and resulted in an economic gain of \$1,093,350.

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 that the financial statements are free of any material misstatements. 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 capital 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 Auditor's Report, providing an assessment of the District's finances for fiscal year 2015 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 a net position totaling \$97,781 as of June 30, 2015. The trust fund earns interest and distributes scholarships.

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, 2015. 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, 2014. 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 document is a significant step in documenting the District's financial position and provides both transparency and 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, as well as various administrators and staff members of the District. In addition, assistance from the County Fiscal Officer's staff and other 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



Geoff Palmer, Superintendent of Schools

Westlake City School District
Principal Officials
June 30, 2015

Board of Education

Mr. Tony Falcone..... President
Mrs. Barb Leszynski Vice-President
Mr. John Finucane.....Member
Ms. Carol Winter.....Member
Mr. Thomas C. MaysMember

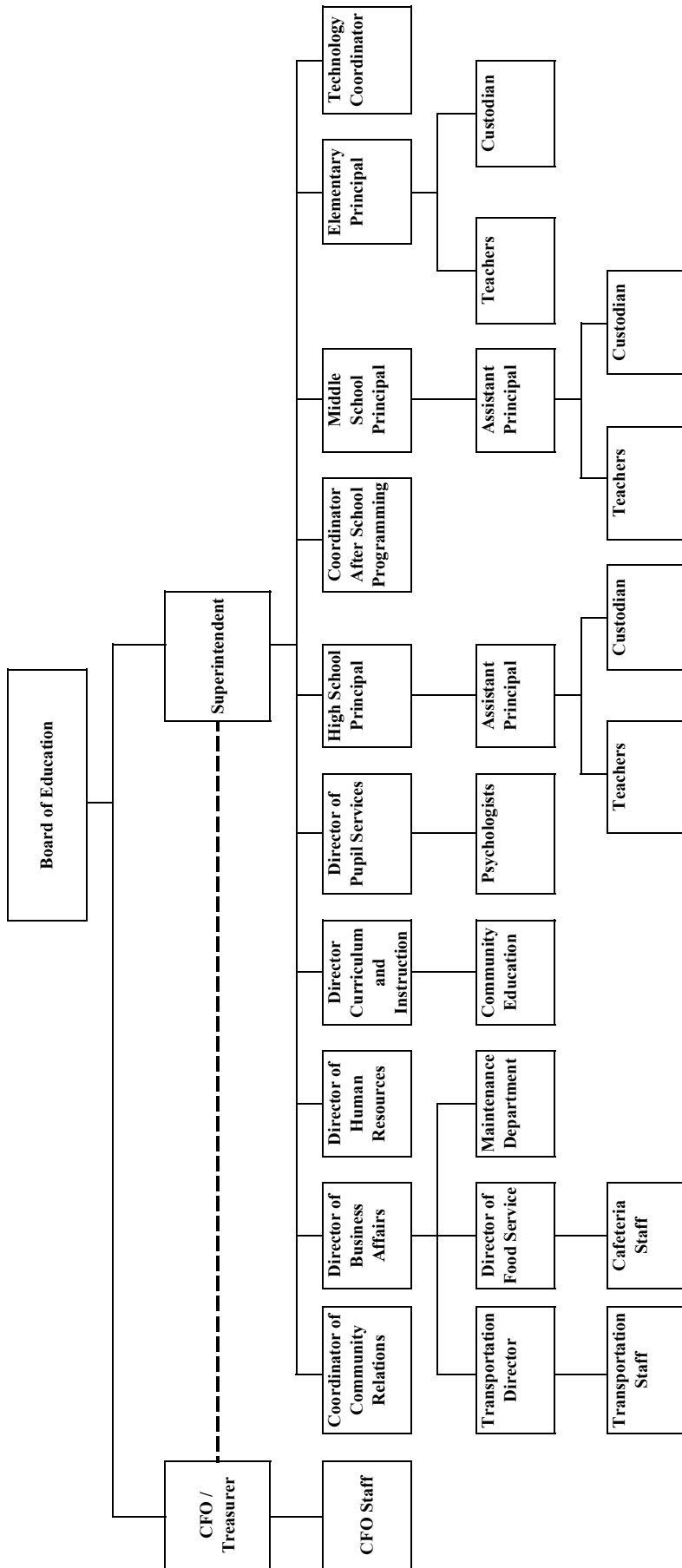
Chief Financial Officer/Treasurer

Mr. Mark C. Pepera

Executive Administration

Mr. Geoff Palmer Superintendent
Mr. David Kocevar..... Director of Business Affairs
Mrs. Kathi Maxwell Director of Curriculum and Instruction
Mr. Brady Sheets.....Director of Human Resources
Mrs. Stephanie Morgan.....Director of Pupil Services

Westlake City School District Organizational Chart





Government Finance Officers Association

**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, 2014

Executive Director/CEO

***FINANCIAL
SECTION***

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Westlake City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Westlake City School District, Cuyahoga County, Ohio, as of June 30, 2015, and the respective changes in financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended June 30, 2015, the District adopted the provisions of Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and the schedules of net pension liabilities and pension contributions 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 applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on 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 present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2015, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Dave Yost". The signature is fluid and cursive, with a large loop at the end of the last name.

Dave Yost
Auditor of State
Columbus, Ohio

December 17, 2015

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(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, 2015. 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 2015 are as follows:

- In total, net position of governmental activities increased \$1,997,559 which represents an 8.16% increase from 2014 as restated in Note 3.A.
- General revenues accounted for \$56,024,530 in revenue or 89.62% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$6,491,243 or 10.38% of total revenues of \$62,515,773.
- The District had \$60,518,214 in expenses related to governmental activities; only \$6,491,243 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 \$56,024,530 were adequate to provide for these programs.
- The District's major governmental funds are the general fund and bond retirement fund. The general fund had \$53,375,358 in revenues and other financing sources and \$50,137,767 in expenditures and other financing uses. During fiscal 2015, the general fund's fund balance increased \$3,237,591 from a balance of \$18,810,596 to \$22,048,187.
- The bond retirement fund had \$70,239,426 in revenues and other financing sources and \$69,344,011 in expenditures and other financing uses. During fiscal 2015, the bond retirement fund's fund balance increased \$895,415 from \$6,524,247 to \$7,419,662.

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 position* 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 and bond retirement 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, 2015
(UNAUDITED)**

Reporting the District as a Whole

Statement of net position 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 2015?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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 position* and changes in that position. This change in net position 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 position 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.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 13. 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 and the bond retirement 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 position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements.

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 position and changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

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.

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2015 and 2014. The net position at June 30, 2014 has been restated as described in Note 3.A.

| | Net Position | |
|--|------------------------------------|--|
| | Governmental Activities 2015 | Restated Governmental Activities 2014 |
| <u>Assets</u> | | |
| Current and other assets | \$ 75,570,088 | \$ 76,454,688 |
| Capital assets, net | <u>118,096,352</u> | <u>120,757,197</u> |
| Total assets | <u>193,666,440</u> | <u>197,211,885</u> |
| <u>Deferred outflows of resources</u> | | |
| Unamortized deferred charges | 1,337,151 | 833,523 |
| Pension | <u>4,996,025</u> | <u>4,247,001</u> |
| Total deferred outflows | <u>6,333,176</u> | <u>5,080,524</u> |
| <u>Liabilities</u> | | |
| Current liabilities | 7,585,925 | 8,970,337 |
| Long-term liabilities: | | |
| Due within one year | 3,012,759 | 5,500,042 |
| Due in more than one year: | | |
| Net pension liability | 71,317,862 | 84,724,969 |
| Other amounts | <u>91,905,051</u> | <u>92,197,788</u> |
| Total liabilities | <u>173,821,597</u> | <u>191,393,136</u> |
| <u>Deferred inflows of resources</u> | | |
| Property taxes | 35,779,063 | 35,371,484 |
| Pensions | <u>12,873,608</u> | <u>-</u> |
| Total deferred inflows | <u>48,652,671</u> | <u>35,371,484</u> |
| <u>Net Position</u> | | |
| Net investment in capital assets | 32,047,648 | 32,611,481 |
| Restricted | 5,985,512 | 5,924,425 |
| Unrestricted (deficit) | <u>(60,507,812)</u> | <u>(63,008,117)</u> |
| Total net position (deficit) | <u>\$ (22,474,652)</u> | <u>\$ (24,472,211)</u> |

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
- 2 Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, for governmental activities from \$56,005,757 to (\$24,472,211).

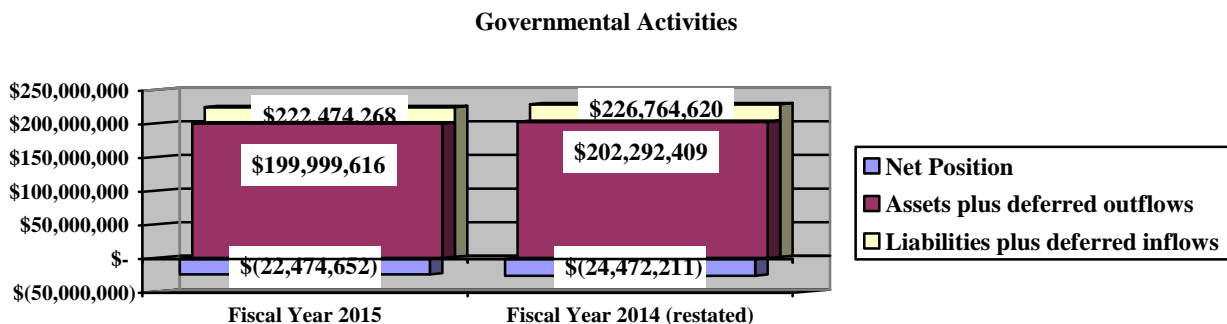
The decrease in capital assets is due to the completion of the construction project in fiscal year 2014 which began back in fiscal year 2011. A full year of depreciation on the new construction project took place in fiscal year 2015. The decrease in current liabilities is due to a decrease in contracts payable as the construction project was completed by the end of fiscal year 2014. The decrease in long term liabilities is due to the payment of bonds in the current fiscal year coupled with the refunding of the Series 2010 Building America Bonds (BABs).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the District's liabilities plus deferred inflows exceeded assets plus deferred outflows by \$22,474,652. Of this total, \$5,985,512 is restricted in use.

At year-end, capital assets represented 60.98% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. Net position invested in capital assets at June 30, 2015, was \$32,047,648. 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 position, \$5,985,512, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$60,507,812.

The graph below illustrates the District's governmental activities assets plus deferred outflows, liabilities plus deferred inflows and net position at June 30, 2015 and 2014.



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

The table below shows the change in net position for fiscal years 2015 and 2014.

| | Governmental Activities <u>2015</u> | Governmental Activities <u>2014</u> |
|--|---|---|
| <u>Revenues</u> | | |
| Program revenues: | | |
| Charges for services and sales | \$ 2,343,747 | \$ 2,235,477 |
| Operating grants and contributions | 4,147,496 | 4,603,556 |
| General revenues: | | |
| Property taxes | 45,738,535 | 50,811,808 |
| Payment in lieu of taxes | 227,500 | - |
| Grants and entitlements | 9,752,076 | 9,492,994 |
| Investment earnings | 169,939 | 175,372 |
| Miscellaneous | 136,480 | 367,788 |
| Total revenues | <u>62,515,773</u> | <u>67,686,995</u> |
| <u>Expenses</u> | | |
| Program expenses: | | |
| Instruction: | | |
| Regular | 22,211,994 | 24,689,245 |
| Special | 7,246,667 | 7,199,739 |
| Vocational | 1,000,860 | 916,454 |
| Adult/continuing | 3,275 | 12,034 |
| Other | 1,565,581 | 1,707,338 |
| Support services: | | |
| Pupil | 3,588,053 | 3,900,942 |
| Instructional staff | 1,732,345 | 2,063,238 |
| Board of education | 46,916 | 50,915 |
| Administration | 2,744,778 | 3,154,314 |
| Fiscal | 1,302,611 | 1,450,781 |
| Business | 504,915 | 490,493 |
| Operations and maintenance | 5,425,118 | 5,435,449 |
| Pupil transportation | 3,968,862 | 4,186,528 |
| Central | 319,218 | 307,709 |
| Operation of non-instructional services: | | |
| Food service operations | 1,215,531 | 1,283,386 |
| Other non-instructional services | 1,305,906 | 1,117,682 |
| Extracurricular activities | 1,451,391 | 1,624,770 |
| Interest and fiscal charges | 4,884,193 | 5,167,269 |
| Total expenses | <u>60,518,214</u> | <u>64,758,286</u> |
| Change in net position | 1,997,559 | 2,928,709 |
| Net position at beginning of year (restated) | <u>(24,472,211)</u> | <u>N/A</u> |
| Net position at end of year | <u>\$ (22,474,652)</u> | <u>\$ (24,472,211)</u> |

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

Governmental Activities

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$4,247,001 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$3,042,668.

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

| | |
|---|-----------------------|
| Total 2015 program expenses under GASB 68 | \$ 60,518,214 |
| Pension expense under GASB 68 | (3,042,668) |
| 2015 contractually required contributions | <u>4,325,191</u> |
| Adjusted 2015 program expenses | 61,800,737 |
| Total 2014 program expenses under GASB 27 | <u>64,758,286</u> |
| Decrease in program expenses not related to pension | <u>\$ (2,957,549)</u> |

Net position of the District's governmental activities increased \$1,997,559. Total governmental expenses of \$60,518,214 were offset by program revenues of \$6,491,243 and general revenues of \$56,024,530. Program revenues supported 10.73% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 88.76% of total governmental revenue. Tax revenue decreased due to a decrease in the amount of delinquent taxes available at fiscal year-end 2015 versus 2014 as reported by the Cuyahoga County Fiscal Officer. The District had delinquent taxes of \$1,535,425, \$4,687,366 and \$2,894,618 at June 30, 2015, 2014 and 2013, respectively. The fluctuations in these amounts caused the reported decrease for fiscal year 2015 in tax revenue.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$32,028,377 or 52.92% of total governmental expenses for fiscal 2015. Instruction expenses decreased \$2,496,433, or 7.23%, from fiscal year 2014 primarily due to decreased cost related to regular instruction. Regular instruction expenses decreased \$2,477,251 from fiscal year 2014 due to cost-control measures and significant retirements in prior years due to the District's early retirement incentive program.

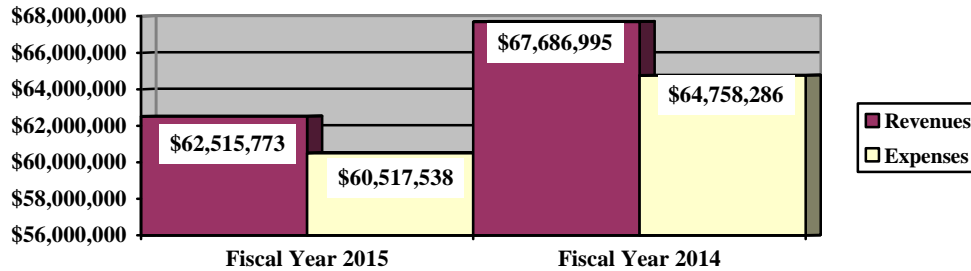
The decrease in property taxes of 9.98%, coupled with expenses decreasing about 6.55% over the prior year still allowed the increase in change in net position. The decrease in expenses is primarily due to a decrease in instruction related expenses. The District has worked to control instruction costs through retirement incentives and other measures.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2015 and 2014.

Governmental Activities - Revenues and Expenses



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 2015 | Net Cost of Services 2015 | Total Cost of Services 2014 | Net Cost of Services 2014 |
|--|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| Program expenses | | | | |
| Instruction: | | | | |
| Regular | \$ 22,211,994 | \$ 21,666,711 | \$ 24,689,245 | \$ 24,309,946 |
| Special | 7,246,667 | 6,474,152 | 7,199,739 | 6,509,087 |
| Vocational | 1,000,860 | 998,317 | 916,454 | 914,709 |
| Adult/continuing | 3,275 | (28,911) | 12,034 | (16,048) |
| Other | 1,565,581 | 1,270,855 | 1,707,338 | 1,377,517 |
| Support services: | | | | |
| Pupil | 3,588,053 | 3,415,606 | 3,900,942 | 3,624,375 |
| Instructional staff | 1,732,345 | 1,660,251 | 2,063,238 | 1,942,629 |
| Board of education | 46,916 | 46,916 | 50,915 | 50,915 |
| Administration | 2,744,778 | 2,742,844 | 3,154,314 | 3,147,311 |
| Fiscal | 1,302,611 | 1,302,611 | 1,450,781 | 1,450,781 |
| Business | 504,915 | 504,915 | 490,493 | 490,493 |
| Operations and maintenance | 5,425,118 | 5,362,836 | 5,435,449 | 5,385,199 |
| Pupil transportation | 3,968,862 | 3,681,613 | 4,186,528 | 3,847,578 |
| Central | 319,218 | 319,218 | 307,709 | 295,109 |
| Operation of non-instructional services: | | | | |
| Food service operations | 1,215,531 | 42,557 | 1,283,386 | 115,516 |
| Other non-instructional services | 1,305,906 | 89,422 | 1,117,682 | (22,934) |
| Extracurricular activities | 1,451,391 | 762,977 | 1,624,770 | 960,357 |
| Interest and fiscal charges | 4,884,193 | 3,714,081 | 5,167,269 | 3,536,713 |
| Total expenses | <u>\$ 60,518,214</u> | <u>\$ 54,026,971</u> | <u>\$ 64,758,286</u> | <u>\$ 57,919,253</u> |

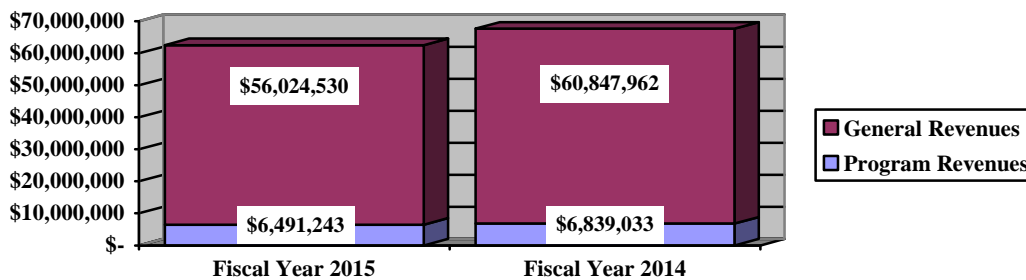
**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

The dependence upon tax and other general revenues for governmental activities is apparent, as 94.86% of instruction activities are supported through taxes, grants and entitlements and other general revenues. For all governmental activities, general revenue support is 89.27%. 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.

The graph below presents the District's governmental activities revenue for fiscal year 2015 and 2014.

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds (as presented on page 22) reported a combined fund balance of \$30,434,599, which is higher than last year's total of \$26,952,901. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2015 and 2014.

| | Fund Balance June 30, 2015 | Fund Balance June 30, 2014 | Change |
|--------------------|-------------------------------|-------------------------------|---------------------|
| General | \$ 22,048,187 | \$ 18,810,596 | \$ 3,237,591 |
| Bond Retirement | 7,419,662 | 6,524,247 | 895,415 |
| Other Governmental | 966,750 | 1,618,058 | (651,308) |
| Total | <u>\$ 30,434,599</u> | <u>\$ 26,952,901</u> | <u>\$ 3,481,698</u> |

General Fund

The District's general fund balance increased \$3,237,591. An analysis of the general fund's revenues and expenditures is presented on the following page.

Bond Retirement Fund

The bond retirement fund had \$70,239,426 in revenues and other financing sources and \$69,344,011 in expenditures and other financing uses. During fiscal 2015, the bond retirement fund's fund balance increased \$895,415 from \$6,524,247 to \$7,419,662. During fiscal year 2015, the District received \$1.17 million in subsidies from the federal government to help offset debt service expenses related to the issuance of BABs and QSCBs. During fiscal year 2015, the District advance refunded \$57,165,000 in BABs and restructured \$2,830,000 in Series 2010 serial bonds. These measures were undertaken to reduce future debt service expenditures.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

Other Governmental Funds

The fund balances of the other governmental funds decreased 40.25% from the prior year. This decrease was primarily due to a decrease in the fund balance of the building fund in the amount of \$805,848 as expenditures were made on contracts and retainage related to the construction project that was completed in fiscal year 2014. The fund balance of the building fund was \$240,156 at June 30, 2015, down from \$1,046,004 at June 30, 2014. The building fund is reported as a nonmajor governmental fund for fiscal year 2015 (see Note 3.B).

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

| | <u>2015</u> <u>Amount</u> | <u>2014</u> <u>Amount</u> | <u>Increase</u> <u>(Decrease)</u> | <u>Percentage</u> <u>Change</u> |
|---|------------------------------|------------------------------|--------------------------------------|------------------------------------|
| <u>Revenues</u> | | | | |
| Taxes and payments in lieu of taxes | \$ 41,887,032 | \$ 41,811,338 | \$ 75,694 | 0.18 % |
| Tuition | 839,728 | 676,943 | 162,785 | 24.05 % |
| Earnings on investments | 158,269 | 164,016 | (5,747) | (3.50) % |
| Intergovernmental | 9,387,028 | 9,178,712 | 208,316 | 2.27 % |
| Other revenues | <u>672,943</u> | <u>788,265</u> | <u>(115,322)</u> | (14.63) % |
| Total | <u>\$ 52,945,000</u> | <u>\$ 52,619,274</u> | <u>\$ 325,726</u> | 0.62 % |
| <u>Expenditures</u> | | | | |
| Instruction | \$ 28,950,510 | \$ 30,840,475 | (1,889,965) | (6.13) % |
| Support services | 18,512,203 | 19,468,240 | (956,037) | (4.91) % |
| Other non-instructional services | 580,433 | 492,311 | 88,122 | 17.90 % |
| Extracurricular activities | 1,080,697 | 1,203,169 | (122,472) | (10.18) % |
| Facilities acquisition and construction | 476,536 | 542,367 | (65,831) | (12.14) % |
| Capital outlay | 430,188 | - | 430,188 | 100.00 % |
| Debt service | <u>97,200</u> | <u>84,675</u> | <u>12,525</u> | 14.79 % |
| Total | <u>\$ 50,127,767</u> | <u>\$ 52,631,237</u> | <u>\$ (2,503,470)</u> | (4.76) % |

Tax revenue remained comparable to the prior year increasing less than one percent. Intergovernmental revenues increased due to more funding being received by the District from the State of Ohio. Tuition revenue increased due to increased open enrollment activity. Other revenues decreased primarily due to a decrease in refunds and reimbursements received in fiscal year 2015 versus 2014.

Instruction expenditures decreased approximately \$1.890 million due to a decrease in regular instruction costs. This decrease is the result of cost cutting measures implemented by the District including retirement incentives. Support services decreased \$0.956 million due primarily to a decrease in administrative expenditures resulting from the same retirement incentives and cost cutting measures. The District entered into a new capital lease agreement in fiscal year 2015 for the acquisition of copiers. All other expenditure items remained consistent with 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, 2015
(UNAUDITED)**

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 2015 the District amended its general fund budget several times. For the general fund, final budgeted revenues and other financing sources were \$47,979,702, which is higher than original budgeted revenues and other financing sources estimate of \$46,810,519. Actual revenues and other financing sources for fiscal 2015 were \$50,938,869 this is an increase of \$2,959,167 from final budgeted revenues and other financing sources which is primarily due to conservative budgeting of property tax receipts.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$55,567,726 were increased to \$55,977,932 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2015 totaled \$54,287,589, which was \$1,690,343 lower than the final budget appropriations. The District is conservative in the budgeting of expenditures and had implemented a budget reduction plan in January 2013 which was fully effective for fiscal year 2014.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2015, the District had \$118,096,352 invested in land, 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 2015 balances compared to 2014:

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

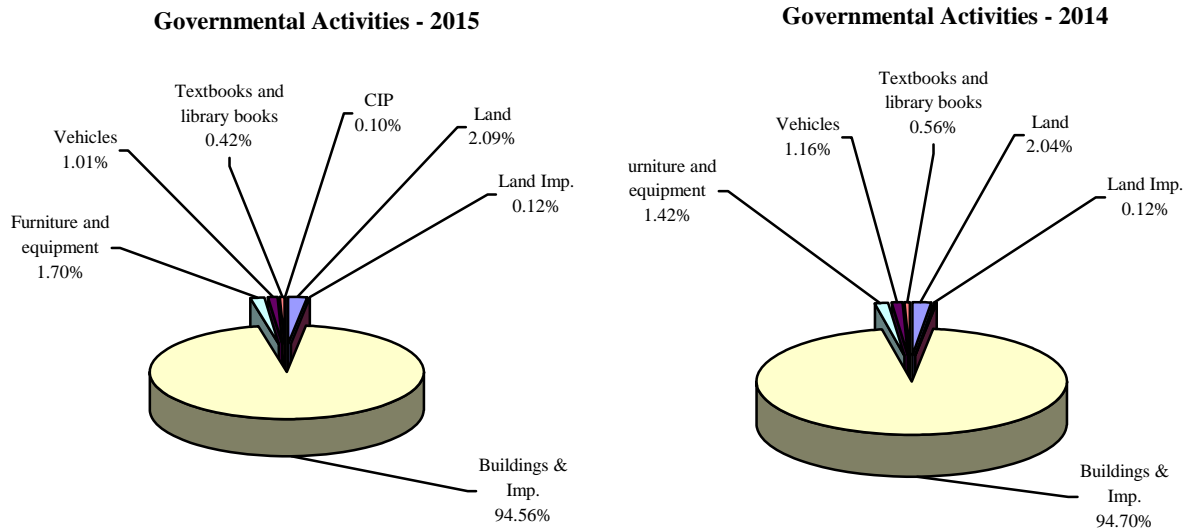
| | <u>Governmental Activities</u> | |
|-----------------------------|--------------------------------|-----------------------|
| | <u>2015</u> | <u>2014</u> |
| Land | \$ 2,468,751 | \$ 2,468,751 |
| Construction in progress | 122,167 | - |
| Land improvements | 140,847 | 148,088 |
| Buildings and improvements | 111,670,872 | 114,356,858 |
| Furniture and equipment | 2,003,405 | 1,696,724 |
| Vehicles | 1,195,607 | 1,405,631 |
| Textbooks and library books | <u>494,703</u> | <u>681,145</u> |
| Total | <u>\$ 118,096,352</u> | <u>\$ 120,757,197</u> |

The overall decrease in capital assets of \$2,660,845 is primarily due to depreciation expense of \$3,517,468 exceeding capital outlays of \$869,546 and disposals of \$12,923 (net of accumulated depreciation) in the fiscal year. Capital outlays decreased as the District completed construction projects in fiscal year 2014 financed by the 2010 school improvement bond issue.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

The graphs below present the District's capital assets for fiscal 2015 and fiscal 2014.



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

Debt Administration

At June 30, 2015 the District had \$83,600,000 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, \$2,370,000 is due within one year and \$81,230,000 is due in more than one year. The following table summarizes the bonds outstanding.

Outstanding Debt, at Year End

| | Governmental Activities 2015 | Governmental Activities 2014 |
|----------------------------|------------------------------------|------------------------------------|
| Current interest bonds | \$ 48,945,000 | \$ 19,875,000 |
| Term bonds | 22,490,000 | 57,165,000 |
| Sinking fund bonds | 11,260,000 | 11,260,000 |
| Capital appreciation bonds | <u>3,745,375</u> | <u>3,265,306</u> |
| Total | <u>\$ 86,440,375</u> | <u>\$ 91,565,306</u> |

The District made \$4,140,000 in principal payments on the current interest bonds during fiscal year 2015. The capital appreciation bonds accreted \$480,069 in interest during 2015 and none of the capital appreciation bonds matured during the fiscal year. During fiscal year 2015, the District advance refunded \$57,165,000 of the Series 2010 BABs and restructured \$2,830,000 of the Series 2010 serial 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, 2015
(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 monitoring process was recently affirmed by the rating agencies of Moody's and Standard and Poor's.

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 district absorbs additional unfunded mandates, battles with a sluggish economy and struggles with the State of Ohio who has yet to determine an adequate solution to the State's educational funding system.

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. In the summer of 2011, a new administration emerged and HB153, the Biennial Budget was passed. Most recently the legislature passed HB136 which contains yet another funding model and new initiatives. At this time, the District is unable to determine with certainty what effect this new funding model will ultimately have on its financial future and subsequently its operations.

The District has not projected any meaningful growth in State revenues due to the economy and a going concern regarding the new State funding model and legislation which dictates the redistribution and/or accelerated phase-out of state-reimbursed personal property taxes. With approximately 82.2 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.

While the District proportionately relies on its local property taxpayers to support its operations, the fiscal capacity and community support for the schools remains strong. The District's liquidity or the ability to meet its short-term obligations has increased somewhat from 8.52 in fiscal year 2014 to 10.95 in fiscal year 2015, and means the District is in a good position to meet current obligations in having enough assets to cover its liabilities. Another important financial measure is solvency. The District's solvency ratio has slipped to .10 from .46 in FY14 primarily due to the increased net pension liability which was required by GASB 68. In addition, the debt ratio for the District remained relatively low at .89 as compared to .54 in 2014 indicating the district is not heavily reliant on debt or leveraging additional debt to facilitate its operations.

As previously stated the community support for the schools remains solid. 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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)**

As a result of the challenges mentioned above, it will be imperative that management continues to carefully and prudently manage their finances to meet community expectations and provide the facilities and resources required to meet student needs over the next several years. 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. 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.

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 and several State Auditor Awards for financial distinction. Educationally, the District continues to rank among the top schools in Ohio for educational excellence receiving high performance designations by the Ohio Department of Education.

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 POSITION
JUNE 30, 2015**

| | Governmental Activities |
|---|------------------------------------|
| Assets: | |
| Equity in pooled cash and investments | \$ 27,161,716 |
| Receivables: | |
| Property taxes | 47,678,745 |
| Accounts. | 15,132 |
| Accrued interest | 38,998 |
| Intergovernmental | 661,844 |
| Materials and supplies inventory. | 6,994 |
| Inventory held for resale. | 6,659 |
| Capital assets: | |
| Nondepreciable capital assets | 2,590,918 |
| Depreciable capital assets, net. | 115,505,434 |
| Capital assets, net | 118,096,352 |
| Total assets. | <u>193,666,440</u> |
| Deferred outflows of resources: | |
| Unamortized deferred charges on debt refundings | 1,337,151 |
| Pension - STRS | 3,754,413 |
| Pension - SERS | 1,241,612 |
| Total deferred outflows of resources | <u>6,333,176</u> |
| Liabilities: | |
| Accounts payable. | 332,434 |
| Contracts payable. | 102,137 |
| Retainage payable | 667,553 |
| Accrued wages and benefits payable | 4,829,589 |
| Intergovernmental payable | 228,918 |
| Pension and postemployment benefits payable. | 816,666 |
| Accrued interest payable | 608,628 |
| Long-term liabilities: | |
| Due within one year. | 3,012,759 |
| Due in more than one year: | |
| Net pension liability (See Note 13) | 71,317,862 |
| Other amounts due in more than one year | 91,905,051 |
| Total liabilities | <u>173,821,597</u> |
| Deferred inflows of resources: | |
| Property taxes levied for the next fiscal year. | 35,779,063 |
| Pension - STRS. | 10,582,396 |
| Pension - SERS. | 2,291,212 |
| Total deferred inflows of resources | <u>48,652,671</u> |
| Net position: | |
| Net investment in capital assets | 32,047,648 |
| Restricted for: | |
| Capital projects | 908,401 |
| Debt service. | 4,195,669 |
| Locally funded programs | 147,701 |
| State funded programs. | 37,042 |
| Federally funded programs | 234,723 |
| Student activities | 246,026 |
| Other purposes | 215,950 |
| Unrestricted (deficit) | (60,507,812) |
| Total net position (deficit). | <u>\$ (22,474,652)</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, 2015**

| | | Program Revenues | | Net (Expense) Revenue and Changes in Net Position |
|--|----------------------|---|---|--|
| | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Governmental Activities |
| Governmental activities: | | | | |
| Instruction: | | | | |
| Regular | \$ 22,211,994 | \$ 366,573 | \$ 178,710 | \$ (21,666,711) |
| Special | 7,246,667 | - | 772,515 | (6,474,152) |
| Vocational | 1,000,860 | - | 2,543 | (998,317) |
| Adult/continuing. | 3,275 | 19,305 | 12,881 | 28,911 |
| Other | 1,565,581 | - | 294,726 | (1,270,855) |
| Support services: | | | | |
| Pupil. | 3,588,053 | - | 172,447 | (3,415,606) |
| Instructional staff | 1,732,345 | - | 72,094 | (1,660,251) |
| Board of education | 46,916 | - | - | (46,916) |
| Administration. | 2,744,778 | - | 1,934 | (2,742,844) |
| Fiscal. | 1,302,611 | - | - | (1,302,611) |
| Business. | 504,915 | - | - | (504,915) |
| Operations and maintenance | 5,425,118 | 62,282 | - | (5,362,836) |
| Pupil transportation. | 3,968,862 | 30,199 | 257,050 | (3,681,613) |
| Central | 319,218 | - | - | (319,218) |
| Operation of non-instructional services: | | | | |
| Food service operations | 1,215,531 | 858,059 | 314,915 | (42,557) |
| Other non-instructional services | 1,305,906 | 538,681 | 677,803 | (89,422) |
| Extracurricular activities. | 1,451,391 | 468,648 | 219,766 | (762,977) |
| Interest and fiscal charges | 4,884,193 | - | 1,170,112 | (3,714,081) |
| Total governmental activities | <u>\$ 60,518,214</u> | <u>\$ 2,343,747</u> | <u>\$ 4,147,496</u> | <u>(54,026,971)</u> |
| General revenues: | | | | |
| Property taxes levied for: | | | | |
| General purposes | | | | 38,970,696 |
| Debt service. | | | | 6,767,839 |
| Payments in lieu of taxes. | | | | 227,500 |
| Grants and entitlements not restricted to specific programs | | | | 9,752,076 |
| Investment earnings | | | | 169,939 |
| Miscellaneous | | | | <u>136,480</u> |
| Total general revenues | | | | <u>56,024,530</u> |
| Change in net position | | | | 1,997,559 |
| Net position at beginning of year (restated) . | | | | <u>(24,472,211)</u> |
| Net position at end of year. | | | | <u><u>\$ (22,474,652)</u></u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

| | General | Bond Retirement | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------|-----------------------------------|--------------------------------|
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 19,602,498 | \$ 5,836,539 | \$ 1,722,679 | \$ 27,161,716 |
| Receivables: | | | | |
| Property taxes | 40,723,809 | 6,954,936 | - | 47,678,745 |
| Accounts | 12,294 | - | 2,838 | 15,132 |
| Accrued interest | 38,998 | - | - | 38,998 |
| Intergovernmental | 231,170 | - | 430,674 | 661,844 |
| Materials and supplies inventory | 3,796 | - | 3,198 | 6,994 |
| Inventory held for resale | - | - | 6,659 | 6,659 |
| Total assets | <u>\$ 60,612,565</u> | <u>\$ 12,791,475</u> | <u>\$ 2,166,048</u> | <u>\$ 75,570,088</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 278,466 | \$ - | \$ 53,968 | \$ 332,434 |
| Contracts payable | 102,137 | - | - | 102,137 |
| Retainage payable | - | - | 667,553 | 667,553 |
| Accrued wages and benefits payable | 4,693,564 | - | 136,025 | 4,829,589 |
| Compensated absences payable | 339,251 | - | 25,480 | 364,731 |
| Early retirement incentive payable | 31,250 | - | - | 31,250 |
| Intergovernmental payable | 209,489 | - | 19,429 | 228,918 |
| Pension and postemployment benefits payable | 775,561 | - | 41,105 | 816,666 |
| Total liabilities | <u>6,429,718</u> | <u>-</u> | <u>943,560</u> | <u>7,373,278</u> |
| Deferred inflows of resources: | | | | |
| Property taxes levied for the next fiscal year | 30,632,260 | 5,146,803 | - | 35,779,063 |
| Delinquent property tax revenue not available | 1,310,415 | 225,010 | - | 1,535,425 |
| Intergovernmental revenue not available | 168,779 | - | 255,738 | 424,517 |
| Interest revenue not available | 17,856 | - | - | 17,856 |
| Miscellaneous revenue not available | 5,350 | - | - | 5,350 |
| Total deferred inflows of resources | <u>32,134,660</u> | <u>5,371,813</u> | <u>255,738</u> | <u>37,762,211</u> |
| Fund balances: | | | | |
| Nonspendable: | | | | |
| Materials and supplies inventory | 3,796 | - | 3,198 | 6,994 |
| Restricted: | | | | |
| Debt service | - | 7,419,662 | - | 7,419,662 |
| Capital improvements | - | - | 240,848 | 240,848 |
| Food service operations | - | - | 254,814 | 254,814 |
| Non-public schools | - | - | 36,354 | 36,354 |
| Special education | - | - | 14,317 | 14,317 |
| Targeted academic assistance | - | - | 17,922 | 17,922 |
| Extracurricular | - | - | 246,026 | 246,026 |
| Other purposes | - | - | 153,271 | 153,271 |
| Committed: | | | | |
| Capital improvements | 389,807 | - | - | 389,807 |
| Health insurance | 1,160,000 | - | - | 1,160,000 |
| Assigned: | | | | |
| Student instruction | 1,916,880 | - | - | 1,916,880 |
| Student and staff support | 1,483,033 | - | - | 1,483,033 |
| Facilities acquisition and construction | 902,371 | - | - | 902,371 |
| School supplies | 19,203 | - | - | 19,203 |
| Subsequent year appropriations | 2,850,420 | - | - | 2,850,420 |
| Other purposes | 37,761 | - | - | 37,761 |
| Unassigned | <u>13,284,916</u> | <u>-</u> | <u>-</u> | <u>13,284,916</u> |
| Total fund balances | <u>22,048,187</u> | <u>7,419,662</u> | <u>966,750</u> | <u>30,434,599</u> |
| Total liabilities, deferred inflows and fund balances | <u>\$ 60,612,565</u> | <u>\$ 12,791,475</u> | <u>\$ 2,166,048</u> | <u>\$ 75,570,088</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2015**

| | | |
|---|--------------|------------------------|
| Total governmental fund balances | | \$ 30,434,599 |
| <i>Amounts reported for governmental activities on the statement of net position are different because:</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 118,096,352 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds. | | |
| Property taxes receivable | \$ 1,535,425 | |
| Accounts receivable | 5,350 | |
| Accrued interest receivable | 17,856 | |
| Intergovernmental receivable | 424,517 | |
| Total | | 1,983,148 |
| Unamortized premiums on bonds issued are not recognized in the funds. | | (4,248,666) |
| Unamortized deferred charges on refundings are not recognized in the funds. | | 1,337,151 |
| The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows and deferred outflows are not reported in the governmental funds. | | |
| Deferred outflows - pension | 4,996,025 | |
| Deferred inflows - pension | (12,873,608) | |
| Net pension liability | (71,317,862) | |
| Total | | (79,195,445) |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds. | | (608,628) |
| 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 | (86,440,375) | |
| Capital lease obligations | (351,726) | |
| Compensated absences | (3,481,062) | |
| Total | | (90,273,163) |
| Net position of governmental activities | | \$ (22,474,652) |

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, 2015

| | General | Bond Retirement | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|-----------------------------------|--------------------------------|
| Revenues: | | | | |
| From local sources: | | | | |
| Property taxes | \$ 41,659,532 | \$ 7,230,944 | \$ - | \$ 48,890,476 |
| Payment in lieu of taxes | 227,500 | - | - | 227,500 |
| Tuition. | 839,728 | - | - | 839,728 |
| Transportation fees. | 30,199 | - | - | 30,199 |
| Earnings on investments | 158,269 | - | 5,089 | 163,358 |
| Charges for services | - | - | 858,059 | 858,059 |
| Extracurricular. | 111,454 | - | 165,039 | 276,493 |
| Classroom materials and fees | 241,858 | - | - | 241,858 |
| Rental income | 65,237 | - | 19,324 | 84,561 |
| Contributions and donations | 64,721 | - | 157,783 | 222,504 |
| Contract services. | 12,849 | - | - | 12,849 |
| Other local revenues | 146,625 | - | 13,527 | 160,152 |
| Intergovernmental - state | 9,297,038 | 790,820 | 691,783 | 10,779,641 |
| Intergovernmental - federal | 89,990 | 1,170,112 | 1,619,554 | 2,879,656 |
| Total revenues | <u>52,945,000</u> | <u>9,191,876</u> | <u>3,530,158</u> | <u>65,667,034</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular. | 20,092,118 | - | 140,459 | 20,232,577 |
| Special | 6,677,098 | - | 562,719 | 7,239,817 |
| Vocational | 948,826 | - | - | 948,826 |
| Adult/continuing | - | - | 3,125 | 3,125 |
| Other | 1,232,468 | - | 302,879 | 1,535,347 |
| Support services: | | | | |
| Pupil | 3,450,467 | - | 159,654 | 3,610,121 |
| Instructional staff | 1,627,460 | - | 70,135 | 1,697,595 |
| Board of education | 46,916 | - | - | 46,916 |
| Administration | 2,714,440 | 85 | 1,987 | 2,716,512 |
| Fiscal | 1,183,988 | 102,706 | - | 1,286,694 |
| Business. | 417,487 | - | - | 417,487 |
| Operations and maintenance | 5,004,548 | - | - | 5,004,548 |
| Pupil transportation | 3,749,652 | - | - | 3,749,652 |
| Central | 317,245 | - | - | 317,245 |
| Operation of non-instructional services: | | | | |
| Food service operations. | - | - | 1,097,093 | 1,097,093 |
| Other non-instructional services | 580,433 | - | 762,257 | 1,342,690 |
| Extracurricular activities | 1,080,697 | - | 281,436 | 1,362,133 |
| Facilities acquisition and construction. | 476,536 | - | 809,722 | 1,286,258 |
| Capital outlay | 430,188 | - | - | 430,188 |
| Debt service: | | | | |
| Principal retirement. | 78,462 | 4,140,000 | - | 4,218,462 |
| Interest and fiscal charges | 18,738 | 3,871,367 | - | 3,890,105 |
| Bond issuance costs | - | 518,259 | - | 518,259 |
| Total expenditures | <u>50,127,767</u> | <u>8,632,417</u> | <u>4,191,466</u> | <u>62,951,650</u> |
| Excess of revenues over (under) expenditures | <u>2,817,233</u> | <u>559,459</u> | <u>(661,308)</u> | <u>2,715,384</u> |
| Other financing sources (uses): | | | | |
| Premium on refunding bonds issued | - | 2,517,550 | - | 2,517,550 |
| Issuance of refunding bonds. | - | 58,530,000 | - | 58,530,000 |
| Payment to refunded bond escrow agent. | - | (60,711,594) | - | (60,711,594) |
| Sale of capital assets | 170 | - | - | 170 |
| Transfers in. | - | - | 10,000 | 10,000 |
| Transfers (out) | (10,000) | - | - | (10,000) |
| Capital lease transaction | 430,188 | - | - | 430,188 |
| Total other financing sources (uses) | <u>420,358</u> | <u>335,956</u> | <u>10,000</u> | <u>766,314</u> |
| Net change in fund balances | 3,237,591 | 895,415 | (651,308) | 3,481,698 |
| Fund balances at beginning of year. | <u>18,810,596</u> | <u>6,524,247</u> | <u>1,618,058</u> | <u>26,952,901</u> |
| Fund balances at end of year. | <u>\$ 22,048,187</u> | <u>\$ 7,419,662</u> | <u>\$ 966,750</u> | <u>\$ 30,434,599</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, 2015**

Net change in fund balances - total governmental funds \$ 3,481,698

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

Governmental funds report capital outlays as expenditures. However, the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

| | | |
|---------------------------|-------------|-------------|
| Capital asset additions | \$ 869,546 | |
| Current year depreciation | (3,517,468) | |
| Total | | (2,647,922) |

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position. (12,923)

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

| | | |
|---------------------------|-------------|-------------|
| Delinquent property taxes | (3,151,941) | |
| Earnings on investments | 7,794 | |
| Miscellaneous revenues | 5,350 | |
| Intergovernmental | (12,464) | |
| Total | | (3,151,261) |

Repayment of bond and capital lease principal is an expenditure in the funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:

| | | |
|----------------|-----------|-----------|
| Bonds | 4,140,000 | |
| Capital leases | 78,462 | |
| Total | | 4,218,462 |

Issuance of bonds and capital leases are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.

| | | |
|----------------|--------------|--------------|
| Bonds | (58,530,000) | |
| Capital leases | (430,188) | |
| Total | | (58,960,188) |

Payment to refunded bond escrow agent for the retirement of bonds is an other financing source in the funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:

| | | |
|-------------------------------------|------------|------------|
| Bonds refunded | 59,995,000 | |
| Deferred charges on debt refundings | 716,594 | |
| Total | | 60,711,594 |

Premiums on the issuance of bonds are recorded as other financing sources in the funds; however, in the statement of activities, the premiums are amortized over the life of the issuance. (2,517,550)

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

| | | |
|---|-----------|-----------|
| Increase in accrued interest payable | (177,119) | |
| Accreted interest on capital appreciation bonds | (480,069) | |
| Amortization of bond premiums | 394,325 | |
| Amortization of deferred charges on debt refundings | (212,966) | |
| Total | | (475,829) |

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the funds. 68,955

Contractually required pension contributions are reported as expenditures in the funds; however, the statement of activities reports these amounts as deferred outflows. 4,325,191

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. (3,042,668)

Change in net position of governmental activities \$ 1,997,559

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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|----------------------|----------------------|---|
| | Original | Final | Actual | |
| Revenues: | | | | |
| From local sources: | | | | |
| Property taxes | \$ 36,837,197 | \$ 37,757,277 | \$ 40,085,972 | \$ 2,328,695 |
| Tuition. | 297,428 | 304,857 | 323,659 | 18,802 |
| Transportation fees. | 27,752 | 28,445 | 30,199 | 1,754 |
| Earnings on investments | 90,906 | 93,176 | 98,923 | 5,747 |
| Classroom materials and fees | 10,421 | 10,681 | 11,340 | 659 |
| Rental income | 57,234 | 58,664 | 62,282 | 3,618 |
| Contract services. | 11,808 | 12,103 | 12,849 | 746 |
| Other local revenues | 227,428 | 233,109 | 247,486 | 14,377 |
| Intergovernmental - state | 8,690,748 | 8,907,816 | 9,457,209 | 549,393 |
| Intergovernmental - federal | 82,697 | 84,762 | 89,990 | 5,228 |
| Total revenues | <u>46,333,619</u> | <u>47,490,890</u> | <u>50,419,909</u> | <u>2,929,019</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 22,554,204 | 21,516,247 | 21,217,015 | 299,232 |
| Special. | 6,613,723 | 6,745,444 | 6,732,243 | 13,201 |
| Vocational. | 886,372 | 1,003,683 | 997,786 | 5,897 |
| Other. | 2,987,171 | 2,731,964 | 2,590,099 | 141,865 |
| Support services: | | | | |
| Pupil. | 4,019,366 | 4,014,712 | 3,960,712 | 54,000 |
| Instructional staff | 1,879,745 | 1,868,413 | 1,747,454 | 120,959 |
| Board of education | 39,644 | 45,200 | 44,855 | 345 |
| Administration. | 2,903,286 | 2,974,663 | 2,926,446 | 48,217 |
| Fiscal | 1,379,152 | 1,382,965 | 1,335,416 | 47,549 |
| Business | 613,698 | 571,332 | 549,367 | 21,965 |
| Operations and maintenance. | 4,816,726 | 5,572,836 | 5,338,131 | 234,705 |
| Pupil transportation | 4,160,037 | 4,275,057 | 4,095,945 | 179,112 |
| Central. | 345,502 | 354,643 | 326,640 | 28,003 |
| Other operation of non-instructional services | 47,370 | 47,145 | 45,421 | 1,724 |
| Extracurricular activities. | 893,651 | 895,427 | 733,817 | 161,610 |
| Facilities acquisition and construction | 888,750 | 1,886,320 | 1,626,477 | 259,843 |
| Total expenditures | <u>55,028,397</u> | <u>55,886,051</u> | <u>54,267,824</u> | <u>1,618,227</u> |
| Excess of revenues (under) expenditures | <u>(8,694,778)</u> | <u>(8,395,161)</u> | <u>(3,847,915)</u> | <u>4,547,246</u> |
| Other financing sources (uses): | | | | |
| Refund of prior year's expenditures | 442,631 | 453,687 | 481,668 | 27,981 |
| Refund of prior year's receipts. | (50) | (42,992) | (1,905) | 41,087 |
| Transfers in | 34,113 | 34,965 | 37,122 | 2,157 |
| Transfers (out). | (460,000) | (13,889) | (10,000) | 3,889 |
| Advances (out) | (35,000) | (35,000) | (7,860) | 27,140 |
| Other uses. | (44,279) | - | - | - |
| Sale of capital assets | 156 | 160 | 170 | 10 |
| Total other financing sources (uses) | <u>(62,429)</u> | <u>396,931</u> | <u>499,195</u> | <u>102,264</u> |
| Net change in fund balance | <u>(8,757,207)</u> | <u>(7,998,230)</u> | <u>(3,348,720)</u> | <u>4,649,510</u> |
| Fund balance at beginning of year | 14,171,316 | 14,171,316 | 14,171,316 | - |
| Prior year encumbrances appropriated | 3,981,142 | 3,981,142 | 3,981,142 | - |
| Fund balance at end of year | \$ 9,395,251 | \$ 10,154,228 | \$ 14,803,738 | \$ 4,649,510 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

| | Private-Purpose Trust | |
|---|----------------------------------|-----------------------|
| | Scholarship | Agency |
| Assets: | | |
| Equity in pooled cash and investments | \$ 100,781 | \$ 254,614 |
| Total assets. | <u>100,781</u> | <u><u>254,614</u></u> |
| Liabilities: | | |
| Accounts payable. | 3,000 | \$ 1,332 |
| Intergovernmental payable | - | 506 |
| Due to students. | - | 252,776 |
| Total liabilities | <u>3,000</u> | <u><u>254,614</u></u> |
| Net position: | | |
| Held in trust for scholarships | <u>97,781</u> | |
| Total net position. | <u><u>\$ 97,781</u></u> | |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Private-Purpose Trust |
|---|----------------------------------|
| | Scholarship |
| Additions: | |
| Interest. | \$ 88 |
| Gifts and contributions. | 14,629 |
| Total additions. | <u>14,717</u> |
| Deductions: | |
| Scholarships awarded | <u>17,500</u> |
| Change in net position | (2,783) |
| Net position at beginning of year. | <u>100,564</u> |
| Net position at end of year | <u><u>\$ 97,781</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, 2015**

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. The District employs (full- and part-time) 275 professional staff members, 248 non-teaching and support staff employees, and 21 administrators to who provide services to 4,059 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 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” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

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 budget, 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 government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 \$113,553 to NCC during fiscal year 2015. 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 Educational Service Center of Cuyahoga County, who serves as fiscal agent, at 6393 Oak Tree Boulevard, Independence, Ohio 44131.

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 2015, the District paid \$5,309 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 6393 Rockside Road, Suite 377, 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, 2015**

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 coverages for their employees and the eligible dependents and designated beneficiaries of such employees. The Consortium was formed and operates as a legally separate entity under Ohio Revised Code Section 9.833. The Board of Directors 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, 2015**

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. Todd Puster, 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources 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, 2015**

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.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditure 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. The District has no proprietary funds.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. 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 funds account for resources belonging to the student bodies of the various schools and for monies collected on behalf of and disbursed to the Ohio High School Athletic Association.

C. Basis of Presentation and Measurement Focus

The District's basic financial statements consist of government-wide statements, including a statement of net position 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 position 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. These statements distinguish between those activities that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of 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 government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

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, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

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

Like the government-wide statements, the private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fiduciary net position. The statement of changes in fiduciary net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Agency funds do not report a measurement focus as they do not report operations.

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 inflows, and in the presentation of expenses versus expenditures.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources have been reported for the following two items related the District's net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District's contributions to the pension systems subsequent to the measurement date. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

The District also reports a deferred inflow of resources for the net difference between projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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, 2015**

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

During fiscal year 2015, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, commercial paper, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value which is based on quoted market prices.

The District has invested funds in STAR Ohio during fiscal year 2015. 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, 2015.

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 2015 amounted to \$158,269 which includes \$39,803 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, 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 4.

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 position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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 position. The District had no interfund loans receivables/payables at June 30, 2015.

J. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 10.

For advance refunding 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 a deferred outflow of resources.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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, 2015, 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.

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 Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts 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 position is available.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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. The Board has, by resolution, authorized the Treasurer to assign fund balances for encumbrances outstanding at year-end.

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, 2015**

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. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

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 2015.

R. Interfund Activity

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

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, 2015**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles/Restatement of Net Position

For fiscal year 2015, the District has implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27", GASB Statement No. 69 "Government Combinations and Disposals of Government Operations", and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the District.

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the District's pension plan disclosures, as presented in Note 13 to the financial statements, and added required supplementary information which is presented on pages 71 - 77.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities at July 1, 2014 have been restated as follows:

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Net position as previously reported | \$ 56,005,757 |
| Deferred outflows - payments subsequent to measurement date | 4,247,001 |
| Net pension liability | <u>(84,724,969)</u> |
| Restated net position at July 1, 2014 | <u>\$ (24,472,211)</u> |

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on fund balances.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Fund Reclassification

For reporting at June 30, 2015, the building fund is no longer considered a major governmental fund. As such, the fund will be reclassified from a major governmental fund to a nonmajor governmental fund. The fund reclassification had the following effect on fund balances as previously reported.

| | Building | Nonmajor Governmental Funds |
|--|--------------------|-----------------------------------|
| Fund balance as previously reported | \$ 1,046,004 | \$ 572,054 |
| Fund reclassification due to major fund reporting | <u>(1,046,004)</u> | <u>1,046,004</u> |
| Restated fund balance at July 1, 2014 | <u>\$ -</u> | <u>\$ 1,618,058</u> |

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. 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;

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

A. Deposits with Financial Institutions

At June 30, 2015, the carrying amount of all District deposits was \$4,724,058. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2015, \$5,014,365 of the District's bank balance of \$5,514,365 was exposed to custodial risk as discussed below, while \$500,000 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2015, the District had the following investments and maturities:

| Investment type | Fair Value | Investment Maturities | | | | |
|--|----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------------|
| | | 6 months or less | 7 to 12 months | 13 to 18 months | 19 to 24 months | Greater Than 24 months |
| FHLB | \$ 5,611,913 | \$ - | \$ - | \$ 400,189 | \$ 2,399,992 | \$ 2,811,732 |
| FFCB | 1,374,230 | - | - | - | - | 1,374,230 |
| FHLMC | 2,328,640 | - | 130,090 | - | 795,246 | 1,403,304 |
| FNMA | 8,464,477 | 2,019,616 | 1,747,426 | 1,929,518 | - | 2,767,917 |
| Commercial paper | 4,888,228 | 4,644,130 | 244,098 | - | - | - |
| U.S government money market mutual fund | 19,888 | 19,888 | - | - | - | - |
| STAR Ohio | 105,677 | 105,677 | - | - | - | - |
| Total | <u>\$ 22,793,053</u> | <u>\$ 6,789,311</u> | <u>\$ 2,121,614</u> | <u>\$ 2,329,707</u> | <u>\$ 3,195,238</u> | <u>\$ 8,357,183</u> |

The weighted average maturity of investments is 1.35 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.

Credit Risk: The District's investments in federal agency securities 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 P-1 and A-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 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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, 2015:

| <u>Investment type</u> | <u>Fair Value</u> | <u>% of Total</u> |
|------------------------|----------------------|-------------------|
| FHLB | \$ 5,611,913 | 24.62 |
| FFCB | 1,374,230 | 6.03 |
| FHLMC | 2,328,640 | 10.22 |
| FNMA | 8,464,477 | 37.13 |
| Commercial paper | 4,888,228 | 21.45 |
| U.S government money | | |
| market mutual fund | 19,888 | 0.09 |
| STAR Ohio | 105,677 | 0.46 |
| | <u>\$ 22,793,053</u> | <u>100.00</u> |

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

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 position as of June 30, 2015:

| | |
|---|----------------------|
| <u>Cash and investments per note</u> | |
| Carrying amount of deposits | \$ 4,724,058 |
| Investments | <u>22,793,053</u> |
| Total | <u>\$ 27,517,111</u> |
| <u>Cash and investments per statement of net position</u> | |
| Governmental activities | \$ 27,161,716 |
| Private-purpose trust fund | 100,781 |
| Agency fund | <u>254,614</u> |
| Total | <u>\$ 27,517,111</u> |

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended June 30, 2015, consisted of the following, as reported on the fund statements:

| | |
|--|------------------|
| | <u>Amount</u> |
| <u>Transfers from general fund to:</u> | |
| Nonmajor governmental funds | <u>\$ 10,000</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

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 2015 represent the collection of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed values as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. 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 2015 represent the collection of calendar year 2014 taxes. Public utility real and personal property taxes received in calendar year 2015 became a lien on December 31, 2013, were levied after April 1, 2014, 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, 2015, are available to finance fiscal year 2015 operations. The amount available as an advance at June 30, 2015 was \$8,781,134 in the general fund and \$1,583,123 in the bond retirement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2014 was \$7,207,574 in the general fund and \$1,299,647 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, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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 reported as a deferred inflow.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 6 - PROPERTY TAXES - (Continued)

The assessed values upon which the fiscal year 2015 taxes were collected are:

| | 2014 Second Half Collections | | 2015 First Half Collections | |
|---|---------------------------------|----------------|--------------------------------|----------------|
| | <u>Amount</u> | <u>Percent</u> | <u>Amount</u> | <u>Percent</u> |
| Agricultural/residential and other real estate | \$ 1,330,437,240 | 98.22 | \$ 1,340,030,420 | 98.15 |
| Public utility personal | <u>24,094,940</u> | <u>1.78</u> | <u>25,237,460</u> | <u>1.85</u> |
| Total | <u>\$ 1,354,532,180</u> | <u>100.00</u> | <u>\$ 1,365,267,880</u> | <u>100.00</u> |
| Tax rate per \$1,000 of assessed valuation | \$ 70.10 | | \$ 70.10 | |

NOTE 7 - RECEIVABLES

Receivables at June 30, 2015 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 position follows:

Governmental activities

| | |
|-------------------------------|----------------------|
| Property taxes | \$ 47,678,745 |
| Accounts | 15,132 |
| Intergovernmental | 661,844 |
| Accrued interest | <u>38,998</u> |
| Total governmental activities | <u>\$ 48,394,719</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 2015, the District entered into capital lease agreements for copiers. These leases meet the criteria of a capital lease as defined by GASB 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 \$430,188, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2015 was \$86,038 leaving a current book value of \$344,150.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE - (Continued)

A corresponding liability was recorded in the statement of net position. Principal payments in the 2015 fiscal year totaled \$78,462. 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 position. 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, 2015.

| <u>Fiscal Year Ending June 30,</u> | <u>Governmental Activities</u> |
|---|------------------------------------|
| 2016 | \$ 97,200 |
| 2017 | 97,200 |
| 2018 | 97,200 |
| 2019 | <u>97,200</u> |
| Total future required payments | 388,800 |
| Less: amount representing interest | <u>(37,074)</u> |
| Present value of minimum lease payments | <u>\$ 351,726</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year-ended June 30, 2015, was as follows:

| | Balance <u>June 30, 2014</u> | <u>Additions</u> | <u>Deductions</u> | Balance <u>June 30, 2015</u> |
|---|---------------------------------|-----------------------|--------------------|---------------------------------|
| Governmental activities: | | | | |
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 2,468,751 | \$ - | \$ - | \$ 2,468,751 |
| Construction in progress | <u>-</u> | <u>122,167</u> | <u>-</u> | <u>122,167</u> |
| Total capital assets, not being depreciated | <u>2,468,751</u> | <u>122,167</u> | <u>-</u> | <u>2,590,918</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Land improvements | 214,415 | - | - | 214,415 |
| Buildings and improvements | 134,845,699 | 23,270 | - | 134,868,969 |
| Furniture and equipment | 6,965,140 | 615,638 | (16,750) | 7,564,028 |
| Vehicles | 4,071,126 | 42,000 | (257,958) | 3,855,168 |
| Textbooks and library books | <u>4,104,050</u> | <u>66,471</u> | <u>-</u> | <u>4,170,521</u> |
| Total capital assets, being depreciated | <u>150,200,430</u> | <u>747,379</u> | <u>(274,708)</u> | <u>150,673,101</u> |
| <i>Less: accumulated depreciation</i> | | | | |
| Land improvements | (66,327) | (7,241) | - | (73,568) |
| Buildings and improvements | (20,488,841) | (2,709,256) | - | (23,198,097) |
| Furniture and equipment | (5,268,416) | (308,957) | 16,750 | (5,560,623) |
| Vehicles | (2,665,495) | (239,101) | 245,035 | (2,659,561) |
| Textbooks and library books | <u>(3,422,905)</u> | <u>(252,913)</u> | <u>-</u> | <u>(3,675,818)</u> |
| Total accumulated depreciation | <u>(31,911,984)</u> | <u>(3,517,468)</u> | <u>261,785</u> | <u>(35,167,667)</u> |
| Governmental activities capital assets, net | <u>\$ 120,757,197</u> | <u>\$ (2,647,922)</u> | <u>\$ (12,923)</u> | <u>\$ 118,096,352</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

| | |
|--|----------------------------|
| Instruction: | |
| Regular | \$ 2,211,193 |
| Special | 166,896 |
| Vocational | 43,541 |
| Adult/continuing | 263 |
| Support Services: | |
| Pupil | 96,814 |
| Instructional staff | 158,593 |
| Administration | 107,619 |
| Fiscal | 8,058 |
| Business | 93,664 |
| Operations and maintenance | 165,588 |
| Pupil transportation | 254,550 |
| Central | 3,373 |
| Operation of non instructional services: | |
| Food service operations | 103,507 |
| Extracurricular activities | <u>103,809</u> |
| Total depreciation expense | <u><u>\$ 3,517,468</u></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 | | | | |
| 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 |
| School Improvements | | | | |
| Restructuring - Series 2014 | 2014 | 2,830,000 | 2.29-4.50% | December 1, 2025 |
| School Improvements | | | | |
| Refunding - Series 2014 | 2014 | 55,700,000 | 2.0-5.0% | December 1, 2043 |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of the changes in long-term obligations during fiscal year 2015:

| | Balance June 30, 2014 | Additions | Reductions | Balance June 30, 2015 | Amounts Due in One Year |
|--|--------------------------|----------------------|------------------------|--------------------------|-------------------------------|
| Governmental activities | | | | | |
| General Obligation bonds: | | | | | |
| Library improvements refunding - Series 2006: | | | | | |
| Serial bonds | \$ 2,005,000 | \$ - | \$ (440,000) | \$ 1,565,000 | \$ 480,000 |
| Unamortized premium | 86,688 | - | (25,372) | 61,316 | - |
| School improvements refunding - Series 2004: | | | | | |
| Serial bonds | 1,970,000 | - | (1,970,000) | - | - |
| Unamortized premium | 61,002 | - | (61,002) | - | - |
| Capital appreciation bonds | 725,000 | - | - | 725,000 | - |
| Accretion on capital appreciation bonds | 2,307,929 | 456,116 | - | 2,764,045 | - |
| Unamortized premium | 423,705 | - | (141,235) | 282,470 | - |
| School improvements - Series 2010: | | | | | |
| Serial bonds | 9,880,000 | - | (4,285,000) | 5,595,000 | 1,385,000 |
| Unamortized premium | 1,226,025 | - | (98,736) | 1,127,289 | - |
| Term bonds | 57,165,000 | - | (57,165,000) | - | - |
| Sinking fund bonds | 11,260,000 | - | - | 11,260,000 | - |
| School improvements refunding - Series 2011: | | | | | |
| Serial bonds | 6,020,000 | - | (275,000) | 5,745,000 | 355,000 |
| Unamortized premium | 328,021 | - | (24,449) | 303,572 | - |
| Capital appreciation bonds | 180,000 | - | - | 180,000 | - |
| Accretion on capital appreciation bonds | 52,377 | 23,953 | - | 76,330 | - |
| School improvements restructuring - Series 2014: | | | | | |
| Serial bonds | - | 2,830,000 | - | 2,830,000 | - |
| School improvements refunding - Series 2014: | | | | | |
| Serial bonds | - | 33,210,000 | - | 33,210,000 | 150,000 |
| Term bonds | - | 22,490,000 | - | 22,490,000 | - |
| Unamortized premium | - | 2,517,550 | (43,531) | 2,474,019 | - |
| Total general obligation bonds | <u>93,690,747</u> | <u>61,527,619</u> | <u>(64,529,325)</u> | <u>90,689,041</u> | <u>2,370,000</u> |
| Net pension liability: | | | | | |
| STRS | 68,137,421 | - | (10,936,452) | 57,200,969 | - |
| SERS | 16,587,548 | - | (2,470,655) | 14,116,893 | - |
| Total net pension liability | <u>84,724,969</u> | <u>-</u> | <u>(13,407,107)</u> | <u>71,317,862</u> | <u>-</u> |
| Capital lease obligation | - | 430,188 | (78,462) | 351,726 | 81,464 |
| Retirement incentive | 100,000 | - | (68,750) | 31,250 | 31,250 |
| Compensated absences | 3,907,083 | 475,208 | (536,498) | 3,845,793 | 530,045 |
| Total governmental activities long-term liabilities | <u>\$ 182,422,799</u> | <u>\$ 62,433,015</u> | <u>\$ (78,620,142)</u> | <u>\$ 166,235,672</u> | <u>\$ 3,012,759</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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

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 District pays obligations related to employee compensation from the fund benefitting from their service.

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, 2015 the outstanding amount of the refunded bonds are \$1,595,000.

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 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, 2015, the outstanding amount of the refunded bonds is \$3,645,000.

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, 2015, a total of \$2,764,045 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, 2015**

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. During 2015, a portion of the serial bonds, in the amount of \$2,830,000 were refunded through the issuance of the series 2014 restructuring bonds and the entire balance of the BABs, in the amount of \$57,165,000, were refunded through the issuance of the series 2014 refunding bonds.

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 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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, 2015, the outstanding amount of the refunded bonds is \$5,980,000.

The serial bonds were issued for a 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, 2015, a total of \$76,330 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.

School Improvement Restructuring Bonds - Series 2014

On July 22, 2014, the District issued \$2,830,000, in general obligation restructuring bonds. These bonds are serial bonds with interest rates varying from 2.29 percent to 4.50 percent. The final stated maturity on the issue is December 1, 2025. Proceeds were used to restructure \$2,830,000 of the outstanding 2010 school improvement serial bonds.

Proceeds of \$2,995,303 (including District contributions of \$203,803 less 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 restructured portion of the 2010 school improvement serial bonds. As a result, \$2,830,000 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, 2015, the outstanding amount of the restructured bonds is \$2,090,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$165,303. 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 Refunding Bonds - Series 2014

On December 11, 2015, the District issued \$55,700,000, in general obligation refunding bonds, which included \$33,210,000 in serial bonds and \$22,490,000 in term bonds with interest rates varying from 2.0 percent to 5.0 percent. The final stated maturity on the issue is December 1, 2043. Proceeds were used to advance refund \$57,165,000 of the outstanding 2003 school improvement BAB's.

The bonds were sold at a premium of \$2,517,550. Proceeds of \$57,716,291 (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 2010 school improvement BAB's. As a result, \$57,165,000 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, 2015, the outstanding amount of the refunded bonds is \$57,165,000.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The term bonds are subject to mandatory sinking fund redemption as follows:

| <u>Year</u> | <u>Mandatory Sinking Fund Redemption</u> |
|-------------|--|
| 2039 | \$ 4,165,000 |
| 2040 | 4,325,000 |
| 2041 | 4,490,000 |
| 2042 | 4,665,000 |
| 2043 | <u>4,845,000</u> |
| Total | <u>\$ 22,490,000</u> |

The reacquisition price exceeded the net carrying amount of the old debt by \$551,291. 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 by \$2,110,668 and resulted in an economic gain of \$1,093,350.

Future Debt Service Requirements

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2015, are as follows:

| <u>Fiscal Year Ending</u> | <u>General Obligation Bonds</u> | | <u>Capital Appreciation Bonds</u> | | <u>Total</u> | |
|-------------------------------|---------------------------------|----------------------|-----------------------------------|---------------------|----------------------|-----------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2016 | \$ 2,370,000 | \$ 6,752,423 | \$ - | \$ - | \$ 2,370,000 | \$ 6,752,423 |
| 2017 | 2,290,000 | 6,665,961 | 725,000 | 3,580,000 | 3,015,000 | 10,245,961 |
| 2018 | 1,805,000 | 6,571,048 | - | - | 1,805,000 | 6,571,048 |
| 2019 | 1,750,000 | 6,492,199 | - | - | 1,750,000 | 6,492,199 |
| 2020 | 2,030,000 | 6,414,465 | - | - | 2,030,000 | 6,414,465 |
| 2021 - 2025 | 11,100,000 | 31,622,658 | 180,000 | 305,000 | 11,280,000 | 31,927,658 |
| 2026 - 2030 | 11,270,000 | 16,877,235 | - | - | 11,270,000 | 16,877,235 |
| 2031 - 2035 | 13,045,000 | 8,552,851 | - | - | 13,045,000 | 8,552,851 |
| 2036 - 2040 | 18,710,000 | 5,408,143 | - | - | 18,710,000 | 5,408,143 |
| 2041 - 2044 | 18,325,000 | 1,446,906 | - | - | 18,325,000 | 1,446,906 |
| Total | <u>\$ 82,695,000</u> | <u>\$ 96,803,889</u> | <u>\$ 905,000</u> | <u>\$ 3,885,000</u> | <u>\$ 83,600,000</u> | <u>\$ 100,688,889</u> |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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, 2015, are a voted debt margin of \$46,693,771 (including available funds of \$7,419,662) and an unvoted debt margin of \$1,365,268.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 11 - OTHER EMPLOYEE BENEFITS - (Continued)

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.

At June 30, 2015, the total liability for retirement incentives (both RIB and HRA payments) is \$31,250. The entire amount is due within one year and recorded as a liability of the general fund.

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 position.

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 2015, the District is 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 12 - RISK MANAGEMENT - (Continued)

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 which is placed in a common fund from which the claim payments are made for all participating districts. For fiscal year 2015, the District paid 85% of the cost of the monthly insurance premium for certified, classified and administrative employees.

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 2015, 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 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *pension and postemployment benefits payable* on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description –District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

| | Eligible to Retire on or before August 1, 2017 * | Eligible to Retire after August 1, 2017 |
|------------------------------|---|--|
| Full Benefits | Any age with 30 years of service credit | Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit |
| Actuarially Reduced Benefits | Age 60 with 5 years of service credit Age 55 with 25 years of service credit | Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit |

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The District's contractually required contribution to SERS was \$1,121,462 for fiscal year 2015. Of this amount \$94,689 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description –District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability 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 – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$3,203,729 for fiscal year 2015. Of this amount, \$528,588 is reported as pension and postemployment benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|---------------|---------------|---------------|
| Proportionate share of the net pension liability | \$ 14,116,893 | \$ 57,200,969 | \$ 71,317,862 |
| Proportion of the net pension liability | 0.27893800% | 0.23516789% | |
| Pension expense | \$ 823,812 | \$ 2,218,856 | \$ 3,042,668 |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|--|---------------------|----------------------|----------------------|
| Deferred outflows of resources | | | |
| Differences between expected and actual experience | \$ 120,150 | \$ 550,684 | \$ 670,834 |
| District contributions subsequent to the measurement date | <u>1,121,462</u> | <u>3,203,729</u> | <u>4,325,191</u> |
| Total deferred outflows of resources | <u>\$ 1,241,612</u> | <u>\$ 3,754,413</u> | <u>\$ 4,996,025</u> |
| Deferred inflows of resources | | | |
| Net difference between projected and actual earnings on pension plan investments | <u>\$ 2,291,212</u> | <u>\$ 10,582,396</u> | <u>\$ 12,873,608</u> |

\$4,325,191 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | <u>SERS</u> | <u>STRS</u> | <u>Total</u> |
|-----------------------------|-----------------------|------------------------|------------------------|
| Fiscal Year Ending June 30: | | | |
| 2016 | \$ (542,765) | \$ (2,507,928) | \$ (3,050,693) |
| 2017 | (542,765) | (2,507,928) | (3,050,693) |
| 2018 | (542,765) | (2,507,928) | (3,050,693) |
| 2019 | <u>(542,767)</u> | <u>(2,507,928)</u> | <u>(3,050,695)</u> |
| Total | <u>\$ (2,171,062)</u> | <u>\$ (10,031,712)</u> | <u>\$ (12,202,774)</u> |

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

| | |
|--|--|
| Wage Inflation | 3.25 percent |
| Future Salary Increases, including inflation | 4.00 percent to 22 percent |
| COLA or Ad Hoc COLA | 3 percent |
| Investment Rate of Return | 7.75 percent net of investments expense, including inflation |
| Actuarial Cost Method | Entry Age Normal |

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|------------------------|------------------------------|---|
| Cash | 1.00 % | 0.00 % |
| US Stocks | 22.50 | 5.00 |
| Non-US Stocks | 22.50 | 5.50 |
| Fixed Income | 19.00 | 1.50 |
| Private Equity | 10.00 | 10.00 |
| Real Assets | 10.00 | 5.00 |
| Multi-Asset Strategies | 15.00 | 7.50 |
| Total | <u>100.00 %</u> | |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|--|------------------------|-------------------------------------|------------------------|
| District's proportionate share of the net pension liability | \$ 20,140,612 | \$ 14,116,893 | \$ 9,050,426 |

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|--------------------------------------|--|
| Inflation | 2.75 percent |
| Projected salary increases | 2.75 percent at age 70 to 12.25 percent at age 20 |
| Investment Rate of Return | 7.75 percent, net of investment expenses |
| Cost-of-Living Adjustments (COLA) | 2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date. |

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|----------------------|----------------------|---|
| Domestic Equity | 31.00 % | 8.00 % |
| International Equity | 26.00 | 7.85 |
| Alternatives | 14.00 | 8.00 |
| Fixed Income | 18.00 | 3.75 |
| Real Estate | 10.00 | 6.75 |
| Liquidity Reserves | 1.00 | 3.00 |
| Total | <u>100.00 %</u> | |

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

| | 1% Decrease (6.75%) | Current Discount Rate (7.75%) | 1% Increase (8.75%) |
|--|------------------------|-------------------------------------|------------------------|
| District's proportionate share of the net pension liability | \$ 81,889,424 | \$ 57,200,969 | \$ 36,322,845 |

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$121,490.

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$180,055, \$117,161, and \$133,554, respectively. For fiscal year 2015, 92.45 percent has been contributed, with the balance being reported as pension and postemployment benefits payable. The full amount has been contributed for fiscal years 2014 and 2013.

B. State Teachers Retirement System

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS 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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$246,777, and \$256,568 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

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.

C. Foundation Funding

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 (net of amounts already included in payables) in the governmental funds were as follows:

| <u>Fund</u> | <u>Year-End Encumbrances</u> |
|--------------------|----------------------------------|
| General fund | \$ 4,123,349 |
| Bond retirement | 3,530 |
| Other governmental | <u>1,212,323</u> |
| Total | <u>\$ 5,339,202</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, 2014 | \$ - |
| Current year set-aside requirement | 658,544 |
| Current year qualifying expenditures | <u>(1,846,856)</u> |
| Total | <u>\$ (1,188,312)</u> |
| Balance carried forward to fiscal year 2016 | <u>\$ -</u> |
| Set-aside balance June 30, 2015 | <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, 2015**

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 | \$ (3,348,720) |
| Net adjustment for revenue accruals | 1,539,967 |
| Net adjustment for expenditure accruals | 706,548 |
| Net adjustment for other sources/uses | (78,837) |
| Funds budgeted elsewhere | 10,411 |
| Adjustment for encumbrances | <u>4,408,222</u> |
| GAAP basis | <u>\$ 3,237,591</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.

REQUIRED SUPPLEMENTARY INFORMATION

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TWO FISCAL YEARS

| | <u>2014</u> | <u>2013</u> |
|---|---------------|---------------|
| District's proportion of the net pension liability | 0.27893800% | 0.27893800% |
| District's proportionate share of the net pension liability | \$ 14,116,893 | \$ 16,587,548 |
| District's covered-employee payroll | \$ 8,105,375 | \$ 8,292,471 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 174.17% | 200.03% |
| Plan fiduciary net position as a percentage of the total pension liability | 71.70% | 65.52% |

Note: Information prior to fiscal year 2013 was unavailable.

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TWO FISCAL YEARS

| | <u>2014</u> | <u>2013</u> |
|---|---------------|---------------|
| District's proportion of the net pension liability | 0.23516789% | 0.23516789% |
| District's proportionate share of the net pension liability | \$ 57,200,969 | \$ 68,137,421 |
| District's covered-employee payroll | \$ 24,027,662 | \$ 25,656,777 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 238.06% | 265.57% |
| Plan fiduciary net position as a percentage of the total pension liability | 74.70% | 69.30% |

Note: Information prior to fiscal year 2013 was unavailable.

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution | \$ 1,121,462 | \$ 1,123,405 | \$ 1,147,678 | \$ 1,087,963 | \$ 1,039,322 |
| Contributions in relation to the contractually required contribution | <u>(1,121,462)</u> | <u>(1,123,405)</u> | <u>(1,147,678)</u> | <u>(1,087,963)</u> | <u>(1,039,322)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered-employee payroll | \$ 8,508,816 | \$ 8,105,375 | \$ 8,292,471 | \$ 8,088,944 | \$ 8,268,274 |
| Contributions as a percentage of covered-employee payroll | 13.18% | 13.86% | 13.84% | 13.45% | 12.57% |

| <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|--------------------|------------------|------------------|------------------|------------------|
| \$ 1,062,728 | \$ 729,581 | \$ 708,014 | \$ 741,110 | \$ 689,871 |
| <u>(1,062,728)</u> | <u>(729,581)</u> | <u>(708,014)</u> | <u>(741,110)</u> | <u>(689,871)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 7,848,804 | \$ 7,414,441 | \$ 7,209,919 | \$ 6,939,232 | \$ 6,520,520 |
| 13.54% | 9.84% | 9.82% | 10.68% | 10.58% |

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution | \$ 3,203,729 | \$ 3,123,596 | \$ 3,335,381 | \$ 3,261,763 | \$ 3,218,832 |
| Contributions in relation to the contractually required contribution | <u>(3,203,729)</u> | <u>(3,123,596)</u> | <u>(3,335,381)</u> | <u>(3,261,763)</u> | <u>(3,218,832)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered-employee payroll | \$ 22,883,779 | \$ 24,027,662 | \$ 25,656,777 | \$ 25,090,485 | \$ 24,760,246 |
| Contributions as a percentage of covered-employee payroll | 14.00% | 13.00% | 13.00% | 13.00% | 13.00% |

| <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 3,111,261 | \$ 2,920,173 | \$ 2,850,376 | \$ 2,714,366 | \$ 2,689,279 |
| <u>(3,111,261)</u> | <u>(2,920,173)</u> | <u>(2,850,376)</u> | <u>(2,714,366)</u> | <u>(2,689,279)</u> |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| \$ 23,932,777 | \$ 22,462,869 | \$ 21,925,969 | \$ 20,879,738 | \$ 20,686,762 |
| 13.00% | 13.00% | 13.00% | 13.00% | 13.00% |

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

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

Changes in assumptions : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

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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 FUND

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.

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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| Revenues: | | | | |
| From local sources: | | | | |
| Property taxes | \$ 36,837,197 | \$ 37,757,277 | \$ 40,085,972 | \$ 2,328,695 |
| Tuition | 297,428 | 304,857 | 323,659 | 18,802 |
| Transportation fees | 27,752 | 28,445 | 30,199 | 1,754 |
| Earnings on investments | 90,906 | 93,176 | 98,923 | 5,747 |
| Classroom materials and fees | 10,421 | 10,681 | 11,340 | 659 |
| Rental income. | 57,234 | 58,664 | 62,282 | 3,618 |
| Contract services | 11,808 | 12,103 | 12,849 | 746 |
| Other local revenues | 227,428 | 233,109 | 247,486 | 14,377 |
| Intergovernmental - state | 8,690,748 | 8,907,816 | 9,457,209 | 549,393 |
| Intergovernmental - federal | 82,697 | 84,762 | 89,990 | 5,228 |
| Total revenues. | <u>46,333,619</u> | <u>47,490,890</u> | <u>50,419,909</u> | <u>2,929,019</u> |
| Expenditures: | | | | |
| Instruction: | | | | |
| Regular: | | | | |
| Salaries and wages | 16,051,619 | 15,221,670 | 15,019,104 | 202,566 |
| Fringe benefits | 5,328,720 | 4,976,134 | 4,946,134 | 30,000 |
| Purchased services | 123,028 | 215,822 | 208,373 | 7,449 |
| Supplies | 607,495 | 605,843 | 580,116 | 25,727 |
| Capital outlay | 329,561 | 329,297 | 295,807 | 33,490 |
| Other | 113,781 | 167,481 | 167,481 | - |
| Total regular | <u>22,554,204</u> | <u>21,516,247</u> | <u>21,217,015</u> | <u>299,232</u> |
| Special: | | | | |
| Salaries and wages | 4,523,352 | 4,666,890 | 4,667,335 | (445) |
| Fringe benefits | 1,800,905 | 1,867,153 | 1,867,153 | - |
| Purchased services | 247,354 | 160,528 | 151,161 | 9,367 |
| Supplies | 18,287 | 37,887 | 33,733 | 4,154 |
| Capital outlay | 23,800 | 12,936 | 12,811 | 125 |
| Other | 25 | 50 | 50 | - |
| Total special | <u>6,613,723</u> | <u>6,745,444</u> | <u>6,732,243</u> | <u>13,201</u> |
| Vocational: | | | | |
| Salaries and wages | 130,774 | 130,774 | 126,906 | 3,868 |
| Fringe benefits | 44,628 | 44,628 | 43,104 | 1,524 |
| Purchased services | 710,465 | 827,776 | 827,776 | - |
| Supplies | 505 | 505 | - | 505 |
| Total vocational | <u>886,372</u> | <u>1,003,683</u> | <u>997,786</u> | <u>5,897</u> |
| Other: | | | | |
| Salaries and wages | 155,309 | 155,309 | 127,716 | 27,593 |
| Fringe benefits | 79,096 | 79,096 | 75,753 | 3,343 |
| Purchased services | 2,752,766 | 2,497,559 | 2,386,630 | 110,929 |
| Total other | <u>2,987,171</u> | <u>2,731,964</u> | <u>2,590,099</u> | <u>141,865</u> |
| Total instruction | <u>33,041,470</u> | <u>31,997,338</u> | <u>31,537,143</u> | <u>460,195</u> |
| Support Services: | | | | |
| Pupil: | | | | |
| Salaries and wages | 2,073,203 | 2,073,203 | 2,062,627 | 10,576 |
| Fringe benefits | 704,200 | 704,200 | 697,005 | 7,195 |
| Purchased services | 1,105,455 | 1,098,310 | 1,065,028 | 33,282 |
| Supplies | 109,709 | 111,478 | 109,102 | 2,376 |
| Capital outlay | - | 722 | 662 | 60 |
| Other | 26,799 | 26,799 | 26,288 | 511 |
| Total pupil | <u>4,019,366</u> | <u>4,014,712</u> | <u>3,960,712</u> | <u>54,000</u> |

-- Continued

**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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|-------------------------------------|-------------------------|------------------|------------------|---|
| | Original | Final | Actual | |
| Instructional staff: | | | | |
| Salaries and wages | \$ 1,068,014 | \$ 1,068,014 | \$ 995,279 | \$ 72,735 |
| Fringe benefits | 396,425 | 396,425 | 376,152 | 20,273 |
| Purchased services | 175,310 | 167,079 | 148,838 | 18,241 |
| Supplies | 175,508 | 171,531 | 164,459 | 7,072 |
| Capital outlay | 62,593 | 63,469 | 62,726 | 743 |
| Other | 1,895 | 1,895 | - | 1,895 |
| Total instructional staff | <u>1,879,745</u> | <u>1,868,413</u> | <u>1,747,454</u> | <u>120,959</u> |
| Board of Education: | | | | |
| Salaries and wages | 17,500 | 20,000 | 20,000 | - |
| Fringe benefits | 4,100 | 4,671 | 4,671 | - |
| Purchased services | 2,500 | 2,670 | 2,670 | - |
| Supplies | 3,844 | 4,822 | 4,477 | 345 |
| Other | 11,700 | 13,037 | 13,037 | - |
| Total board of education | <u>39,644</u> | <u>45,200</u> | <u>44,855</u> | <u>345</u> |
| Administration: | | | | |
| Salaries and wages | 1,658,004 | 1,683,148 | 1,683,148 | - |
| Fringe benefits | 820,246 | 822,194 | 822,194 | - |
| Purchased services | 296,347 | 340,784 | 324,544 | 16,240 |
| Supplies | 50,795 | 48,059 | 24,087 | 23,972 |
| Capital outlay | 1,675 | 1,916 | 817 | 1,099 |
| Other | 76,219 | 78,562 | 71,656 | 6,906 |
| Total administration. | <u>2,903,286</u> | <u>2,974,663</u> | <u>2,926,446</u> | <u>48,217</u> |
| Fiscal: | | | | |
| Salaries and wages | 382,300 | 389,398 | 389,398 | - |
| Fringe benefits | 184,135 | 184,135 | 168,992 | 15,143 |
| Purchased services | 48,713 | 48,712 | 40,567 | 8,145 |
| Supplies | 16,738 | 16,738 | 14,072 | 2,666 |
| Capital outlay | 28,575 | 28,575 | 28,542 | 33 |
| Other | 718,691 | 715,407 | 693,845 | 21,562 |
| Total fiscal | <u>1,379,152</u> | <u>1,382,965</u> | <u>1,335,416</u> | <u>47,549</u> |
| Business: | | | | |
| Salaries and wages | 319,300 | 319,300 | 310,722 | 8,578 |
| Fringe benefits | 147,560 | 147,560 | 137,691 | 9,869 |
| Purchased services | 134,333 | 99,085 | 96,655 | 2,430 |
| Supplies | 11,755 | 3,940 | 2,882 | 1,058 |
| Other | 750 | 1,447 | 1,417 | 30 |
| Total business. | <u>613,698</u> | <u>571,332</u> | <u>549,367</u> | <u>21,965</u> |

-- Continued

**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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | |
| Operations and maintenance: | | | | |
| Salaries and wages | \$ 1,853,318 | \$ 2,031,508 | \$ 2,031,508 | \$ - |
| Fringe benefits | 796,554 | 854,415 | 854,415 | - |
| Purchased services | 1,863,217 | 2,189,030 | 1,961,480 | 227,550 |
| Supplies | 249,598 | 413,550 | 413,006 | 544 |
| Capital outlay | 54,039 | 84,333 | 77,722 | 6,611 |
| Total operations and maintenance | <u>4,816,726</u> | <u>5,572,836</u> | <u>5,338,131</u> | <u>234,705</u> |
| Pupil transportation: | | | | |
| Salaries and wages | 2,261,676 | 2,179,172 | 2,160,227 | 18,945 |
| Fringe benefits | 1,027,439 | 1,027,439 | 1,011,230 | 16,209 |
| Purchased services | 248,363 | 266,937 | 257,086 | 9,851 |
| Supplies | 607,209 | 650,656 | 516,885 | 133,771 |
| Capital outlay | 15,000 | 150,517 | 150,517 | - |
| Other | 350 | 336 | - | 336 |
| Total pupil transportation | <u>4,160,037</u> | <u>4,275,057</u> | <u>4,095,945</u> | <u>179,112</u> |
| Central: | | | | |
| Salaries and wages | 189,800 | 189,800 | 181,018 | 8,782 |
| Fringe benefits | 76,181 | 80,240 | 80,240 | - |
| Purchased services | 25,970 | 26,160 | 10,906 | 15,254 |
| Supplies | 8,061 | 7,626 | 3,809 | 3,817 |
| Capital outlay | 45,000 | 50,327 | 50,327 | - |
| Other | 490 | 490 | 340 | 150 |
| Total central | <u>345,502</u> | <u>354,643</u> | <u>326,640</u> | <u>28,003</u> |
| Total support services | <u>20,157,156</u> | <u>21,059,821</u> | <u>20,324,966</u> | <u>734,855</u> |
| Operation of non-instructional services: | | | | |
| Academic and subject oriented activities: | | | | |
| Purchased services | 47,370 | 47,145 | 45,421 | 1,724 |
| Total operation of non-instructional services | <u>47,370</u> | <u>47,145</u> | <u>45,421</u> | <u>1,724</u> |
| Extracurricular activities: | | | | |
| Academic and subject oriented activities: | | | | |
| Salaries and wages | 112,000 | 112,000 | 89,591 | 22,409 |
| Fringe benefits | 18,532 | 20,308 | 20,308 | - |
| Total academic and subject oriented activities | <u>130,532</u> | <u>132,308</u> | <u>109,899</u> | <u>22,409</u> |
| Sports oriented activities: | | | | |
| Salaries and wages | 616,000 | 616,000 | 481,740 | 134,260 |
| Fringe benefits | 146,369 | 146,369 | 142,178 | 4,191 |
| Other | 750 | 750 | - | 750 |
| Total sports oriented activities | <u>763,119</u> | <u>763,119</u> | <u>623,918</u> | <u>139,201</u> |
| Total extracurricular activities | <u>893,651</u> | <u>895,427</u> | <u>733,817</u> | <u>161,610</u> |

-- Continued

**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, 2015

| | Budgeted Amounts | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|----------------------|----------------------|---|
| | Original | Final | Actual | |
| Facilities acquisition and construction: | | | | |
| Site improvement services | | | | |
| Capital outlay- replacement | \$ 30,943 | \$ - | \$ - | \$ - |
| Architecture and engineering services | | | | |
| Purchased services | 4,060 | 40,956 | 40,610 | 346 |
| Building acquisition and construction services: | | | | |
| Purchased services | 306,317 | 1,071,708 | 812,211 | 259,497 |
| Other | - | 1,224 | 1,224 | - |
| Building improvement services | | | | |
| Purchased services | 327,090 | 479,808 | 479,808 | - |
| Capital outlay-replacement | 220,340 | 292,624 | 292,624 | - |
| Total facilities acquisition and construction . . | 888,750 | 1,886,320 | 1,626,477 | 259,843 |
| Total expenditures | 55,028,397 | 55,886,051 | 54,267,824 | 1,618,227 |
| Excess of revenues | | | | |
| (under) expenditures | (8,694,778) | (8,395,161) | (3,847,915) | 4,547,246 |
| Other financing sources (uses): | | | | |
| Refund of prior year's expenditures | 442,631 | 453,687 | 481,668 | 27,981 |
| Refund of prior year's receipts | (50) | (42,992) | (1,905) | 41,087 |
| Transfers in | 34,113 | 34,965 | 37,122 | 2,157 |
| Transfers (out). | (460,000) | (13,889) | (10,000) | 3,889 |
| Advances (out). | (35,000) | (35,000) | (7,860) | 27,140 |
| Other uses. | (44,279) | - | - | - |
| Sale of capital assets | 156 | 160 | 170 | 10 |
| Total other financing sources (uses) | (62,429) | 396,931 | 499,195 | 102,264 |
| Net change in fund balance | (8,757,207) | (7,998,230) | (3,348,720) | 4,649,510 |
| Fund balance at beginning of year | 14,171,316 | 14,171,316 | 14,171,316 | - |
| Prior year encumbrances appropriated . . | 3,981,142 | 3,981,142 | 3,981,142 | - |
| Fund balance at end of year. | <u>\$ 9,395,251</u> | <u>\$ 10,154,228</u> | <u>\$ 14,803,738</u> | <u>\$ 4,649,510</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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------------|----------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Property taxes | \$ 5,756,345 | \$ 6,947,468 | \$ 1,191,123 |
| Intergovernmental - State | 655,236 | 790,820 | 135,584 |
| Intergovernmental-federal | 969,500 | 1,170,112 | 200,612 |
| Total revenues. | <u>7,381,081</u> | <u>8,908,400</u> | <u>1,527,319</u> |
| Expenditures: | | | |
| Current: | | | |
| Support services-administration | | | |
| Other. | 85 | 85 | - |
| Total support services-administration. | <u>85</u> | <u>85</u> | <u>-</u> |
| Support services-fiscal | | | |
| Other. | 117,915 | 108,508 | 9,407 |
| Total fiscal | <u>117,915</u> | <u>108,508</u> | <u>9,407</u> |
| Debt service: | | | |
| Principal retirement | 4,140,000 | 4,140,000 | - |
| Interest and fiscal charges | 3,871,367 | 3,849,867 | 21,500 |
| Bond issuance costs | 3,467,447 | 540,759 | 2,926,688 |
| Total debt service. | <u>11,478,814</u> | <u>8,530,626</u> | <u>2,948,188</u> |
| Total expenditures | <u>11,596,814</u> | <u>8,639,219</u> | <u>2,957,595</u> |
| Excess of revenues (under) expenditures | <u>(4,215,733)</u> | <u>269,181</u> | <u>4,484,914</u> |
| Other financing sources (uses): | | | |
| Refund of prior year's expenditures | 2,711 | 3,272 | 561 |
| Issuance of refunding bonds | 55,700,000 | 58,530,000 | 2,830,000 |
| Premium on refunding bonds issued | 2,517,550 | 2,517,550 | - |
| Payment to refunded bond escrow agent | (57,716,291) | (60,711,594) | (2,995,303) |
| Total other financing sources (uses) | <u>503,970</u> | <u>339,228</u> | <u>(164,742)</u> |
| Net change in fund balance | (3,711,763) | 608,409 | 4,320,172 |
| Fund balance at beginning of year | <u>5,224,600</u> | <u>5,224,600</u> | <u>-</u> |
| Fund balance at end of year. | <u><u>\$ 1,512,837</u></u> | <u><u>\$ 5,833,009</u></u> | <u><u>\$ 4,320,172</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 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.

Miscellaneous State Grants Fund

This fund accounts for State monies provided to make special education students aware of career opportunities.

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.

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.

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.

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

Nonmajor Special Revenue Funds - (Continued)

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.

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**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Total Nonmajor Governmental Funds |
|---|---|---|--|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 814,278 | \$ 908,401 | \$ 1,722,679 |
| Receivables: | | | |
| Accounts | 2,838 | - | 2,838 |
| Intergovernmental | 430,674 | - | 430,674 |
| Materials and supplies inventory. | 3,198 | - | 3,198 |
| Inventory held for resale | 6,659 | - | 6,659 |
| Total assets | <u>\$ 1,257,647</u> | <u>\$ 908,401</u> | <u>\$ 2,166,048</u> |
| Liabilities: | | | |
| Accounts payable. | \$ 53,968 | \$ - | \$ 53,968 |
| Retainage payable. | - | 667,553 | 667,553 |
| Accrued wages and benefits | 136,025 | - | 136,025 |
| Compensated absences payable. | 25,480 | - | 25,480 |
| Intergovernmental payable | 19,429 | - | 19,429 |
| Pension and postemployment benefits payable . . | 41,105 | - | 41,105 |
| Total liabilities. | <u>276,007</u> | <u>667,553</u> | <u>943,560</u> |
| Deferred inflows of resources: | | | |
| Intergovernmental revenue not available | 255,738 | - | 255,738 |
| Total deferred inflows of resources | <u>255,738</u> | <u>-</u> | <u>255,738</u> |
| Fund Balances: | | | |
| Nonspendable: | | | |
| Materials and supplies inventory. | 3,198 | - | 3,198 |
| Restricted: | | | |
| Capital improvements | - | 240,848 | 240,848 |
| Food service operations | 254,814 | - | 254,814 |
| Non-public schools | 36,354 | - | 36,354 |
| Special education | 14,317 | - | 14,317 |
| Targeted academic assistance | 17,922 | - | 17,922 |
| Extracurricular | 246,026 | - | 246,026 |
| Other purposes. | 153,271 | - | 153,271 |
| Total fund balances | <u>725,902</u> | <u>240,848</u> | <u>966,750</u> |
| Total liabilities, deferred inflows and fund balances . | <u>\$ 1,257,647</u> | <u>\$ 908,401</u> | <u>\$ 2,166,048</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, 2015

| | Nonmajor Special Revenue Funds | Nonmajor Capital Projects Fund | Total Nonmajor Governmental Funds |
|--|---|---|--|
| Revenues: | | | |
| From local sources: | | | |
| Charges for services | \$ 858,059 | \$ - | \$ 858,059 |
| Earnings on investments | 1,213 | 3,876 | 5,089 |
| Extracurricular | 165,039 | - | 165,039 |
| Rental income | 19,324 | - | 19,324 |
| Contributions and donations | 157,783 | - | 157,783 |
| Other local revenues | 13,527 | - | 13,527 |
| Intergovernmental - state | 691,783 | - | 691,783 |
| Intergovernmental - federal | 1,619,554 | - | 1,619,554 |
| | <hr/> | <hr/> | <hr/> |
| Total revenue | 3,526,282 | 3,876 | 3,530,158 |
| | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular. | 140,459 | - | 140,459 |
| Special | 562,719 | - | 562,719 |
| Adult/continuing | 3,125 | - | 3,125 |
| Other | 302,879 | - | 302,879 |
| Support services: | | | |
| Pupil | 159,654 | - | 159,654 |
| Instructional staff. | 70,135 | - | 70,135 |
| Administration | 1,987 | - | 1,987 |
| Operation of non-instructional services: | | | |
| Food service operations | 1,097,093 | - | 1,097,093 |
| Other non-instructional services | 762,257 | - | 762,257 |
| Extracurricular activities | 281,436 | - | 281,436 |
| Facilities acquisition and construction | - | 809,722 | 809,722 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 3,381,744 | 809,722 | 4,191,466 |
| | <hr/> | <hr/> | <hr/> |
| Excess of revenues over (under) expenditures. | 144,538 | (805,846) | (661,308) |
| | <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. | 154,538 | (805,846) | (651,308) |
| | <hr/> | <hr/> | <hr/> |
| Fund balances at beginning of year | 571,364 | 1,046,694 | 1,618,058 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances at end of year | \$ 725,902 | \$ 240,848 | \$ 966,750 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

| | <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 | \$ 291,525 | \$ 2,927 | \$ 146,083 | \$ 247,940 |
| Receivables: | | | | - |
| Accounts. | 178 | - | 1,639 | 1,021 |
| Intergovernmental | 47,836 | - | - | - |
| Materials and supplies inventory | 3,198 | - | - | - |
| Inventory held for resale | 6,659 | - | - | - |
| | <u>349,396</u> | <u>2,927</u> | <u>147,722</u> | <u>248,961</u> |
| Total assets. | <u>\$ 349,396</u> | <u>\$ 2,927</u> | <u>\$ 147,722</u> | <u>\$ 248,961</u> |
| Liabilities: | | | | |
| Accounts payable. | \$ 3,982 | \$ - | \$ - | \$ 850 |
| Accrued wages and benefits | 61,921 | - | - | - |
| Compensated absences payable. | - | - | - | - |
| Intergovernmental payable | 2,825 | - | 21 | 292 |
| Pension and postemployment benefits payable . . | 22,656 | - | - | 1,793 |
| | <u>91,384</u> | <u>-</u> | <u>21</u> | <u>2,935</u> |
| Total liabilities. | <u>91,384</u> | <u>-</u> | <u>21</u> | <u>2,935</u> |
| Deferred inflows of resources: | | | | |
| Intergovernmental revenue not available. | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | | |
| Nonspendable: | | | | |
| Materials and supplies inventory. | 3,198 | - | - | - |
| Restricted: | | | | |
| Food service operations | 254,814 | - | - | - |
| Non-public schools | - | - | - | - |
| Special education | - | - | - | - |
| Targeted academic assistance | - | - | - | - |
| Extracurricular | - | - | - | 246,026 |
| Other purposes. | - | 2,927 | 147,701 | - |
| | <u>258,012</u> | <u>2,927</u> | <u>147,701</u> | <u>246,026</u> |
| Total fund balances | <u>258,012</u> | <u>2,927</u> | <u>147,701</u> | <u>246,026</u> |
| Total liabilities, deferred inflows and fund balances | <u>\$ 349,396</u> | <u>\$ 2,927</u> | <u>\$ 147,722</u> | <u>\$ 248,961</u> |

| Auxiliary Services | IDEA, Part B Special Education | Limited English Proficiency | Title I | Early Childhood Education Development | Improving Teacher Quality |
|-------------------------------|---|--|-------------------|--|--|
| \$ 125,783 | \$ 5 | \$ 5 | \$ 7 | \$ 2 | \$ 1 |
| - | - | - | - | - | - |
| - | 229,765 | 15,751 | 113,431 | 5,788 | 18,103 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 125,783</u> | <u>\$ 229,770</u> | <u>\$ 15,756</u> | <u>\$ 113,438</u> | <u>\$ 5,790</u> | <u>\$ 18,104</u> |
| \$ 41,992 | \$ 1,666 | \$ 1,128 | \$ 2,422 | \$ 1,084 | \$ 844 |
| 16,313 | 10,929 | 2,711 | 44,151 | - | - |
| 25,480 | - | - | - | - | - |
| 558 | 13,181 | 129 | 2,191 | 58 | 174 |
| 5,086 | 1,392 | 394 | 9,486 | - | 298 |
| <u>89,429</u> | <u>27,168</u> | <u>4,362</u> | <u>58,250</u> | <u>1,142</u> | <u>1,316</u> |
| - | 188,340 | 8,751 | 40,061 | 4,593 | 13,993 |
| - | 188,340 | 8,751 | 40,061 | 4,593 | 13,993 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 36,354 | - | - | - | - | - |
| - | 14,262 | - | - | 55 | - |
| - | - | - | 15,127 | - | 2,795 |
| - | - | - | - | - | - |
| - | - | 2,643 | - | - | - |
| <u>36,354</u> | <u>14,262</u> | <u>2,643</u> | <u>15,127</u> | <u>55</u> | <u>2,795</u> |
| <u>\$ 125,783</u> | <u>\$ 229,770</u> | <u>\$ 15,756</u> | <u>\$ 113,438</u> | <u>\$ 5,790</u> | <u>\$ 18,104</u> |

- - Continued

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2015

| | Total Nonmajor Special Revenue Funds |
|---|---|
| Assets: | |
| Equity in pooled cash and investments | \$ 814,278 |
| Receivables: | |
| Accounts. | 2,838 |
| Intergovernmental | 430,674 |
| Materials and supplies inventory | 3,198 |
| Inventory held for resale | 6,659 |
| | <hr/> |
| Total assets. | \$ 1,257,647 |
| | <hr/> |
| Liabilities: | |
| Accounts payable. | \$ 53,968 |
| Accrued wages and benefits | 136,025 |
| Compensated absences payable. | 25,480 |
| Intergovernmental payable | 19,429 |
| Pension and postemployment benefits payable . . | 41,105 |
| | <hr/> |
| Total liabilities. | 276,007 |
| | <hr/> |
| Deferred inflows of resources: | |
| Intergovernmental revenue not available. | 255,738 |
| | <hr/> |
| Total deferred inflows of resources | 255,738 |
| | <hr/> |
| Fund Balances: | |
| Nonspendable: | |
| Materials and supplies inventory. | 3,198 |
| Restricted: | |
| Food service operations | 254,814 |
| Non-public schools | 36,354 |
| Special education | 14,317 |
| Targeted academic assistance | 17,922 |
| Extracurricular | 246,026 |
| Other purposes. | 153,271 |
| | <hr/> |
| Total fund balances | 725,902 |
| | <hr/> |
| Total liabilities, deferred inflows and fund balances | \$ 1,257,647 |
| | <hr/> |

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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, 2015**

| | Food Service | Local Grants | Professional Development Grant | Athletic and Music |
|---|-------------------------|-------------------------|---|-------------------------------|
| Revenues: | | | | |
| From local sources: | | | | |
| Charges for services | \$ 858,059 | \$ - | \$ - | \$ - |
| Earnings on investments | 560 | - | - | - |
| Extracurricular | - | - | - | 165,039 |
| Rental income. | - | - | 19,324 | - |
| Contributions and donations | - | 1,787 | 2,550 | 153,446 |
| Other local revenues | 909 | - | 10,343 | 1,599 |
| Intergovernmental - state | 6,721 | - | - | - |
| Intergovernmental - federal | 306,725 | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenue. | 1,172,974 | 1,787 | 32,217 | 320,084 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular. | - | - | 3 | - |
| Special | - | - | - | - |
| Adult/continuing | - | - | 3,125 | - |
| Other | - | - | - | - |
| Support services: | | | | |
| Pupil | - | - | - | - |
| Instructional staff. | - | - | - | - |
| Administration | - | - | - | - |
| Operation of non-instructional services: | | | | |
| Food service operations | 1,097,093 | - | - | - |
| Other non-instructional services | - | 14 | - | - |
| Extracurricular activities. | - | - | - | 281,436 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 1,097,093 | 14 | 3,128 | 281,436 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Excess of revenues over (under) expenditures. | 75,881 | 1,773 | 29,089 | 38,648 |
| 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 | 75,881 | 1,773 | 29,089 | 48,648 |
| Fund balances (deficit) at beginning of year | <hr/> 182,131 | <hr/> 1,154 | <hr/> 118,612 | <hr/> 197,378 |
| Fund balances at end of year | <hr/> \$ 258,012 | <hr/> \$ 2,927 | <hr/> \$ 147,701 | <hr/> \$ 246,026 |

| <u>Auxiliary Services</u> | <u>Data Communications Support</u> | <u>Miscellaneous State Grants</u> | <u>Adult Basic Education</u> | <u>IDEA, Part B Special Education</u> | <u>Limited English Proficiency</u> |
|-------------------------------|--|---|--------------------------------------|---|--|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 653 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 1 | 675 | - | - |
| 643,232 | 12,600 | 29,230 | - | - | - |
| - | - | - | - | 731,380 | 52,176 |
| <u>643,885</u> | <u>12,600</u> | <u>29,231</u> | <u>675</u> | <u>731,380</u> | <u>52,176</u> |
| - | - | - | - | - | - |
| - | - | - | - | 531,281 | 27,654 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 146,291 | 656 |
| - | 12,600 | - | - | 14,550 | 22,040 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 732,693 | - | - | - | 27,394 | 423 |
| - | - | - | - | - | - |
| <u>732,693</u> | <u>12,600</u> | <u>-</u> | <u>-</u> | <u>719,516</u> | <u>50,773</u> |
| (88,808) | - | 29,231 | 675 | 11,864 | 1,403 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| (88,808) | - | 29,231 | 675 | 11,864 | 1,403 |
| 125,162 | - | (29,231) | (675) | 2,398 | 1,240 |
| <u>\$ 36,354</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,262</u> | <u>\$ 2,643</u> |

-- Continued

**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, 2015

| | <u>Title I</u> | <u>Early Childhood Education Development</u> | <u>Improving Teacher Quality</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|----------------|--|--|---|
| Revenues: | | | | |
| From local sources: | | | | |
| Charges for services | \$ - | \$ - | \$ - | \$ 858,059 |
| Earnings on investments | - | - | - | 1,213 |
| Extracurricular | - | - | - | 165,039 |
| Rental income. | - | - | - | 19,324 |
| Contributions and donations | - | - | - | 157,783 |
| Other local revenues | - | - | - | 13,527 |
| Intergovernmental - state | - | - | - | 691,783 |
| Intergovernmental - federal | 453,895 | 17,481 | 57,897 | 1,619,554 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenue. | 453,895 | 17,481 | 57,897 | 3,526,282 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular. | 95,822 | - | 44,634 | 140,459 |
| Special | - | 3,784 | - | 562,719 |
| Adult/continuing | - | - | - | 3,125 |
| Other | 302,879 | - | - | 302,879 |
| Support services: | | | | |
| Pupil | - | 12,707 | - | 159,654 |
| Instructional staff. | 10,628 | 967 | 9,350 | 70,135 |
| Administration | 1,987 | - | - | 1,987 |
| Operation of non-instructional services: | | | | |
| Food service operations | - | - | - | 1,097,093 |
| Other non-instructional services | 615 | - | 1,118 | 762,257 |
| Extracurricular activities. | - | - | - | 281,436 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 411,931 | 17,458 | 55,102 | 3,381,744 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Excess of revenues over (under) expenditures. | 41,964 | 23 | 2,795 | 144,538 |
| | <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 | 41,964 | 23 | 2,795 | 154,538 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances (deficit) at beginning of year | (26,837) | 32 | - | 571,364 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at end of year | \$ 15,127 | \$ 55 | \$ 2,795 | \$ 725,902 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

**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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Charges for services | \$ 855,384 | \$ 858,059 | \$ 2,675 |
| Earnings on investments | 558 | 560 | 2 |
| Other local revenues | 729 | 731 | 2 |
| Intergovernmental - State | 6,700 | 6,721 | 21 |
| Intergovernmental - Federal | 312,622 | 313,599 | 977 |
| Total revenues | <u>1,175,993</u> | <u>1,179,670</u> | <u>3,677</u> |
| Expenditures: | | | |
| Operation of non-instructional services: | | | |
| Food service operations: | | | |
| Salaries and wages | 457,919 | 456,772 | 1,147 |
| Fringe benefits | 170,426 | 170,266 | 160 |
| Purchased services | 5,124 | 2,902 | 2,222 |
| Supplies | 555,113 | 547,043 | 8,070 |
| Capital outlay | 4,500 | - | 4,500 |
| Total food service operations | <u>1,193,082</u> | <u>1,176,983</u> | <u>16,099</u> |
| Total expenditures | <u>1,193,082</u> | <u>1,176,983</u> | <u>16,099</u> |
| Excess of revenues over (under) expenditures | <u>(17,089)</u> | <u>2,687</u> | <u>19,776</u> |
| Other financing sources (uses): | | | |
| Refund of prior year's expenditures | 7 | 7 | - |
| Refund of prior year's receipts | (586) | (586) | - |
| Advances (out) | (1,000) | - | 1,000 |
| Total other financing sources (uses) | <u>(1,579)</u> | <u>(579)</u> | <u>1,000</u> |
| Net change in fund balance. | (18,668) | 2,108 | 20,776 |
| Fund balance at beginning of year | 195,509 | 195,509 | - |
| Prior year encumbrances appropriated | 52,237 | 52,237 | - |
| Fund balance at end of year. | <u>\$ 229,078</u> | <u>\$ 249,854</u> | <u>\$ 20,776</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Contributions and donations | \$ 1,088 | \$ 1,787 | \$ 699 |
| Total revenues | <u>1,088</u> | <u>1,787</u> | <u>699</u> |
| Expenditures: | | | |
| Current: | | | |
| Support services: | | | |
| Instructional staff: | | | |
| Purchased services | 3,479 | 3,479 | - |
| Total instructional staff | <u>3,479</u> | <u>3,479</u> | <u>-</u> |
| Operation of non-instructional services: | | | |
| Supplies | 14 | 14 | - |
| Total operation of non-instructional services | <u>14</u> | <u>14</u> | <u>-</u> |
| Total expenditures | <u>3,493</u> | <u>3,493</u> | <u>-</u> |
| Net change in fund balance | (2,405) | (1,706) | 699 |
| Fund balance at beginning of year | 1,154 | 1,154 | - |
| Prior year encumbrances appropriated . . | 3,479 | 3,479 | - |
| Fund balance at end of year. | <u><u>\$ 2,228</u></u> | <u><u>\$ 2,927</u></u> | <u><u>\$ 699</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)
PROFESSIONAL DEVELOPMENT GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|--------------------------|--------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Rental income. | \$ 11,985 | \$ 19,276 | \$ 7,291 |
| Contributions and donations | 1,585 | 2,550 | 965 |
| Other local revenues | 6,430 | 10,343 | 3,913 |
| Total revenues. | <u>20,000</u> | <u>32,169</u> | <u>12,169</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Purchased services | 2,360 | - | 2,360 |
| Supplies | 125 | 125 | - |
| Total regular | <u>2,485</u> | <u>125</u> | <u>2,360</u> |
| Adult/continuing: | | | |
| Salaries and wages. | 2,688 | 2,689 | (1) |
| Fringe benefits. | 415 | 415 | - |
| Total adult/continuing | <u>3,103</u> | <u>3,104</u> | <u>(1)</u> |
| Support services: | | | |
| Instructional staff: | | | |
| Supplies | 32 | 32 | - |
| Total instructional staff | <u>32</u> | <u>32</u> | <u>-</u> |
| Extracurricular: | | | |
| School and public service co-curricular activities: | | | |
| Purchased services | 2,000 | - | 2,000 |
| Supplies | 2,500 | - | 2,500 |
| Total school and public service co-curricular activities | <u>4,500</u> | <u>-</u> | <u>4,500</u> |
| Facilities acquisition and construction: | | | |
| Site improvement services: | | | |
| Supplies | 72 | - | 72 |
| Total facilities acquisition and construction | <u>72</u> | <u>-</u> | <u>72</u> |
| Total expenditures | <u>10,192</u> | <u>3,261</u> | <u>6,931</u> |
| Net change in fund balance | 9,808 | 28,908 | 19,100 |
| Fund balance at beginning of year | 117,017 | 117,017 | - |
| Prior year encumbrances appropriated | 158 | 158 | - |
| Fund balance at end of year. | <u><u>\$ 126,983</u></u> | <u><u>\$ 146,083</u></u> | <u><u>\$ 19,100</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)
ATHLETIC AND MUSIC FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Extracurricular | \$ 165,039 | \$ 165,039 | \$ - |
| Contributions and donations | 152,579 | 152,579 | - |
| Other local revenues | 1,382 | 1,382 | - |
| Total revenues. | <u>319,000</u> | <u>319,000</u> | <u>-</u> |
| Expenditures: | | | |
| Extracurricular activities: | | | |
| Sports oriented activities: | | | |
| Salaries and wages | 21,932 | 21,932 | - |
| Fringe benefits | 2,953 | 2,953 | - |
| Purchased services | 90,809 | 90,055 | 754 |
| Supplies | 91,216 | 71,995 | 19,221 |
| Capital outlay | 16,725 | 4,200 | 12,525 |
| Other | 111,353 | 107,029 | 4,324 |
| Total extracurricular activities. | <u>334,988</u> | <u>298,164</u> | <u>36,824</u> |
| Total expenditures | <u>334,988</u> | <u>298,164</u> | <u>36,824</u> |
| Excess of revenues (under) expenditures | <u>(15,988)</u> | <u>20,836</u> | <u>36,824</u> |
| Other financing sources (uses): | | | |
| Refund of prior year's expenditures | 394 | 394 | - |
| Refund of prior year's receipts | (1,800) | - | 1,800 |
| Transfers in. | 10,000 | 10,000 | - |
| Total other financing sources (uses) | <u>8,594</u> | <u>10,394</u> | <u>1,800</u> |
| Net change in fund balance | (7,394) | 31,230 | 38,624 |
| Fund balance at beginning of year | 177,031 | 177,031 | - |
| Prior year encumbrances appropriated | 22,292 | 22,292 | - |
| Fund balance at end of year. | <u>\$ 191,929</u> | <u>\$ 230,553</u> | <u>\$ 38,624</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Earnings on investments | \$ 653 | \$ 653 | \$ - |
| Intergovernmental - State | 643,161 | 643,232 | 71 |
| Total revenues. | <u>643,814</u> | <u>643,885</u> | <u>71</u> |
| Expenditures: | | | |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Salaries and wages | 103,126 | 87,061 | 16,065 |
| Fringe benefits | 44,989 | 38,606 | 6,383 |
| Purchased services | 199,533 | 199,256 | 277 |
| Supplies | 416,576 | 414,648 | 1,928 |
| Capital outlay | 87,345 | 87,291 | 54 |
| Total other non-instructional services | <u>851,569</u> | <u>826,862</u> | <u>24,707</u> |
| Total expenditures | <u>851,569</u> | <u>826,862</u> | <u>24,707</u> |
| Net change in fund balance | (207,755) | (182,977) | 24,778 |
| Fund balance at beginning of year | 135,141 | 135,141 | - |
| Prior year encumbrances appropriated . . | 72,613 | 72,613 | - |
| Fund balance (deficit) at end of year. . . . | <u>\$ (1)</u> | <u>\$ 24,777</u> | <u>\$ 24,778</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, 2015

| | 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: | | | |
| Instructional staff: | | | |
| Purchased services | 12,600 | 12,600 | - |
| Total instructional staff. | <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)
MISCELLANEOUS STATE GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-----------------|---|
| Revenues: | | | |
| Intergovernmental - State | \$ 29,231 | \$ 29,230 | \$ (1) |
| Total revenues. | <u>29,231</u> | <u>29,230</u> | <u>(1)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction-regular | | | |
| Purchased services | 1,061 | 1,060 | 1 |
| Total instruction-regular. | <u>1,061</u> | <u>1,060</u> | <u>1</u> |
| Total expenditures | <u>1,061</u> | <u>1,060</u> | <u>1</u> |
| Excess of revenues (under) expenditures | <u>28,170</u> | <u>28,170</u> | <u>-</u> |
| Other financing sources (uses): | | | |
| Advances (out) | (29,262) | (29,262) | - |
| Total other financing sources (uses) | <u>(29,262)</u> | <u>(29,262)</u> | <u>-</u> |
| Net change in fund balance | (1,092) | (1,092) | - |
| Fund balance at beginning of year | 2 | 2 | - |
| Prior year encumbrances appropriated . . | 1,090 | 1,090 | - |
| 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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|---------------------|---|
| Revenues: | | | |
| Intergovernmental - Federal | \$ 961,970 | \$ 732,205 | \$ (229,765) |
| Total revenues. | <u>961,970</u> | <u>732,205</u> | <u>(229,765)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special: | | | |
| Salaries and wages | 63,455 | 44,967 | 18,488 |
| Fringe benefits | 52,520 | 33,063 | 19,457 |
| Purchased services | 446,013 | 446,013 | - |
| Supplies | 20,179 | 20,163 | 16 |
| Capital outlay | 13,947 | 12,244 | 1,703 |
| Total special | <u>596,114</u> | <u>556,450</u> | <u>39,664</u> |
| Support services: | | | |
| Pupil: | | | |
| Purchased services | 312,487 | 312,487 | - |
| Total pupil | <u>312,487</u> | <u>312,487</u> | <u>-</u> |
| Instructional staff: | | | |
| Salaries and wages | 5,000 | 2,505 | 2,495 |
| Purchased services | 18,679 | 15,643 | 3,036 |
| Total instructional staff | <u>23,679</u> | <u>18,148</u> | <u>5,531</u> |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Salaries and wages | 10,932 | 10,932 | - |
| Purchased services | 18,792 | 16,399 | 2,393 |
| Total other non-instructional services | <u>29,724</u> | <u>27,331</u> | <u>2,393</u> |
| Total expenditures | <u>962,004</u> | <u>914,416</u> | <u>47,588</u> |
| Net change in fund balance. | (34) | (182,211) | (182,177) |
| Fund balance (deficit) at beginning of year. | (97,994) | (97,994) | - |
| Prior year encumbrances appropriated . . | 98,029 | 98,029 | - |
| Fund balance (deficit) at end of year. . . . | <u>\$ 1</u> | <u>\$ (182,176)</u> | <u>\$ (182,177)</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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|---|
| Revenues: | | | |
| Intergovernmental - Federal | \$ 69,682 | \$ 53,931 | \$ (15,751) |
| Total revenues. | <u>69,682</u> | <u>53,931</u> | <u>(15,751)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special: | | | |
| Salaries and wages | 19,121 | 16,466 | 2,655 |
| Fringe benefits | 5,393 | 4,986 | 407 |
| Supplies | 7,487 | 6,753 | 734 |
| Capital outlay | 3,486 | 2,684 | 802 |
| Total instruction-special | <u>35,487</u> | <u>30,889</u> | <u>4,598</u> |
| Support services-pupil | | | |
| Salaries and wages | 2,500 | - | 2,500 |
| Purchased services | 2,906 | 790 | 2,116 |
| Total support services-pupil. | <u>5,406</u> | <u>790</u> | <u>4,616</u> |
| Support services: | | | |
| Instructional staff: | | | |
| Salaries and wages | 4,918 | 1,846 | 3,072 |
| Purchased services | 23,419 | 21,624 | 1,795 |
| Total instructional staff | <u>28,337</u> | <u>23,470</u> | <u>4,867</u> |
| Operation of non-instructional services | | | |
| Salaries and wages | 409 | 409 | - |
| Purchased services | 43 | - | 43 |
| Total operation of non-instructional services | <u>452</u> | <u>409</u> | <u>43</u> |
| Total expenditures | <u>69,682</u> | <u>55,558</u> | <u>14,124</u> |
| Net change in fund balance | - | (1,627) | (1,627) |
| Fund balance (deficit) at beginning of year . | (3,788) | (3,788) | - |
| Prior year encumbrances appropriated . . | 3,788 | 3,788 | - |
| Fund balance (deficit) at end of year. . . . | <u>\$ -</u> | <u>\$ (1,627)</u> | <u>\$ (1,627)</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|--------------------------------|---------------------------|--|
| Revenues: | | | |
| Intergovernmental - Federal | \$ 562,108 | \$ 448,677 | \$ (113,431) |
| Total revenues. | <u>562,108</u> | <u>448,677</u> | <u>(113,431)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and wages | 4,889 | 4,889 | - |
| Fringe benefits | 754 | 754 | - |
| Purchased services | 14,987 | 13,000 | 1,987 |
| Supplies | 30,067 | 30,000 | 67 |
| Capital outlay | 65,850 | 65,507 | 343 |
| Total regular | <u>116,547</u> | <u>114,150</u> | <u>2,397</u> |
| Other: | | | |
| Salaries and wages | 355,033 | 295,408 | 59,625 |
| Fringe benefits | 58,172 | 45,745 | 12,427 |
| Total other | <u>413,205</u> | <u>341,153</u> | <u>72,052</u> |
| Support services: | | | |
| Instructional staff: | | | |
| Purchased services | 21,452 | 21,356 | 96 |
| Total instructional staff | <u>21,452</u> | <u>21,356</u> | <u>96</u> |
| Administration | | | |
| Salaries and wages | 5,503 | 938 | 4,565 |
| Fringe benefits | 925 | 145 | 780 |
| Total administration. | <u>6,428</u> | <u>1,083</u> | <u>5,345</u> |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Salaries and wages | 500 | 210 | 290 |
| Fringe benefits | 85 | 34 | 51 |
| Purchased services | 2,893 | 1,235 | 1,658 |
| Supplies | 1,000 | 180 | 820 |
| Total other non-instructional services . . | <u>4,478</u> | <u>1,659</u> | <u>2,819</u> |
| Total expenditures | <u>562,110</u> | <u>479,401</u> | <u>82,709</u> |
| Net change in fund balance | (2) | (30,724) | (30,722) |
| Fund balance (deficit) at beginning of year. | (16,664) | (16,664) | - |
| Prior year encumbrances appropriated . . | 16,667 | 16,667 | - |
| Fund balance (deficit) at end of year. . . . | <u><u>\$ 1</u></u> | <u><u>\$ (30,721)</u></u> | <u><u>\$ (30,722)</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)
EARLY CHILDHOOD EDUCATION DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|---|
| Revenues: | | | |
| Intergovernmental - Federal. | \$ 22,123 | \$ 16,335 | \$ (5,788) |
| Total revenues. | <u>22,123</u> | <u>16,335</u> | <u>(5,788)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special: | | | |
| Supplies | 4,200 | 4,090 | 110 |
| Capital outlay | <u>500</u> | <u>109</u> | <u>391</u> |
| Total special | <u>4,700</u> | <u>4,199</u> | <u>501</u> |
| Support services: | | | |
| Pupil: | | | |
| Salaries and wages | 12,650 | 12,650 | - |
| Total pupil | <u>12,650</u> | <u>12,650</u> | <u>-</u> |
| Instructional staff: | | | |
| Salaries and wages | 2,700 | - | 2,700 |
| Purchased services | <u>1,294</u> | <u>1,005</u> | <u>289</u> |
| Total instructional staff. | <u>3,994</u> | <u>1,005</u> | <u>2,989</u> |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Purchased services | 780 | - | 780 |
| Total other non-instructional services . . | <u>780</u> | <u>-</u> | <u>780</u> |
| Total expenditures | <u>22,124</u> | <u>17,854</u> | <u>4,270</u> |
| Net change in fund balance | (1) | (1,519) | (1,518) |
| Fund balance (deficit) at beginning of year. | (175) | (175) | - |
| Prior year encumbrances appropriated . . | 175 | 175 | - |
| Fund balance (deficit) at end of year. . . | <u>\$ (1)</u> | <u>\$ (1,519)</u> | <u>\$ (1,518)</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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------------|---|
| Revenues: | | | |
| Intergovernmental - Federal. | \$ 71,940 | \$ 53,837 | \$ (18,103) |
| Total revenues. | <u>71,940</u> | <u>53,837</u> | <u>(18,103)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and wages | 38,000 | 38,000 | - |
| Fringe benefits | 6,460 | 6,460 | - |
| Total regular | <u>44,460</u> | <u>44,460</u> | <u>-</u> |
| Support services: | | | |
| Instructional staff: | | | |
| Salaries and wages | 10,000 | 5,024 | 4,976 |
| Fringe benefits | 1,700 | 680 | 1,020 |
| Purchased services | 14,370 | 14,370 | - |
| Total instructional staff | <u>26,070</u> | <u>20,074</u> | <u>5,996</u> |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Purchased services | 1,341 | 1,118 | 223 |
| Supplies | 71 | - | 71 |
| Total other non-instructional services | <u>1,412</u> | <u>1,118</u> | <u>294</u> |
| Total expenditures | <u>71,942</u> | <u>65,652</u> | <u>6,290</u> |
| Net change in fund balance | (2) | (11,815) | (11,813) |
| Fund balance (deficit) at beginning of year. | (50) | (50) | - |
| Prior year encumbrances appropriated . . | 53 | 53 | - |
| Fund balance (deficit) at end of year. . . | <u>\$ 1</u> | <u>\$ (11,812)</u> | <u>\$ (11,813)</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Classroom materials and fees | \$ 32,900 | \$ 39,414 | \$ 6,514 |
| Total revenues. | <u>32,900</u> | <u>39,414</u> | <u>6,514</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Supplies | 39,731 | 39,477 | 254 |
| Total regular | <u>39,731</u> | <u>39,477</u> | <u>254</u> |
| Extracurricular activities | | | |
| Purchased services | 7,900 | 7,860 | 40 |
| Total expenditures | <u>47,631</u> | <u>47,337</u> | <u>294</u> |
| Net change in fund balance | (14,731) | (7,923) | 6,808 |
| Fund balance at beginning of year | 22,138 | 22,138 | - |
| Prior year encumbrances appropriated . . | 254 | 254 | - |
| Fund balance at end of year. | <u><u>\$ 7,661</u></u> | <u><u>\$ 14,469</u></u> | <u><u>\$ 6,808</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)
INTERDISTRICT SUMMER SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Tuition | \$ - | \$ (280) | \$ (280) |
| Total revenues | <u>-</u> | <u>(280)</u> | <u>(280)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Salaries and wages | 9,650 | 9,642 | 8 |
| Fringe benefits | 1,490 | 1,488 | 2 |
| Supplies | 2,500 | 19 | 2,481 |
| Capital outlay | 3,000 | - | 3,000 |
| Total regular | <u>16,640</u> | <u>11,149</u> | <u>5,491</u> |
| Other: | | | |
| Purchased services | 4,500 | - | 4,500 |
| Total other | <u>4,500</u> | <u>-</u> | <u>4,500</u> |
| Support services: | | | |
| Administration: | | | |
| Salaries and wages | 5,600 | 5,516 | 84 |
| Fringe benefits | 1,000 | 896 | 104 |
| Total administration | <u>6,600</u> | <u>6,412</u> | <u>188</u> |
| Total expenditures | <u>27,740</u> | <u>17,561</u> | <u>10,179</u> |
| Excess of revenues (under) expenditures | <u>(27,740)</u> | <u>(17,841)</u> | <u>9,899</u> |
| Other financing uses: | | | |
| Refund of prior year's expenditures | (800) | - | 800 |
| Total other financing uses | <u>(800)</u> | <u>-</u> | <u>800</u> |
| Net change in fund balance | (28,540) | (17,841) | 10,699 |
| Fund balance at beginning of year | <u>30,022</u> | <u>30,022</u> | <u>-</u> |
| Fund balance at end of year. | <u><u>\$ 1,482</u></u> | <u><u>\$ 12,181</u></u> | <u><u>\$ 10,699</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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Tuition | \$ 463,559 | \$ 516,068 | \$ 52,509 |
| Classroom materials and fees | 6,116 | 6,809 | 693 |
| Rental income | 2,654 | 2,955 | 301 |
| Other local revenues | 49,671 | 55,298 | 5,627 |
| Total revenues. | <u>522,000</u> | <u>581,130</u> | <u>59,130</u> |
| Expenditures: | | | |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Salaries and wages | 378,258 | 378,258 | - |
| Fringe benefits | 101,942 | 101,942 | - |
| Purchased services | 19,276 | 18,895 | 381 |
| Supplies | 72,143 | 72,143 | - |
| Capital outlay | 355 | 355 | - |
| Total other non-instructional services | <u>571,974</u> | <u>571,593</u> | <u>381</u> |
| Total expenditures | <u>571,974</u> | <u>571,593</u> | <u>381</u> |
| Excess of revenues (under) expenditures | <u>(49,974)</u> | <u>9,537</u> | <u>59,511</u> |
| Other financing sources (uses): | | | |
| Refund of prior year's (receipts) | <u>(1,460)</u> | <u>(1,460)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(1,460)</u> | <u>(1,460)</u> | <u>-</u> |
| Net change in fund balance | (51,434) | 8,077 | 59,511 |
| Fund balance at beginning of year | 53,878 | 53,878 | - |
| Prior year encumbrances appropriated | 12,391 | 12,391 | - |
| Fund balance at end of year. | <u><u>\$ 14,835</u></u> | <u><u>\$ 74,346</u></u> | <u><u>\$ 59,511</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, 2015

| | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Extracurricular | \$ 104,656 | \$ 111,454 | \$ 6,798 |
| Classroom materials and fees. | 180,435 | 192,155 | 11,720 |
| Contributions and donations | 60,774 | 64,721 | 3,947 |
| Other local revenues | 3,509 | 3,737 | 228 |
| Total revenues. | <u>349,374</u> | <u>372,067</u> | <u>22,693</u> |
| Expenditures: | | | |
| Current: | | | |
| Support services: | | | |
| Board of education: | | | |
| Purchased services | 15,600 | 11,149 | 4,451 |
| Total support services-board of education | <u>15,600</u> | <u>11,149</u> | <u>4,451</u> |
| Operation of non-instructional services: | | | |
| Other non-instructional services: | | | |
| Supplies | 4,173 | 1,599 | 2,574 |
| Total other non-instructional services | <u>4,173</u> | <u>1,599</u> | <u>2,574</u> |
| Extracurricular activities: | | | |
| School and public service co-curricular activities: | | | |
| Purchased services | 1,556 | 1,556 | - |
| Supplies | 458,611 | 373,195 | 85,416 |
| Capital outlay | 39,169 | 11,455 | 27,714 |
| Total school and public service co-curricular activities | <u>499,336</u> | <u>386,206</u> | <u>113,130</u> |
| Total expenditures | <u>519,109</u> | <u>398,954</u> | <u>120,155</u> |
| Excess of revenues (under) expenditures | <u>(169,735)</u> | <u>(26,887)</u> | <u>142,848</u> |
| Other financing sources: | | | |
| Refund of prior year's expenditures | 626 | 667 | 41 |
| Total other financing sources | <u>626</u> | <u>667</u> | <u>41</u> |
| Net change in fund balance | (169,109) | (26,220) | 142,889 |
| Fund balance at beginning of year | 177,074 | 177,074 | - |
| Prior year encumbrances appropriated . . | 35,208 | 35,208 | - |
| Fund balance at end of year. | <u>\$ 43,173</u> | <u>\$ 186,062</u> | <u>\$ 142,889</u> |

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

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015

| | <u>Permanent Improvement</u> | <u>Building</u> | <u>Total Nonmajor Capital Project Funds</u> |
|---|----------------------------------|-------------------|---|
| Assets: | | | |
| Equity in pooled cash and investments | \$ 692 | \$ 907,709 | \$ 908,401 |
| Total assets. | <u>\$ 692</u> | <u>\$ 907,709</u> | <u>\$ 908,401</u> |
| Liabilities: | | | |
| Retainage payable. | \$ - | \$ 667,553 | \$ 667,553 |
| Total liabilities. | <u>-</u> | <u>667,553</u> | <u>667,553</u> |
| Fund Balances: | | | |
| Restricted: | | | |
| Capital improvements | 692 | 240,156 | 240,848 |
| Total liabilities and fund balances | <u>\$ 692</u> | <u>\$ 907,709</u> | <u>\$ 908,401</u> |

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | <u>Permanent Improvement</u> | <u>Building</u> | <u>Total Nonmajor Capital Project Funds</u> |
|---|----------------------------------|-------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Earnings on investments | \$ 2 | \$ 3,874 | \$ 3,876 |
| Total revenue | <u>2</u> | <u>3,874</u> | <u>3,876</u> |
| Expenditures: | | | |
| Current: | | | |
| Facilities acquisition and construction | - | 809,722 | 809,722 |
| Total expenditures | <u>-</u> | <u>809,722</u> | <u>809,722</u> |
| Net change in fund balances | 2 | (805,848) | (805,846) |
| Fund balances at beginning of year | <u>690</u> | <u>1,046,004</u> | <u>1,046,694</u> |
| Fund balances at end of year | <u>\$ 692</u> | <u>\$ 240,156</u> | <u>\$ 240,848</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|---------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Earnings on investments | \$ - | \$ 2 | \$ 2 |
| Total revenues. | <u>-</u> | <u>2</u> | <u>2</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular: | | | |
| Capital outlay | 690 | - | 690 |
| Total regular | <u>690</u> | <u>-</u> | <u>690</u> |
| Total expenditures | <u>690</u> | <u>-</u> | <u>690</u> |
| Net change in fund balance | (690) | 2 | 692 |
| Fund balance at beginning of year | 690 | 690 | - |
| Fund balance at end of year. | <u>\$ -</u> | <u>\$ 692</u> | <u>\$ 692</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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|--------------------------------|-------------------------|--|
| Revenues: | | | |
| From local sources: | | | |
| Earnings on investments | \$ 3,567 | \$ 3,874 | \$ 307 |
| Total revenues. | <u>3,567</u> | <u>3,874</u> | <u>307</u> |
| Expenditures: | | | |
| Facilities acquisition and construction: | | | |
| Building acquisition and construction services: | | | |
| Supplies | <u>2,515,646</u> | <u>2,504,637</u> | <u>11,009</u> |
| Total facilities acquisition and construction . | <u>2,515,646</u> | <u>2,504,637</u> | <u>11,009</u> |
| Total expenditures | <u>2,515,646</u> | <u>2,504,637</u> | <u>11,009</u> |
| Net change in fund balance | (2,512,079) | (2,500,763) | 11,316 |
| Fund balance at beginning of year | 254,107 | 254,107 | - |
| Prior year encumbrances appropriated . . | <u>2,258,748</u> | <u>2,258,748</u> | <u>-</u> |
| Fund balance at end of year. | <u><u>\$ 776</u></u> | <u><u>\$ 12,092</u></u> | <u><u>\$ 11,316</u></u> |

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. 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 Funds

Student Activities

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

OHSAA Tournaments

This fund reflects resources that are collected for various tournaments and remitted to the Ohio High School Athletic Association (OHSAA).

**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, 2015

| | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|-------------------------|---|
| Revenues: | | | |
| From local sources: | | | |
| Earnings on investments | \$ 78 | \$ 88 | \$ 10 |
| Contributions and donations | <u>8,906</u> | <u>14,629</u> | <u>5,723</u> |
| Total revenues. | <u>8,984</u> | <u>14,717</u> | <u>5,733</u> |
| Expenses: | | | |
| Current: | | | |
| Extracurricular activities: | | | |
| School and public service: | | | |
| Purchased services | <u>28,196</u> | <u>26,109</u> | <u>2,087</u> |
| Total school and public service | <u>28,196</u> | <u>26,109</u> | <u>2,087</u> |
| Total expenses. | <u>28,196</u> | <u>26,109</u> | <u>2,087</u> |
| Net change in fund equity | (19,212) | (11,392) | 7,820 |
| Fund equity at beginning of year | 95,564 | 95,564 | - |
| Prior year encumbrances appropriated . . | <u>5,000</u> | <u>5,000</u> | <u>-</u> |
| Fund equity at end of year. | <u><u>\$ 81,352</u></u> | <u><u>\$ 89,172</u></u> | <u><u>\$ 7,820</u></u> |

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

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Beginning Balance June 30, 2014 | Additions | Deletions | Ending Balance June 30, 2015 |
|--|--|-------------------|-------------------|---|
| Student Activities | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 244,762 | \$ 255,764 | \$ 246,418 | \$ 254,108 |
| Total assets | <u>\$ 244,762</u> | <u>\$ 255,764</u> | <u>\$ 246,418</u> | <u>\$ 254,108</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 3,023 | \$ 1,332 | \$ 3,023 | \$ 1,332 |
| Due to students | 241,739 | 254,432 | 243,395 | 252,776 |
| Total liabilities. | <u>\$ 244,762</u> | <u>\$ 255,764</u> | <u>\$ 246,418</u> | <u>\$ 254,108</u> |
| OHSAA Tournaments | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 466 | \$ 17,773 | \$ 17,733 | \$ 506 |
| Total assets | <u>\$ 466</u> | <u>\$ 17,773</u> | <u>\$ 17,733</u> | <u>\$ 506</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 75 | \$ - | \$ 75 | \$ - |
| Intergovernmental payable | 391 | 17,773 | 17,658 | 506 |
| Total liabilities. | <u>\$ 466</u> | <u>\$ 17,773</u> | <u>\$ 17,733</u> | <u>\$ 506</u> |
| Total | | | | |
| Assets: | | | | |
| Equity in pooled cash and investments | \$ 245,228 | \$ 273,537 | \$ 264,151 | \$ 254,614 |
| Total assets | <u>\$ 245,228</u> | <u>\$ 273,537</u> | <u>\$ 264,151</u> | <u>\$ 254,614</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 3,098 | \$ 1,332 | \$ 3,098 | \$ 1,332 |
| Intergovernmental payable | 391 | 17,773 | 17,658 | 506 |
| Due to students | 241,739 | 254,432 | 243,395 | 252,776 |
| Total liabilities. | <u>\$ 245,228</u> | <u>\$ 273,537</u> | <u>\$ 264,151</u> | <u>\$ 254,614</u> |

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***STATISTICAL
SECTION***

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**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. | 124-135 |
| Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | 136-143 |
| 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. | 144-147 |
| 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. | 148-149 |
| 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. | 150-161 |

Sources: Sources are noted on the individual schedules.

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

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

| | <u>2015</u> | <u>2014 (1)</u> | <u>2013</u> | <u>2012</u> |
|--|------------------------|------------------------|----------------------|----------------------|
| Governmental activities | | | | |
| Net investment in capital assets | \$ 32,047,648 | \$ 32,611,481 | \$ 31,803,272 | \$ 29,104,480 |
| Restricted | 5,985,512 | 5,924,425 | 5,852,768 | 7,502,554 |
| Unrestricted (Deficit) | (60,507,812) | (63,008,117) | 15,421,008 | 16,017,546 |
| Total governmental activities net position | <u>\$ (22,474,652)</u> | <u>\$ (24,472,211)</u> | <u>\$ 53,077,048</u> | <u>\$ 52,624,580</u> |

(1) Amounts have been restated to reflect implementation of GASB Statement No. 68 and 71 which was implemented in 2015.

Source: School District financial records.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 26,697,219 | \$ 27,100,371 | \$ 26,089,735 | \$ 24,749,953 | \$ 23,919,272 | \$ 22,301,426 |
| 33,449,274 | 4,966,633 | 4,883,579 | 4,862,901 | 4,144,612 | 4,860,941 |
| 18,230,099 | 16,033,437 | 12,942,962 | 9,990,465 | 1,103,109 | (2,954,828) |
| <u>\$ 78,376,592</u> | <u>\$ 48,100,441</u> | <u>\$ 43,916,276</u> | <u>\$ 39,603,319</u> | <u>\$ 29,166,993</u> | <u>\$ 24,207,539</u> |

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

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

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Expenses | | | | |
| Governmental activities: | | | | |
| Instruction: | | | | |
| Regular | \$ 22,211,994 | \$ 24,689,245 | \$ 23,734,781 | \$ 23,352,699 |
| Special | 7,246,667 | 7,199,739 | 7,324,149 | 5,113,771 |
| Vocational | 1,000,860 | 916,454 | 189,647 | 279,679 |
| Adult/Continuing | 3,275 | 12,034 | 96,247 | 75,712 |
| Other instructional | 1,565,581 | 1,707,338 | 2,047,292 | 1,982,160 |
| Support services: | | | | |
| Pupil | 3,588,053 | 3,900,942 | 3,977,719 | 3,688,102 |
| Instructional staff | 1,732,345 | 2,063,238 | 1,697,184 | 3,893,297 |
| Board of education | 46,916 | 50,915 | 36,145 | 34,898 |
| Administration | 2,744,778 | 3,154,314 | 2,841,239 | 3,111,459 |
| Fiscal | 1,302,611 | 1,450,781 | 1,292,707 | 1,339,376 |
| Business | 504,915 | 490,493 | 464,546 | 417,407 |
| Operations and maintenance | 5,425,118 | 5,435,449 | 4,259,499 | 4,563,603 |
| Pupil transportation | 3,968,862 | 4,186,528 | 4,574,030 | 4,529,102 |
| Central | 319,218 | 307,709 | 322,186 | 116,643 |
| Operation of non-instructional services | | | | |
| Food service operations | 1,215,531 | 1,283,386 | 1,203,488 | 1,345,128 |
| Other non-instructional services | 1,305,906 | 1,117,682 | 1,059,550 | 726,157 |
| Extracurricular activities | 1,451,391 | 1,624,770 | 1,614,625 | 1,539,352 |
| Interest and fiscal charges | 4,884,193 | 5,167,269 | 5,247,443 | 5,259,363 |
| Total governmental activities expenses | <u>\$ 60,518,214</u> | <u>\$ 64,758,286</u> | <u>\$ 61,982,477</u> | <u>\$ 61,367,908</u> |

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 23,000,156 | \$ 22,316,141 | \$ 22,673,208 | \$ 20,733,249 | \$ 20,374,661 | \$ 20,190,940 |
| 5,355,715 | 4,879,232 | 4,526,920 | 3,966,107 | 3,717,072 | 3,555,142 |
| 277,138 | 283,704 | 455,026 | 426,626 | 397,990 | 477,265 |
| 93,920 | 65,515 | 75,909 | 36,757 | 34,064 | 56,634 |
| 1,584,547 | 1,266,107 | 1,047,544 | 1,207,397 | 1,290,541 | 1,214,300 |
| 3,735,847 | 3,513,646 | 3,471,572 | 3,212,792 | 3,048,974 | 2,963,597 |
| 3,631,697 | 3,481,561 | 3,391,280 | 3,042,408 | 2,870,362 | 2,671,046 |
| 31,539 | 25,952 | 34,216 | 27,009 | 45,462 | 27,125 |
| 2,946,534 | 2,987,406 | 3,117,290 | 2,927,678 | 2,919,666 | 2,829,414 |
| 1,246,556 | 1,212,175 | 1,164,119 | 1,189,276 | 1,067,467 | 1,084,520 |
| 345,423 | 359,885 | 467,300 | 436,519 | 454,909 | 394,801 |
| 4,709,177 | 4,726,262 | 4,560,697 | 4,420,612 | 4,317,707 | 4,126,995 |
| 4,679,476 | 4,506,745 | 4,196,978 | 3,956,627 | 3,758,572 | 3,307,927 |
| 151,995 | 154,053 | 145,385 | 120,267 | 108,327 | 142,244 |
| 1,276,077 | 1,233,229 | 1,171,096 | 1,131,429 | 1,072,986 | 927,577 |
| 736,810 | 752,129 | 830,827 | 766,805 | 870,831 | 696,189 |
| 1,604,308 | 1,627,922 | 1,544,201 | 1,544,991 | 1,423,143 | 1,352,070 |
| 4,815,718 | 1,064,601 | 1,050,230 | 1,104,594 | 1,127,099 | 1,304,616 |
| <u>\$ 60,222,633</u> | <u>\$ 54,456,265</u> | <u>\$ 53,923,798</u> | <u>\$ 50,251,143</u> | <u>\$ 48,899,833</u> | <u>\$ 47,322,402</u> |

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

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

| Program Revenues | 2015 | 2014 | 2013 | 2012 |
|--|------------------------|------------------------|------------------------|------------------------|
| Governmental activities: | | | | |
| Charges for services and sales: | | | | |
| Instruction: | | | | |
| Regular | \$ 366,573 | \$ 273,587 | \$ 356,263 | \$ 344,761 |
| Special | - | - | - | - |
| Vocational | - | - | - | - |
| Adult/Continuing | 19,305 | 20,466 | 3,670 | 7,832 |
| Support services: | | | | |
| Pupil | - | - | - | - |
| Instructional staff | - | 1,858 | 15,854 | 2,998 |
| Board of education | - | - | 1,363 | - |
| Administration | - | - | 7,406 | 95,575 |
| Fiscal | - | - | - | - |
| Business | - | - | - | - |
| Operations and maintenance | 62,282 | 50,241 | 62,754 | 52,158 |
| Pupil transportation | 30,199 | 37,384 | 23,789 | 22,711 |
| Central | - | - | 2,946 | - |
| Operation of non-instructional services: | | | | |
| Food service operations | 858,059 | 868,105 | 926,508 | 1,028,386 |
| Other non-instructional services | 538,681 | 478,299 | 429,751 | 331,146 |
| Extracurricular activities | 468,648 | 505,537 | 501,140 | 516,564 |
| Operating grants and contributions: | | | | |
| Instruction: | | | | |
| Regular | 178,710 | 105,712 | 151,985 | 131,041 |
| Special | 772,515 | 690,652 | 537,280 | 404,208 |
| Vocational | 2,543 | 1,745 | - | - |
| Adult/Continuing | 12,881 | 7,616 | 80,696 | 71,138 |
| Other | 294,726 | 329,821 | 344,380 | 278,973 |
| Support services: | | | | |
| Pupil | 172,447 | 276,567 | 263,050 | 243,120 |
| Instructional staff | 72,094 | 118,751 | 84,855 | 261,991 |
| Board of education | - | - | 290 | - |
| Administration | 1,934 | 7,003 | 9,982 | 13,101 |
| Operations and maintenance | - | 9 | - | 236 |
| Pupil transportation | 257,050 | 301,566 | 235,326 | 241,122 |
| Central | - | 12,600 | 13,226 | 12,600 |
| Operation of non-instructional services: | | | | |
| Food service operations | 314,915 | 299,765 | 299,107 | 318,533 |
| Other non-instructional services | 677,803 | 662,317 | 532,958 | 498,097 |
| Extracurricular activities | 219,766 | 158,876 | 151,158 | 151,664 |
| Interest and fiscal charges | 1,170,112 | 1,630,556 | 1,680,633 | 1,757,065 |
| Capital grants and contributions: | | | | |
| Instruction: | | | | |
| Regular | - | - | - | - |
| Support services: | | | | |
| Pupil transportation | - | - | - | - |
| Total governmental program revenues | <u>\$ 6,491,243</u> | <u>\$ 6,839,033</u> | <u>\$ 6,716,370</u> | <u>\$ 6,785,020</u> |
| Net (Expense)/Revenue | | | | |
| Governmental activities | <u>\$ (54,026,971)</u> | <u>\$ (57,919,253)</u> | <u>\$ (55,266,107)</u> | <u>\$ (54,582,888)</u> |

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ 150,267 | \$ 149,017 | \$ 145,688 | \$ 152,776 | \$ 118,726 | \$ 109,724 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 1,702 | 1,276 | 2,660 | - | - | - |
| - | - | - | - | - | - |
| 109 | 679 | 2,390 | - | - | - |
| - | - | 253 | 97 | - | - |
| 84,845 | 81,151 | 85,259 | 84,816 | 87,421 | 128,000 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 42,216 | 66,563 | 97,238 | 91,900 | 89,231 | 83,044 |
| 9,662 | 8,867 | 235,506 | 263,872 | 121,090 | 22,242 |
| - | - | - | - | - | - |
| 982,339 | 963,486 | 933,603 | 948,821 | 866,401 | 867,448 |
| 267,213 | 260,349 | 247,519 | 268,965 | 266,439 | 212,786 |
| 486,912 | 553,066 | 507,994 | 578,185 | 531,518 | 533,335 |
| 268,130 | 273,727 | 441,448 | 67,572 | 173,634 | 46,455 |
| 758,975 | 627,566 | 443,996 | 531,496 | 584,854 | 417,238 |
| - | - | - | - | - | - |
| 90,750 | 52,876 | 70,844 | 67,048 | 37,651 | 65,289 |
| 318,969 | 291,851 | - | - | - | - |
| 337,910 | 379,539 | 206,538 | 196,527 | 135,839 | 183,967 |
| 308,232 | 276,923 | 249,131 | 305,478 | 260,434 | 258,771 |
| - | - | 52 | 18 | - | - |
| 13,677 | 8,968 | 753 | - | - | - |
| 180,441 | 158,119 | - | - | - | - |
| 200,039 | 407,412 | - | - | - | - |
| 20,925 | 23,243 | 32,781 | 35,315 | 34,824 | 34,759 |
| 274,306 | 250,721 | 215,760 | 177,214 | 163,190 | 139,300 |
| 496,917 | 486,846 | 489,310 | 498,673 | 540,665 | 630,693 |
| 180,309 | 142,276 | 119,935 | 104,619 | 108,061 | 107,659 |
| 1,351,964 | - | - | - | - | - |
| - | - | - | 27,880 | - | - |
| - | - | 47,281 | 25,712 | - | - |
| <u>\$ 6,826,809</u> | <u>\$ 5,464,521</u> | <u>\$ 4,575,939</u> | <u>\$ 4,426,984</u> | <u>\$ 4,119,978</u> | <u>\$ 3,840,710</u> |
| <u>\$ (53,395,824)</u> | <u>\$ (48,991,744)</u> | <u>\$ (49,347,859)</u> | <u>\$ (45,824,159)</u> | <u>\$ (44,779,855)</u> | <u>\$ (43,481,692)</u> |

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

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

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--|----------------------|----------------------|----------------------|----------------------|
| General Revenues and Other Changes in Net Position | | | | |
| Governmental activities: | | | | |
| Property taxes levied for: | | | | |
| General purposes | \$ 38,970,696 | \$ 43,338,398 | \$ 39,299,209 | \$ 39,089,032 |
| Debt service | 6,767,839 | 7,473,410 | 6,892,556 | 6,890,778 |
| Payments in lieu of taxes | 227,500 | - | - | - |
| Grants and entitlements not restricted to specific programs | 9,752,076 | 9,492,994 | 9,040,496 | 9,901,584 |
| Investment earnings | 169,939 | 175,372 | 147,324 | 392,826 |
| Gain on sale of capital assets | - | - | - | - |
| Miscellaneous | 136,480 | 367,788 | 338,990 | 127,830 |
| Total governmental activities | <u>\$ 56,024,530</u> | <u>\$ 60,847,962</u> | <u>\$ 55,718,575</u> | <u>\$ 56,402,050</u> |
| Change in Net Position | | | | |
| Governmental activities | <u>\$ 1,997,559</u> | <u>\$ 2,928,709</u> | <u>\$ 452,468</u> | <u>\$ 1,819,162</u> |

Source: School District financial records.

| <u>2011</u> | <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| \$ 39,263,204 | \$ 39,046,558 | \$ 39,762,946 | \$ 43,133,279 | \$ 37,720,302 | \$ 33,550,807 |
| 5,829,681 | 2,737,032 | 2,625,491 | 2,820,681 | 2,981,953 | 3,894,057 |
| - | - | - | - | - | - |
| 11,180,263 | 11,003,434 | 10,290,480 | 9,198,641 | 7,945,412 | 7,357,649 |
| 545,781 | 280,765 | 782,731 | 1,010,579 | 977,551 | 730,754 |
| - | - | - | - | 1,632 | - |
| 155,827 | 108,120 | 199,168 | 134,559 | 112,459 | 88,907 |
| <u>\$ 56,974,756</u> | <u>\$ 53,175,909</u> | <u>\$ 53,660,816</u> | <u>\$ 56,297,739</u> | <u>\$ 49,739,309</u> | <u>\$ 45,622,174</u> |
| <u>\$ 3,578,932</u> | <u>\$ 4,184,165</u> | <u>\$ 4,312,957</u> | <u>\$ 10,473,580</u> | <u>\$ 4,959,454</u> | <u>\$ 2,140,482</u> |

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

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

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| General Fund: | | | | |
| Nonspendable | \$ 3,796 | \$ 5,980 | \$ 4,546 | \$ 5,339 |
| Committed | 1,549,807 | 1,570,207 | - | - |
| Assigned | 7,209,668 | 8,596,012 | 12,080,739 | 9,291,068 |
| Unassigned | 13,284,916 | 8,638,397 | 6,786,159 | 10,916,608 |
| Reserved | - | - | - | - |
| Unreserved (deficit) | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total general fund | <u>\$ 22,048,187</u> | <u>\$ 18,810,596</u> | <u>\$ 18,871,444</u> | <u>\$ 20,213,015</u> |
| All Other Governmental Funds: | | | | |
| Nonspendable | \$ 3,198 | \$ 3,365 | \$ 2,653 | \$ 14,018 |
| Restricted | 8,383,214 | 8,194,993 | 25,702,190 | 69,160,731 |
| Committed | - | 690 | 686 | - |
| Unassigned (deficit) | - | (56,743) | (64) | (471) |
| Reserved | - | - | - | - |
| Unreserved (deficit), reported in: | | | | |
| Special revenue funds | - | - | - | - |
| Capital projects funds | - | - | - | - |
| Debt service funds | - | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Total all other governmental funds | <u>\$ 8,386,412</u> | <u>\$ 8,142,305</u> | <u>\$ 25,705,465</u> | <u>\$ 69,174,278</u> |
| Total governmental funds | <u>\$ 30,434,599</u> | <u>\$ 26,952,901</u> | <u>\$ 44,576,909</u> | <u>\$ 89,387,293</u> |

Source: School District financial records.

Note: The School District implemented GASB 54 in 2011.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| \$ 6,540 | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| 2,942,446 | - | - | - | - | - |
| 19,342,998 | - | - | - | - | - |
| - | 7,668,287 | 8,064,469 | 7,826,707 | 6,406,103 | 4,585,206 |
| - | 13,180,434 | 10,857,245 | 6,362,075 | 204,662 | (1,189,649) |
| <u>\$ 22,291,984</u> | <u>\$ 20,848,721</u> | <u>\$ 18,921,714</u> | <u>\$ 14,188,782</u> | <u>\$ 6,610,765</u> | <u>\$ 3,395,557</u> |
| \$ 9,020 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87,957,784 | - | - | - | - | - |
| - | - | - | - | - | - |
| (1,794) | - | - | - | - | - |
| - | 4,423,702 | 4,215,267 | 3,945,718 | 3,472,172 | 4,019,137 |
| - | 325,863 | 516,687 | 575,333 | 588,056 | 604,950 |
| - | (75,436) | 11,436 | 10,902 | 23,537 | 142,183 |
| - | - | - | - | - | - |
| <u>\$ 87,965,010</u> | <u>\$ 4,674,129</u> | <u>\$ 4,743,390</u> | <u>\$ 4,531,953</u> | <u>\$ 4,083,765</u> | <u>\$ 4,766,270</u> |
| <u>\$ 110,256,994</u> | <u>\$ 25,522,850</u> | <u>\$ 23,665,104</u> | <u>\$ 18,720,735</u> | <u>\$ 10,694,530</u> | <u>\$ 8,161,827</u> |

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

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

| | 2015 | 2014 | 2013 | 2012 |
|--|---------------------|------------------------|------------------------|------------------------|
| Revenues | | | | |
| From local sources: | | | | |
| Property taxes | \$ 48,890,476 | \$ 49,027,107 | \$ 46,029,492 | \$ 45,596,405 |
| Payment in lieu of taxes | 227,500 | - | - | - |
| Tuition | 839,728 | 676,943 | 698,154 | 688,926 |
| Transportation fees | 30,199 | 37,384 | 23,789 | 22,711 |
| Charges for services | 858,059 | 868,105 | 926,508 | 1,028,386 |
| Earnings on investments | 163,358 | 180,519 | 172,815 | 431,229 |
| Extracurricular | 276,493 | 313,778 | 332,604 | 313,010 |
| Classroom materials and fees | 241,858 | 234,840 | 245,786 | 257,721 |
| Contributions and donations | 222,504 | 201,817 | 155,672 | 212,665 |
| Rental income | 84,561 | 79,244 | 85,532 | 73,317 |
| Other local revenues | 173,001 | 301,969 | 343,566 | 84,901 |
| Intergovernmental | 13,659,297 | 13,766,095 | 13,205,762 | 14,191,851 |
| Total revenues | <u>65,667,034</u> | <u>65,687,801</u> | <u>62,219,680</u> | <u>62,901,122</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 20,232,577 | 22,186,800 | 23,173,399 | 23,070,405 |
| Special | 7,239,817 | 7,024,234 | 7,368,927 | 5,027,566 |
| Vocational | 948,826 | 865,520 | 170,464 | 261,561 |
| Adult/Continuing | 3,125 | 4,874 | 89,426 | 68,779 |
| Other | 1,535,347 | 1,753,655 | 2,029,622 | 1,991,929 |
| Current: | | | | |
| Pupil | 3,610,121 | 3,766,263 | 3,904,547 | 3,657,070 |
| Instructional staff | 1,697,595 | 1,878,517 | 1,733,345 | 3,836,991 |
| Board of education | 46,916 | 50,915 | 36,145 | 34,898 |
| Administration | 2,716,512 | 2,984,298 | 2,746,947 | 3,048,722 |
| Fiscal | 1,286,694 | 1,452,074 | 1,271,810 | 1,332,699 |
| Business | 417,487 | 467,070 | 443,576 | 414,840 |
| Operations and maintenance | 5,004,548 | 5,089,408 | 4,173,108 | 4,426,443 |
| Pupil transportation | 3,749,652 | 4,005,405 | 4,402,418 | 4,221,894 |
| Central | 317,245 | 303,174 | 301,020 | 113,063 |
| Operation of non-instructional services: | | | | |
| Food service operations | 1,097,093 | 1,178,951 | 1,168,207 | 1,302,398 |
| Other non-instructional services | 1,342,690 | 1,121,698 | 1,044,019 | 725,855 |
| Extracurricular activities | 1,362,133 | 1,516,214 | 1,599,205 | 1,502,937 |
| Facilities acquisitions and construction | 1,286,258 | 18,156,604 | 43,669,157 | 19,583,160 |
| Capital outlay | 430,188 | - | - | - |
| Debt service: | | | | |
| Principal retirement | 4,218,462 | 4,706,118 | 4,389,907 | 4,029,164 |
| Interest and fiscal charges | 3,890,105 | 4,816,384 | 4,952,402 | 4,977,989 |
| Bond issuance costs | 518,259 | - | - | 108,493 |
| Total expenditures | <u>62,951,650</u> | <u>83,328,176</u> | <u>108,667,651</u> | <u>83,736,856</u> |
| Excess of revenues over (under) expenditures | 2,715,384 | (17,640,375) | (46,447,971) | (20,835,734) |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 10,000 | 65,252 | 10,000 | 10,000 |
| Transfers (out) | (10,000) | (65,252) | (10,000) | (10,000) |
| Payment to refunded bond escrow agent | (60,711,594) | - | - | (6,967,612) |
| Sale of capital assets | 170 | 16,367 | - | 427 |
| Inception of Lease | 430,188 | - | - | - |
| Bonds issued | 58,530,000 | - | - | 6,540,000 |
| Premium on bonds | 2,517,550 | - | - | 393,218 |
| Total other financing sources (uses) | <u>766,314</u> | <u>16,367</u> | <u>-</u> | <u>(33,967)</u> |
| Net change in fund balances | <u>\$ 3,481,698</u> | <u>\$ (17,624,008)</u> | <u>\$ (46,447,971)</u> | <u>\$ (20,869,701)</u> |
| Capital expenditures (included in expenditures above) | 859,546 | 18,459,012 | 44,202,354 | 20,111,718 |
| Debt service principal and interest as a percentage of noncapital expenditures | 13.059% | 14.680% | 14.492% | 14.157% |

Source: School District financial records.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ 45,089,726 | \$ 41,131,376 | \$ 43,331,596 | \$ 44,919,560 | \$ 41,112,568 | \$ 37,291,262 |
| - | - | - | - | - | - |
| 425,948 | 403,330 | 417,510 | 461,172 | 431,003 | 411,740 |
| 9,662 | 8,867 | 17,201 | 15,676 | 23,897 | 22,242 |
| 982,339 | 963,486 | 933,603 | 948,821 | 866,401 | 867,448 |
| 562,239 | 278,293 | 802,027 | 990,006 | 984,115 | 664,008 |
| 291,336 | 332,193 | 326,839 | 386,484 | 330,093 | 297,213 |
| 253,414 | 289,196 | 242,364 | 237,183 | 243,008 | 274,892 |
| 185,001 | 154,134 | 130,720 | 110,446 | 227,348 | 108,268 |
| 46,146 | 70,613 | 102,288 | 91,900 | 89,231 | 83,044 |
| 172,247 | 124,889 | 199,168 | 134,559 | 112,459 | 88,907 |
| 15,722,569 | 14,206,900 | 12,925,406 | 11,136,896 | 9,745,061 | 9,236,576 |
| 63,740,627 | 57,963,277 | 59,428,722 | 59,432,703 | 54,165,184 | 49,345,600 |
| 22,340,830 | 22,074,806 | 21,540,301 | 20,467,323 | 20,277,095 | 19,199,554 |
| 5,270,067 | 4,871,042 | 4,362,750 | 3,833,676 | 3,695,144 | 3,598,717 |
| 258,978 | 271,866 | 433,570 | 419,596 | 389,208 | 464,226 |
| 86,987 | 58,582 | 106,960 | 37,994 | 34,064 | 63,625 |
| 1,579,574 | 1,262,671 | 1,041,855 | 1,204,857 | 1,293,840 | 1,188,732 |
| 3,630,520 | 3,444,392 | 3,332,392 | 3,166,059 | 2,978,081 | 2,852,742 |
| 3,569,005 | 3,411,558 | 3,243,215 | 2,917,571 | 2,831,709 | 2,677,746 |
| 31,539 | 25,952 | 34,216 | 27,009 | 45,462 | 27,125 |
| 2,960,532 | 2,975,946 | 3,046,009 | 2,738,591 | 2,880,859 | 2,868,430 |
| 1,226,200 | 1,183,863 | 1,169,785 | 1,149,518 | 1,074,777 | 1,107,229 |
| 383,740 | 349,305 | 452,497 | 435,762 | 391,821 | 424,687 |
| 4,720,517 | 4,450,026 | 4,482,016 | 4,163,862 | 4,067,776 | 3,837,147 |
| 4,691,657 | 4,628,794 | 4,247,517 | 3,890,867 | 3,855,696 | 3,246,356 |
| 147,655 | 153,295 | 141,709 | 112,689 | 104,855 | 140,866 |
| 1,230,889 | 1,200,931 | 1,167,000 | 1,078,495 | 1,057,083 | 925,578 |
| 734,860 | 748,294 | 792,378 | 768,356 | 872,274 | 735,560 |
| 1,576,940 | 1,632,120 | 1,542,829 | 1,516,854 | 1,390,364 | 1,370,828 |
| 2,979,138 | 536,858 | 660,047 | 822,693 | 380,169 | 305,272 |
| - | - | 348,014 | - | - | - |
| 2,103,859 | 1,978,966 | 1,816,167 | 1,694,658 | 3,023,696 | 2,722,834 |
| 4,209,828 | 847,164 | 872,284 | 929,315 | 994,317 | 1,193,647 |
| 714,366 | - | - | - | 66,290 | - |
| 64,447,681 | 56,106,431 | 54,833,511 | 51,375,745 | 51,704,580 | 48,950,901 |
| (707,054) | 1,856,846 | 4,595,211 | 8,056,958 | 2,460,604 | 394,699 |
| 10,000 | 10,000 | 10,000 | 12,089 | 9,570 | 10,000 |
| (10,000) | (10,000) | (10,000) | (12,089) | (9,570) | (10,000) |
| - | - | - | - | (3,996,593) | - |
| 407 | 900 | 1,144 | 6,501 | 4,600 | - |
| - | - | 348,014 | - | - | - |
| 84,055,000 | - | - | - | 3,785,000 | - |
| 1,385,791 | - | - | - | 279,092 | - |
| 85,441,198 | 900 | 349,158 | 6,501 | 72,099 | - |
| \$ 84,734,144 | \$ 1,857,746 | \$ 4,944,369 | \$ 8,063,459 | \$ 2,532,703 | \$ 394,699 |
| 3,818,908 | 1,516,369 | 1,337,258 | 1,000,439 | 285,117 | 5,775,497 |
| 10.414% | 5.177% | 5.025% | 5.209% | 7.814% | 9.071% |

**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) |
| 2015 | \$ 1,340,030,420 | \$ 3,828,658,343 | \$ - | \$ - | \$ 25,237,460 | \$ 28,678,932 |
| 2014 | 1,330,437,240 | 3,801,249,257 | - | - | 24,094,940 | 27,380,614 |
| 2013 (2) | 1,344,496,130 | 3,841,417,514 | - | - | 21,853,120 | 24,833,091 |
| 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 |

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 |
| \$ 1,365,267,880 | \$ 3,857,337,275 | 35.39% | \$ 70.10 |
| 1,354,532,180 | 3,828,629,871 | 35.38% | 70.10 |
| 1,366,349,250 | 3,866,250,605 | 35.34% | 70.10 |
| 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 |

**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 (1) | | | Direct Rates | | | |
|---------------------------------|-----------------------|---------|---------|--------------|---------|---------|----------|
| | County | Library | City | Voted | | Unvoted | Total |
| | | | | General | Bond | | |
| 2014/2015 | \$ 14.05 | \$ 2.80 | \$ 9.52 | \$ 58.60 | \$ 5.70 | \$ 5.80 | \$ 70.10 |
| 2013/2014 | 14.05 | 2.80 | 9.52 | 58.60 | 5.70 | 5.80 | 70.10 |
| 2012/2013 | 13.22 | 2.80 | 9.52 | 58.60 | 5.70 | 5.80 | 70.10 |
| 2011/2012 | 13.22 | 2.80 | 9.60 | 58.60 | 5.70 | 5.80 | 70.10 |
| 2010/2011 | 13.32 | 2.80 | 9.60 | 58.60 | 5.70 | 5.80 | 70.10 |
| 2009/2010 | 13.32 | 2.80 | 9.60 | 58.60 | 2.30 | 5.80 | 66.70 |
| 2008/2009 | 13.42 | 2.80 | 9.60 | 58.60 | 2.10 | 5.80 | 66.50 |
| 2007/2008 | 13.42 | 2.50 | 9.80 | 58.60 | 2.10 | 5.80 | 66.50 |
| 2006/2007 | 13.52 | 2.50 | 9.90 | 58.60 | 2.10 | 5.80 | 66.50 |
| 2005/2006 | 13.52 | 2.50 | 10.00 | 51.70 | 3.30 | 5.80 | 60.80 |

(1) Certain tax rates revised from prior year based upon new information obtained by the District.

Source: Cuyahoga County Fiscal Officer's Office

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

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2014 AND DECEMBER 31, 2005

| December 31, 2014 | | | |
|-------------------------------------|---------------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total District Real Estate Assessed Value |
| Crocker Park LLC | \$ 44,821,280 | 1 | 3.34% |
| Cleveland Electric Illuminating Co. | 20,308,650 | 2 | 1.52% |
| Promenade Delaware | 12,272,510 | 3 | 0.92% |
| Energizer Battery Company | 7,101,510 | 4 | 0.53% |
| ARC Westlake Village, Inc. | 6,508,500 | 5 | 0.49% |
| Remington Apartments LLC | 6,499,330 | 6 | 0.49% |
| BCM Westlake LLC | 6,048,360 | 7 | 0.45% |
| Village in the Park | 5,449,500 | 8 | 0.41% |
| Sturbridge Square LLC | 5,348,010 | 9 | 0.40% |
| DRG Hunter's Chase LLC | 5,297,080 | 10 | 0.40% |
| Total | <u>\$ 119,654,730</u> | | <u>8.95%</u> |
| Total Real Estate Valuation | <u>\$ 1,340,030,420</u> | | |

| December 31, 2005 | | | |
|------------------------------------|---------------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total District Real Estate Assessed Value |
| Toledo Lucas County Port Authority | \$ 34,624,750 | 1 | 2.81% |
| Westlake Center Association Ltd. | 11,229,580 | 2 | 0.91% |
| Energizer Battery Manufacturing | 7,417,280 | 3 | 0.60% |
| University Hospitals | 7,215,120 | 4 | 0.59% |
| Remington Inc. | 6,239,700 | 5 | 0.51% |
| Crossings Village LLC | 5,838,600 | 6 | 0.47% |
| Sturbridge Square Apartments | 5,630,070 | 7 | 0.46% |
| Cleveland Retirement Properties | 5,600,040 | 8 | 0.46% |
| WXZ Arbors, LLC | 5,451,880 | 9 | 0.44% |
| OZRE Lodging II LLC | 5,224,140 | 10 | 0.42% |
| Total | <u>\$ 94,471,160</u> | | <u>7.67%</u> |
| Total Real Estate Valuation | <u>\$ 1,230,619,170</u> | | |

Source: Cuyahoga County Fiscal Officer's Office

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

**PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY AND PUBLIC UTILITY PROPERTY TAX
DECEMBER 31, 2014 AND DECEMBER 31, 2005**

| December 31, 2014 | | | |
|---|---------------------------------------|-------------|--|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total District Tangible and Public Utility Assessed Value |
| Cleveland Electric Illuminating Company | \$ 20,308,650 | 1 | 80.47% |
| Columbia Gas of Ohio | 3,413,740 | 2 | 13.53% |
| Total | <u>\$ 23,722,390</u> | | <u>94.00%</u> |
| Total Tangible Personal Property and Public Utility Assessed Valuation | <u>\$ 25,237,460</u> | | |
| December 31, 2005 | | | |
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Total District Tangible and Public Utility Assessed Value |
| Cleveland Electric Illuminating Company | \$ 12,396,170 | 1 | 13.88% |
| USG Interiors Inc. | 7,866,900 | 2 | 8.81% |
| Ohio Bell Telephone Company | 3,801,610 | 3 | 4.26% |
| Bonne Bell, Inc. | 2,895,870 | 4 | 3.24% |
| Aluminum Line Products, Co. | 2,858,700 | 5 | 3.20% |
| Energizer Battery | 2,526,930 | 6 | 2.83% |
| Columbia Gas of Ohio, Inc. | 1,953,080 | 7 | 2.19% |
| True Value Company | 1,916,240 | 8 | 2.15% |
| John M. Lance Ford, LLC | 1,655,392 | 9 | 1.85% |
| American Transmission | 1,096,770 | 10 | 1.23% |
| Total | <u>\$ 38,967,662</u> | | <u>43.63%</u> |
| Total Tangible Personal Property and Public Utility Assessed Valuation | <u>\$ 89,312,148</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 | Current Levy | Delinquent Levy (2) | Total Levy | Current Collection | Percent of Current Levy Collected |
|--|-------------------------|--------------------------------|-----------------------|-------------------------------|--|
| 2014/2015 | \$ 53,330,410 | \$ 2,080,194 | \$ 55,410,604 | \$ 51,421,351 | 96.42% |
| 2013/2014 | 52,734,065 | 2,490,055 | 55,224,120 | 50,798,705 | 96.33% |
| 2012/2013 | 52,510,301 | 2,583,953 | 55,094,254 | 48,860,615 | 93.05% |
| 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% |

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) 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 |
|----------------------------------|-----------|-----------------------------|--|
| \$ | 1,055,449 | \$ 52,476,800 | 94.71% |
| | 1,971,970 | 52,770,675 | 95.56% |
| | 1,242,923 | 50,103,538 | 90.94% |
| | 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% |

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

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

| Fiscal Year | Governmental Activities | | | | | |
|------------------------|---|---------------------------|---|-------------------------------|----------------------------|--|
| | (a) General Obligation Bonds | Capital Leases | Total Primary Government | (b) Per Capita | (b) Per ADM | (c) Percentage of Personal Income |
| 2015 | \$ 90,689,041 | \$ 351,726 | \$ 91,040,767 | \$ 2,782 | \$ 22,429 | 6.69% |
| 2014 | 93,690,747 | - | 93,690,747 | 2,863 | 23,816 | 6.88% |
| 2013 | 98,150,611 | 81,118 | 98,231,729 | 3,001 | 24,632 | 7.22% |
| 2012 | 102,354,337 | 156,025 | 102,510,362 | 3,132 | 25,218 | 7.53% |
| 2011 | 104,969,676 | 225,189 | 105,194,865 | 3,214 | 26,019 | 7.73% |
| 2010 | 21,371,791 | 289,048 | 21,660,839 | 677 | 5,394 | 1.83% |
| 2009 | 23,094,011 | 348,014 | 23,442,025 | 733 | 5,801 | 1.98% |
| 2008 | 24,745,683 | 11,167 | 24,756,850 | 774 | 6,007 | 2.09% |
| 2007 | 26,273,112 | 20,825 | 26,293,937 | 822 | 6,398 | 2.22% |
| 2006 | 29,097,239 | 29,521 | 29,126,760 | 911 | 7,160 | 2.46% |

Sources:

(a) See notes to the financial statements regarding the District's outstanding debt information. Includes accreted interest on capital appreciation bonds and unamortized premiums.

(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 Position Restricted for Debt Service | Net General Obligation Bonded Debt | (b) Percentage of Actual Taxable Value of Property | (c) Per Capita |
|------------------------|---|---|---|---|-------------------------------|
| 2015 | \$ 90,689,041 | \$ 4,195,669 | \$ 86,493,372 | 2.24% | \$ 2,643 |
| 2014 | 93,690,747 | 4,420,547 | 89,270,200 | 2.33% | 2,728 |
| 2013 | 98,150,611 | 4,502,719 | 93,647,892 | 2.42% | 2,861 |
| 2012 | 102,354,337 | 6,449,616 | 95,904,721 | 2.48% | 2,930 |
| 2011 | 104,969,676 | 6,177,809 | 98,791,867 | 2.54% | 3,018 |
| 2010 | 21,371,791 | 4,378,630 | 16,993,161 | 0.44% | 532 |
| 2009 | 23,094,011 | 4,086,581 | 19,007,430 | 0.46% | 595 |
| 2008 | 24,745,683 | 3,848,916 | 20,896,767 | 0.51% | 654 |
| 2007 | 26,273,112 | 3,353,147 | 22,919,965 | 0.55% | 717 |
| 2006 | 29,097,239 | 4,048,838 | 25,048,401 | 0.65% | 783 |

Sources:

- (a) See notes to the financial statements regarding the District's outstanding debt information. Includes accreted interest on capital appreciation bonds and unamortized premiums.
- (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, 2015**

| Governmental Unit | Debt Attributable to Governmental Activities | Percentage Applicable to School District (1) | Amount of Direct and Overlapping Debt Debt |
|-----------------------------------|---|---|---|
| Westlake City School District | \$ 91,040,767 | 100.00% | \$ 91,040,767 |
| Overlapping debt: | | | |
| Cuyahoga County | 262,275,000 | 4.92% | 12,903,930 |
| Regional Transit Authority | 102,840,000 | 4.92% | 5,059,728 |
| City of Westlake | 58,500,000 | 100.00% | 58,500,000 |
| Total overlapping debt | 423,615,000 | | 76,463,658 |
| Total direct and overlapping debt | \$ 514,655,767 | | \$ 167,504,425 |

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 2014 collection year.

**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 (1) | 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 |
|--------------------|-------------------------|---|---------------------------------------|-------------------------------------|--------------------------------|---|
| 2015 | \$ 122,874,109 | \$ 83,600,000 | \$ 7,419,662 | \$ 76,180,338 | \$ 46,693,771 | 62.00% |
| 2014 | 121,907,896 | 89,205,000 | 6,524,247 | 82,680,753 | 39,227,143 | 67.82% |
| 2013 | 122,971,433 | 91,705,790 | 6,450,170 | 85,255,620 | 35,591,603 | 69.33% |
| 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% |

Voted Debt Limit Calculation for Fiscal Year 2014

| | |
|-----------------------------------|-----------------------|
| Assessed Value | \$ 1,365,267,880 |
| Debt Limit (9% of assessed value) | X 9% |
| Voted Debt Limit | <u>\$ 122,874,109</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.

(1) Excludes unamortized premiums and accreted interest on capital appreciation bonds.

**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 (5)</u> | | |
|-------------|-----------------------|---|---------------------------|----------------------------------|-------------------------------|-------------|--------------------------|
| | | | | | <u>Cuyahoga County</u> | <u>Ohio</u> | <u>United States</u> |
| 2015 | 32,729 | \$ 41,588 | 45.0 | 4,059 | 5.0% | 4.3% | 5.2% |
| 2014 | 32,729 | 41,588 | 45.0 | 3,934 | 7.9% | 5.5% | 6.1% |
| 2013 | 32,729 | 41,588 | 45.0 | 3,988 | 7.3% | 7.2% | 7.6% |
| 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% |

Sources:

- (1) U. S. Census Bureau
- (2) U. S. Census Bureau
- (3) U. S. Census Bureau
- (4) School District records
- (5) Bureau of Labor Statistics

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

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

| Employer | December 31, 2014 | | |
|---------------------------------|--------------------------|-------------|--|
| | Employees | Rank | Percentage of Total City Employment |
| St. John Westshore Hospital | 1,526 | 1 | 6.18% |
| Hyland Software | 1,458 | 2 | 5.90% |
| Cheesecake Factory | 679 | 3 | 2.75% |
| Westlake City School District | 670 | 4 | 2.71% |
| University Hospitals | 492 | 5 | 1.99% |
| TA Operating LLC | 483 | 6 | 1.96% |
| City of Westlake | 441 | 7 | 1.79% |
| Lutheran Home | 427 | 8 | 1.73% |
| ARC Westlake Village Inc. | 413 | 9 | 1.67% |
| Premier Physicians Centers Inc. | 260 | 10 | 1.05% |
| Total | 6,849 | | 27.73% |
| Total City Employment | 24,705 | | |

| Employer | December 31, 2005 | | |
|-------------------------------|--------------------------|-------------|--|
| | Employees | Rank | Percentage of Total City Employment |
| St. John Westshore Hospital | 1,240 | 1 | 4.83% |
| Westlake City Schools | 552 | 2 | 2.15% |
| Energizer | 500 | 3 | 1.95% |
| Hyland Software | 438 | 4 | 1.71% |
| Bonne Bell | 435 | 5 | 1.69% |
| City of Westlake | 405 | 6 | 1.58% |
| USG Interiors/American Metals | 301 | 7 | 1.17% |
| Harborside Healthcare | 300 | 8 | 1.17% |
| Lutheran Home | 291 | 9 | 1.13% |
| Travel Centers of America | 280 | 10 | 1.09% |
| Total | 4,742 | | 18.47% |
| Total City Employees | 25,679 | | |

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 2014 withholding information.

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

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

| <u>Type</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|---------------------------|-------------|-------------|-------------|-------------|
| Professional Staff: | | | | |
| Teaching Staff: | | | | |
| Elementary | 88 | 88 | 92 | 92 |
| Intermediate | 43 | 41 | 42 | 43 |
| Middle | 43 | 48 | 50 | 50 |
| High | 75 | 87 | 89 | 89 |
| Administration: | | | | |
| District | 20 | 20 | 20 | 22 |
| Auxiliary Positions: | | | | |
| Counselors | 9 | 7 | 10 | 10 |
| Nurses | 2 | 2 | 2 | 2 |
| Speech | 7 | 7 | 7 | 8 |
| Mental Health Specialists | 4 | 4 | 4 | 4 |
| Support Staff: | | | | |
| Secretarial | 36 | 42 | 42 | 42 |
| Aides | 68 | 68 | 71 | 72 |
| Hall monitor/Security | 9 | 9 | 9 | 9 |
| Technical | 3 | 2 | 2 | 2 |
| Cooks | 34 | 21 | 34 | 33 |
| Custodial | 37 | 38 | 34 | 34 |
| Maintenance | 7 | 6 | 6 | 6 |
| Bus Driver | 61 | 56 | 70 | 73 |
| Mechanics | 3 | 3 | 3 | 3 |
| Extracurricular | 200 | 200 | 200 | 200 |
| Total | <u>749</u> | <u>749</u> | <u>787</u> | <u>794</u> |

Source: School District records
Head-count only

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|------|------|------|------|------|------|
| 87 | 87 | 87 | 87 | 87 | 86 |
| 43 | 43 | 41 | 41 | 41 | 41 |
| 50 | 50 | 46 | 45 | 45 | 45 |
| 89 | 89 | 93 | 93 | 92 | 92 |
| 21 | 20 | 21 | 21 | 21 | 21 |
| 10 | 10 | 10 | 10 | 10 | 10 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 8 | 8 | 7 | 6 | 5 | 4 |
| 4 | 4 | 4 | 4 | 2 | 2 |
| 42 | 42 | 42 | 42 | 42 | 42 |
| 72 | 68 | 67 | 67 | 66 | 63 |
| 12 | 12 | 12 | 12 | 12 | 12 |
| 2 | 2 | 2 | 2 | 2 | 2 |
| 33 | 33 | 33 | 33 | 33 | 33 |
| 34 | 35 | 35 | 35 | 35 | 35 |
| 6 | 6 | 6 | 6 | 6 | 6 |
| 78 | 76 | 70 | 69 | 64 | 64 |
| 3 | 3 | 3 | 3 | 3 | 3 |
| 200 | 200 | 200 | 200 | 200 | 200 |
| 796 | 790 | 781 | 778 | 768 | 763 |

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

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

| Function | 2015 | 2014 | 2013 | 2012 |
|-------------------------------|-------------|-------------|-------------|-------------|
| Instruction: | | | | |
| Regular and Special | | | | |
| Enrollment (students) | 4,059 | 3,934 | 3,988 | 4,065 |
| Graduates | 322 | 357 | 314 | 309 |
| Support services: | | | | |
| Instructional staff | | | | |
| Library | | | | |
| Daily circulation | 707 | 659 | 824 | 791 |
| Board of education | | | | |
| Regular meetings per year | 12 | 12 | 12 | 12 |
| Administration | | | | |
| Student attendance percentage | 95.7% | 95.7% | 95.4% | 95.4% |
| Fiscal | | | | |
| Purchase orders | | | | |
| processed | 6,325 | 6,227 | 5,846 | 5,534 |
| Nonpayroll checks | | | | |
| issued | 4,967 | 4,949 | 5,182 | 5,183 |
| Operations and maintenance | | | | |
| Work orders completed | 482 | 558 | 597 | 578 |
| Square footage | | | | |
| maintained | 822,594 | 822,594 | 608,159 | 608,159 |
| Central | | | | |
| Work orders completed | 2,075 | 2,070 | 1,849 | 1,885 |
| Extracurricular activities | | | | |
| Varsity teams | 22 | 22 | 22 | 22 |
| Junior varsity teams | 19 | 19 | 19 | 19 |
| Food service operations | | | | |
| Meals served to students | 226,991 | 227,870 | 228,464 | 266,278 |

Source: School District records

n/a - information not available.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 4,043 310 | 4,016 324 | 4,041 314 | 4,121 334 | 4,110 314 | 4,068 n/a |
| 759 | 759 | 759 | 763 | 773 | 761 |
| 12 | 12 | 12 | 12 | 12 | 12 |
| 95.4% | 95.0% | 95.8% | 95.4% | 95.4% | 95.7% |
| 5,450 | 5,777 | 5,758 | 6,800 | 6,458 | 5,687 |
| 5,231 | 5,342 | 6,221 | 5,281 | 5,139 | 4,754 |
| 473 | 590 | 606 | 771 | 929 | 879 |
| 608,159 | 608,159 | 608,159 | 608,159 | 608,159 | 608,159 |
| 1,659 | 2,173 | 1,803 | 1,458 | 1,752 | 1,309 |
| 22 19 | 22 19 | 22 19 | 22 19 | 21 19 | 21 19 |
| 252,337 | 237,418 | 219,937 | 185,381 | 186,355 | 163,605 |

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

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

| | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--|----------------------------------|----------------------------------|----------------------------------|---------------------------------|
| Land | \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 |
| Construction in progress | 122,167 | - | 66,212,623 | 22,561,980 |
| Land improvements | 140,847 | 148,088 | 155,329 | 162,570 |
| Buildings and improvements | 111,670,872 | 114,356,858 | 33,804,606 | 34,857,016 |
| Furniture and equipment | 2,003,405 | 1,696,724 | 1,797,168 | 1,921,098 |
| Vehicles | 1,195,607 | 1,405,631 | 1,594,653 | 1,748,308 |
| Textbooks and library books | <u>494,703</u> | <u>681,145</u> | <u>657,790</u> | <u>641,484</u> |
| Total Governmental Activities Capital Assets, net | <u><u>\$ 118,096,352</u></u> | <u><u>\$ 120,757,197</u></u> | <u><u>\$ 106,690,920</u></u> | <u><u>\$ 64,361,207</u></u> |

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

| 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 | \$ 2,468,751 |
| 3,116,957 | 87,881 | - | - | - | - |
| 169,811 | 177,052 | 184,293 | 191,534 | 179,252 | 70,318 |
| 35,905,928 | 36,960,053 | 37,949,416 | 38,344,229 | 38,972,069 | 40,127,848 |
| 1,959,376 | 2,094,293 | 1,989,071 | 1,513,032 | 1,572,356 | 1,393,774 |
| 2,039,236 | 1,976,914 | 1,830,072 | 1,756,596 | 1,697,313 | 1,619,270 |
| 517,196 | 500,521 | 205,999 | 298,672 | 356,899 | 440,627 |
| <u>\$ 46,177,255</u> | <u>\$ 44,265,465</u> | <u>\$ 44,627,602</u> | <u>\$ 44,572,814</u> | <u>\$ 45,246,640</u> | <u>\$ 46,120,588</u> |

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

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|
| Bassett Elementary (1967) | | | | | |
| Square feet | 25,439 | 25,439 | 25,439 | 25,439 | 25,439 |
| Capacity (students) | 335 | 335 | 335 | 335 | 335 |
| Enrollment | - | - | - | - | - |
| Bassett Elementary (1987) | | | | | |
| Square feet | 10,267 | 10,267 | 10,267 | 10,267 | 10,267 |
| Capacity (students) | 335 | 335 | 335 | 335 | 335 |
| Enrollment | - | - | - | - | - |
| Bassett Elementary (1998) | | | | | |
| Square feet | 6,174 | 6,174 | 6,174 | 6,174 | 6,174 |
| Capacity (students) | 335 | 335 | 335 | 335 | 335 |
| Enrollment | 430 | 430 | 443 | 436 | 393 |
| Dover Elementary (1949) | | | | | |
| Square feet | 38,325 | 38,325 | 38,325 | 38,325 | 38,325 |
| Capacity (students) | 352 | 352 | 352 | 352 | 352 |
| Enrollment | - | - | - | - | - |
| Dover Elementary (1970) | | | | | |
| Square feet | 5,346 | 5,346 | 5,346 | 5,346 | 5,346 |
| Capacity (students) | 352 | 352 | 352 | 352 | 352 |
| Enrollment | 338 | 338 | 346 | 353 | 370 |
| Hilliard Elementary (1954) | | | | | |
| Square feet | 39,750 | 39,750 | 39,750 | 39,750 | 39,750 |
| Capacity (students) | 328 | 328 | 328 | 328 | 328 |
| Enrollment | - | - | - | - | - |
| Hilliard Elementary (1998) | | | | | |
| Square feet | 1,187 | 1,187 | 1,187 | 1,187 | 1,187 |
| Capacity (students) | 328 | 328 | 328 | 328 | 328 |
| Enrollment | 330 | 330 | 303 | 334 | 328 |
| Holly Lane Elementary (1961) | | | | | |
| Square feet | 33,297 | 33,297 | 33,297 | 33,297 | 33,297 |
| Capacity (students) | 283 | 283 | 283 | 283 | 283 |
| Enrollment | - | - | - | - | - |
| Holly Lane Elementary (1998) | | | | | |
| Square feet | 2,191 | 2,191 | 2,191 | 2,191 | 2,191 |
| Capacity (students) | 283 | 283 | 283 | 283 | 283 |
| Enrollment | 298 | 298 | 313 | 352 | 327 |
| Parkside Intermediate (1966) | | | | | |
| Square feet | 54,407 | 54,407 | 54,407 | 54,407 | 54,407 |
| Capacity (students) | 519 | 519 | 519 | 519 | 519 |
| Enrollment | - | - | - | - | - |
| Parkside Intermediate (1998) | | | | | |
| Square feet | 18,114 | 18,114 | 18,114 | 18,114 | 18,114 |
| Capacity (students) | 519 | 519 | 519 | 519 | 519 |
| Enrollment | - | - | 585 | 586 | 594 |
| Lee Burneson Middle (1975) | | | | | |
| Square feet | 18,853 | 18,853 | 18,853 | 18,853 | 18,853 |
| Capacity (students) | - | - | - | - | - |
| Enrollment | - | - | - | - | - |
| Lee Burneson Middle (1982) | | | | | |
| Square feet | 55,274 | 55,274 | 55,274 | 55,274 | 55,274 |
| Capacity (students) | 646 | 646 | 646 | 646 | 646 |
| Enrollment | - | - | - | - | - |

| 2010 | 2009 | 2008 | 2007 | 2006 |
|--------|--------|--------|--------|--------|
| 25,439 | 25,439 | 25,439 | 25,439 | 25,439 |
| 335 | 335 | 335 | 335 | 335 |
| - | - | - | - | - |
| 10,267 | 10,267 | 10,267 | 10,267 | 10,267 |
| 335 | 335 | 335 | 335 | 335 |
| - | - | - | - | - |
| 6,174 | 6,174 | 6,174 | 6,174 | 6,174 |
| 335 | 335 | 335 | 335 | 335 |
| 386 | 394 | 384 | 388 | 388 |
| 38,325 | 38,325 | 38,325 | 38,325 | 38,325 |
| 352 | 352 | 352 | 352 | 352 |
| - | - | - | - | - |
| 5,346 | 5,346 | 5,346 | 5,346 | 5,346 |
| 352 | 352 | 352 | 352 | 352 |
| 383 | 389 | 395 | 421 | 406 |
| 39,750 | 39,750 | 39,750 | 39,750 | 39,750 |
| 328 | 328 | 328 | 328 | 328 |
| - | - | - | - | - |
| 1,187 | 1,187 | 1,187 | 1,187 | 1,187 |
| 328 | 328 | 328 | 328 | 328 |
| 315 | 309 | 316 | 324 | 369 |
| 33,297 | 33,297 | 33,297 | 33,297 | 33,297 |
| 283 | 283 | 283 | 283 | 283 |
| - | - | - | - | - |
| 2,191 | 2,191 | 2,191 | 2,191 | 2,191 |
| 283 | 283 | 283 | 283 | 283 |
| 328 | 307 | 324 | 304 | 296 |
| 54,407 | 54,407 | 54,407 | 54,407 | 54,407 |
| 519 | 519 | 519 | 519 | 519 |
| - | - | - | - | - |
| 18,114 | 18,114 | 18,114 | 18,114 | 18,114 |
| 519 | 519 | 519 | 519 | 519 |
| 590 | 630 | 642 | 618 | 619 |
| 18,853 | 18,853 | 18,853 | 18,853 | 18,853 |
| - | - | 646 | 646 | 646 |
| - | - | - | - | - |
| 55,274 | 55,274 | 55,274 | 55,274 | 55,274 |
| 646 | 646 | 646 | 646 | 646 |
| - | - | - | - | - |

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

SCHOOL BUILDING INFORMATION - Continued
LAST TEN FISCAL YEARS

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Lee Burneson Middle (1998) | | | | | |
| Square feet | - | - | 18,129 | 18,129 | 18,129 |
| Capacity (students) | - | - | 805 | 805 | 805 |
| Enrollment | - | - | 619 | 641 | 666 |
| Dover Intermediate Schools (2014) | | | | | |
| Square feet | 18,129 | 18,129 | - | - | - |
| Capacity (students) | 805 | 805 | - | - | - |
| Enrollment | 600 | 600 | - | - | - |
| Lee Burneson Middle (2013) | | | | | |
| Square feet | 103,100 | 103,100 | - | - | - |
| Capacity (students) | 1,040 | 1,040 | - | - | - |
| Enrollment | 624 | 624 | - | - | - |
| Westlake High School (1960) | | | | | |
| Square feet | 97,923 | 97,923 | 97,923 | 97,923 | 97,923 |
| Capacity (students) | 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 |
| Capacity (students) | 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 |
| Capacity (students) | 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 |
| Capacity (students) | 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 |
| Capacity (students) | 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| Enrollment | 1,379 | 1,379 | 1,379 | 1,365 | 1,365 |
| Westlake High School (2013) | | | | | |
| Square feet | 325,941 | 325,941 | - | - | - |
| Capacity (students) | 2,106 | 2,106 | - | - | - |
| Enrollment | 1,314 | 1,314 | - | - | - |
| Administration Building (Old) | | | | | |
| Square feet | - | - | - | - | - |
| Administration Building (2003) | | | | | |
| Square feet | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Transportation Facility | | | | | |
| Square feet | 14,300 | 14,300 | 14,300 | 14,300 | 14,300 |
| Total Square Feet | 822,594 | 822,594 | 601,659 | 601,659 | 601,659 |
| Total Capacity | 4,963 | 4,103 | 3,868 | 3,868 | 3,868 |
| Total Enrollment | 4,059 | 3,934 | 3,988 | 4,065 | 4,043 |

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 defined by standardized guidelines. District exceeded those guidelines in some years

Administration facility demolished- Nov. 2010

Former Lee Burneson Facility renamed to Dover Intermediate School- 2014

| 2010 | 2009 | 2008 | 2007 | 2006 |
|---------|---------|---------|---------|---------|
| 18,129 | 18,129 | 18,129 | 18,129 | 18,129 |
| 805 | 805 | 805 | 805 | 805 |
| 680 | 664 | 672 | 673 | 561 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 97,923 | 97,923 | 97,923 | 97,923 | 97,923 |
| 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| - | - | - | - | - |
| 39,651 | 39,651 | 39,651 | 39,651 | 39,651 |
| 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| - | - | - | - | - |
| 47,841 | 47,841 | 47,841 | 47,841 | 47,841 |
| 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| - | - | - | - | - |
| 22,691 | 22,691 | 22,691 | 22,691 | 22,691 |
| 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| - | - | - | - | - |
| 37,500 | 37,500 | 37,500 | 37,500 | 37,500 |
| 1,246 | 1,246 | 1,246 | 1,246 | 1,246 |
| 1,334 | 1,348 | 1,388 | 1,382 | 1,429 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 6,500 | 6,500 | 6,500 | 6,500 | 6,500 |
| 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| 14,300 | 14,300 | 14,300 | 14,300 | 14,300 |
| 608,159 | 608,159 | 608,159 | 608,159 | 608,159 |
| 3,868 | 3,868 | 3,868 | 3,868 | 3,868 |
| 4,016 | 4,041 | 4,121 | 4,110 | 4,068 |

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

OPERATING STATISTICS
LAST TEN FISCAL YEARS

| Fiscal Year | General Government | | Governmental Activities | | Enrollment |
|------------------------|---------------------------|---------------------------|--------------------------------|---------------------------|-------------------|
| | Expenditures (1) | Cost per pupil | Expenses (1) | Cost per pupil | |
| 2015 | \$ 54,324,824 | \$ 13,384 | \$ 55,634,021 | \$ 13,706 | 4,059 |
| 2014 | 73,805,674 | 18,761 | 59,591,017 | 15,148 | 3,934 |
| 2013 | 99,325,342 | 24,906 | 56,735,034 | 14,226 | 3,988 |
| 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 | 46,535,557 | 11,439 | 46,017,786 | 11,312 | 4,068 |

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 teaching staff.

| Percent Change | Teaching Staff (2) | Pupil/Teacher Ratio | Student Attendance Percentage |
|---------------------------|-------------------------------|--------------------------------|--|
| 3.18% | 249 | 16.30 | 95.70% |
| -1.35% | 264 | 14.90 | 95.70% |
| -1.89% | 273 | 14.61 | 95.40% |
| 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% |

CFO Staff

Dottie Kozak

Administrative Assistant

Kim Katz

Budgetary Analyst

Robin Murray

Payroll Manager

Roberta Rence

Grants Management

Mary Studer

Accounts Payable-Payroll



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