

Mary Taylor, CPA
Auditor of State

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

| Federal Grantor/ Pass Through Grantor Program Title | Pass Through Entity Number | Federal CFDA Number | Receipts | Non-Cash Receipts | Disbursements | Non-Cash Disbursements |
|---|----------------------------------|---------------------------|----------------------------|--------------------------|----------------------------|---------------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | | | | |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Food Donation | 316401114 | 10.550 | \$ - | \$ 114,165 | \$ - | \$ 114,165 |
| Nutrition Cluster: | | | | | | |
| School Breakfast Program | 045047-05PU-2006/2007 | 10.553 | 182,192 | - | 182,192 | - |
| National School Lunch Program | 045047-LLP1-2007 | 10.555 | 1,763 | - | 1,763 | - |
| | 045047-LLP4-2006/2007 | | 750,690 | - | 750,690 | - |
| Total National School Lunch Program | | | <u>752,453</u> | <u>-</u> | <u>752,453</u> | <u>-</u> |
| Total Nutrition Cluster | | | <u>934,645</u> | <u>-</u> | <u>934,645</u> | <u>-</u> |
| Total U.S. Department of Agriculture | | | <u>934,645</u> | <u>114,165</u> | <u>934,645</u> | <u>114,165</u> |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | | | |
| <i>Direct</i> | | | | | | |
| Fund for the Improvement of Education | 316401114 | 84.215 | 40,871 | - | 40,871 | - |
| <i>Passed Through Ohio Department of Education:</i> | | | | | | |
| Title I Grants to Local Educational Agencies | 045047-C1S1-2006/2007 | 84.010 | 581,682 | - | 573,853 | - |
| Special Education Cluster: | | | | | | |
| Special Education - Grants to States | 045047-6BPB-2006 | 84.027 | 869 | - | 573 | - |
| | 045047-6BSF-2006/2007 | | 2,490,021 | - | 2,520,084 | - |
| Total Special Education - Grants to States | | | <u>2,490,890</u> | <u>-</u> | <u>2,520,657</u> | <u>-</u> |
| Special Education - Preschool Grant | 045047-PGS1-2006/2007 | 84.173 | 46,205 | - | 46,731 | - |
| Total Special Education Cluster | | | <u>2,537,095</u> | <u>-</u> | <u>2,567,388</u> | <u>-</u> |
| Safe and Drug-Free Schools and Communities - State Grants | 045047-DRS1-2006/2007 | 84.186 | 33,013 | - | 32,827 | - |
| State Grants for Innovative Programs | 045047-C2S1-2006/2007 | 84.298 | 33,803 | - | 38,085 | - |
| Education Technology State Grants | 045047-TJS1-2006/2007 | 84.318 | 9,317 | - | 10,703 | - |
| English Language Acquisition Grants - Limited English Proficient | 045047-T3S1-2006/2007 | 84.365 | 202,792 | - | 212,069 | - |
| English Language Acquisition Grants - Immigrant | 045047-T3S2-2007 | | 36,312 | - | 36,181 | - |
| Total English Language Acquisition Grants | | | <u>239,104</u> | <u>-</u> | <u>248,250</u> | <u>-</u> |
| Improving Teacher Quality State Grants | 045047-TRS1-2006/2007 | 84.367 | 334,975 | - | 318,875 | - |
| Hurricane Education Recovery | 045047-HR01-2006 | 84.938 | 26,500 | - | 18,500 | - |
| Total Ohio Department of Education | | | <u>3,795,489</u> | <u>-</u> | <u>3,808,481</u> | <u>-</u> |
| <i>Passed Through Columbus State Community College:</i> | | | | | | |
| Tech-Prep Education | VETP-2007-01-FB | 84.243 | 403 | - | 403 | - |
| Total U.S. Department of Education | | | <u>3,836,763</u> | <u>-</u> | <u>3,849,755</u> | <u>-</u> |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | | | |
| <i>Passed Through Ohio Department of Education</i> | | | | | | |
| Refugee and Entrant Assistance - Discretionary Grants | 316401114 | 93.576 | 9,067 | - | 9,067 | - |
| <u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u> | | | | | | |
| <i>Passed Through Upper Arlington City School District</i> | | | | | | |
| Learn and Save America - School and Community Based Programs | 316401114 | 94.004 | 5,000 | - | 5,952 | - |
| Total Federal Awards Receipts and Expenditures | | | <u>\$ 4,785,475</u> | <u>\$ 114,165</u> | <u>\$ 4,799,419</u> | <u>\$ 114,165</u> |

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

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2007**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C – FOOD DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.



Mary Taylor, CPA

Auditor of State

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

Westerville City School District
Franklin County
336 South Otterbein Street
Westerville, Ohio 43081

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2007-001 and 2007-002.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, we believe finding numbers 2007-001 and 2007-002 are also material weaknesses.

We also noted certain internal control matters that we reported to the District's management in a separate letter dated November 30, 2007.

Compliance and Other Matters

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

We did note a certain other noncompliance or other matter that we reported to the District's management in a separate letter dated November 30, 2007.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the District's responses and, accordingly, we express no opinion on them.

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



Mary Taylor, CPA
Auditor of State

November 30, 2007



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM, INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133, AND SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

Westerville City School District
Franklin County
336 South Otterbein Street
Westerville, Ohio 43081

To the Board of Education:

Compliance

We have audited the compliance of Westerville City School District, Franklin County, Ohio (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Westerville City School District, Franklin County, Ohio complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that the entity's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio as of and for the year ended June 30, 2007, and have issued our report thereon dated November 30, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

November 30, 2007

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| <i>(d)(1)(i)</i> | Type of Financial Statement Opinion | Unqualified |
| <i>(d)(1)(ii)</i> | Were there any material control weaknesses reported at the financial statement level (GAGAS)? | Yes |
| <i>(d)(1)(ii)</i> | Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(iii)</i> | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| <i>(d)(1)(iv)</i> | Were there any material internal control weaknesses reported for major federal programs? | No |
| <i>(d)(1)(iv)</i> | Were there any other significant deficiencies in internal control reported for major federal programs? | No |
| <i>(d)(1)(v)</i> | Type of Major Programs' Compliance Opinion | Unqualified |
| <i>(d)(1)(vi)</i> | Are there any reportable findings under § .510? | No |
| <i>(d)(1)(vii)</i> | Major Programs (list): | Improving Teacher Quality, CFDA #: 84.367 Special Education Cluster CFDA#: 84.027 & 84.173 |
| <i>(d)(1)(viii)</i> | Dollar Threshold: Type A\B Programs | Type A > \$300,000 Type B – all other programs |
| <i>(d)(1)(ix)</i> | Low Risk Auditee? | No |

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

FINDING NUMBER 2007- 001

Significant Deficiency/Material Weakness

Extracurricular Activities

The District has provided a Student Activity Policies & Procedures Manual for all student activities that lists various procedures and internal controls that should be performed including maintenance of accurate records, completing fund raiser/event sale report, athletic game receipt summary, record of receipts, etc.

- Adequate supporting documentation was not maintained for thirty-two percent of the activities selected for testing as to the funding collected and the purpose of the collection.
- Fund raiser/event sale report forms or documentation as to prices charged were not maintained for non-ticketed events selected for testing, accounting for sixteen percent of the total error.

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007
(Continued)**

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

FINDING NUMBER 2007- 001 (Continued)

Extracurricular Activities (Continued)

Performing procedures such as completing fund raiser/event sale reports and maintaining appropriate supporting documentation will provide an adequate audit trail for all activity collections and reduces the risk of errors or irregularities occurring and going undetected by management.

We recommend that all activity advisors refer to the student activity policies and procedures manual and follow procedures outlined, such as, completing a fund raiser/event sale report for all activities, maintaining adequate supporting documentation, performing athletic game receipt summaries, etc. Additionally, the Treasurer's Office should establish procedures to effectively monitor compliance with the manual to ensure the appropriate supporting documentation is maintained. Original supporting documentation should be retained for all activity fundraisers and events. Original supporting documentation or a detailed summary should be attached to all receipt documentation.

Officials' Response:

The District has been aware of the necessity to document appropriately the operation of student activities and athletics. A procedures manual was reviewed by the State Auditor's Office during the FY 2001 audit and implemented in FY 2002. In addition, the Board of Education adopted and revised board policies in October 2001 and again in September 2004 that provided support and guidance in the administration of student activities. This manual, which incorporates the Board policies, was discussed via training sessions with all appropriate personnel and was signed off on by all student activity advisors. The District will research and implement more effective monitoring procedures for the Student Activity recordkeeping to ensure compliance with the manual and required supporting documentation. The District will also continue on-going training for all student activity advisors to stress the importance of the policies and procedures and the risks that come with not adhering to them. This training may be conducted with assistance from the State Auditor's office. The District is also looking into the possibilities of disciplinary action up to suspension or non-renewal of supplemental contract for failure to adhere to the established policies and procedures. The Treasurer's Office will review procedures with the building principals, and discuss enhanced tracking methods regarding District vending machines. The District is considering full service vending as we are in negotiations with our current soft drink provider.

FINDING NUMBER 2007- 002

Significant Deficiency/Material Weakness

Financial Reporting

The District utilizes the Uniform School Accounting System and currently has monitoring controls over daily cash-basis transactions entered into the system. At year-end the cash basis information from the accounting system is converted into financial statements reported under Accounting Principles Generally Accepted in the United States of America. Accrual information, trial balances, and the financial statements are prepared by the District Treasurer.

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007
(Continued)**

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

FINDING NUMBER 2007- 002 (Continued)

Significant Deficiency/Material Weakness (Continued)

Financial Reporting (Continued)

Nine modifications or audit adjustments and reclassifications were made to the District's basic financial statements to accurately reflect account balances reported. These adjustments and reclassifications ranged in dollar amount from \$10,525 to \$8,018,793. Errors include receipt reclassification, unrecorded liabilities, debt presentation and budgetary presentation.

We recommend the District implement additional procedures to provided assurance over the completeness and accuracy of information reported within the financial statements. Such procedures may include additional reviews of the financial statements including the notes to the financial statements by a member of management and an analytical comparison of the current year annual report to the prior year annual report for obvious errors or omissions.

Officials' Response:

Changes in the audit process occurred from the adoption of SAS 112 that amended requirements to communicate certain matters related to an entity's internal control over financial reporting identified in a financial statement audit. In response to the modified process and resulting observations, the Board of Education will implement controls to provide assurance that the financial statements generated for presentation within the annual report are accurate and meet all applicable reporting standards. Discussion of the audit and any actions requiring formal action by the Board of Education will be reflected in Board meeting minutes. Additional written procedures to account for year-end transactions will be created so that whoever performs cash based transactions at year-end will understand the necessary steps needed. Additional steps in year-end procedures will also be created for employees supervising those entering cash based transactions in order to eliminate potential errors. Several of the adjustments were made despite prior advice to account for these transactions in the manner in which were previously handled. The District's estimated resources were within approximately \$360,000 of actual and significantly different from those estimates provided by the Franklin County Budget Commission (\$8,018,793 higher than the actual amount received).

3. FINDINGS FOR FEDERAL AWARDS

None

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2007**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i> |
|----------------|---|---------------------|--|
| 2006-001 | Extracurricular activity documentation was not available. | Not Corrected | Repeated as Finding 2007-001 |
| 2006-002 | Not depositing monies as they are collected. | Partially Corrected | Repeated in Management Letter |

Westerville City School District

Mission: To produce creative, confident, and independent citizens.

Comprehensive Annual Financial Report

For Fiscal Year Ended
June 30, 2007



Board of Education
Westerville City School District
Westerville, Ohio

Westerville City School District

Westerville, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2007

Issued By:

Office of the Treasurer

Prepared By:

J. Scott Gooding II

Treasurer/CFO

Laura A. Hendricks, CPA

Assistant Treasurer

Westerville City School District

Westerville, Ohio



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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
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For the Fiscal Year Ended June 30, 2007

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Comprehensive Annual Financial Report
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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
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Introductory Section



Board of Education
Westerville City School District
Westerville, Ohio



Christopher F. Wanner, Ph.D.
Superintendent of Schools

(614) 797-5700 Fax (614) 797-5701

336 South Otterbein Avenue, Westerville OH 43081

J. Scott Gooding II
Treasurer, Board of Education

WESTERVILLE CITY SCHOOLS

November 30, 2007

To the Board of Education and Residents of the Westerville City School District:

As the Superintendent and Treasurer/CFO of the Westerville City School District (the District), it is our pleasure to present the sixth Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR, for the year ended June 30, 2007, contains financial statements, supplemental statements, and statistical information, providing complete and full disclosure of all material financial aspects of the District for the 2007 fiscal year.

The District is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, this report and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The report is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with financial reporting standards established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

The District provides a full range of traditional and non-traditional educational programs, services, and facilities. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities. In addition to providing these general activities, the District has the administrative responsibility for state funds distributed to private schools located within District boundaries; therefore, in accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, none of these organizations' financial statements are included in this report.

Copies of this report will be widely distributed throughout the District, as well as posted on the District's website. A copy will be sent to all school buildings, the Chamber of Commerce, the Westerville Public Library, financial rating services, and any other interested parties.

THE DISTRICT AND ITS FACILITIES

The Westerville City School District (the District) is located in Central Ohio, immediately northeast of the City of Columbus. Encompassing 52 square miles, the District includes land in the City of Westerville, Village of Minerva Park, City of Columbus, Franklin County, and Delaware County. Westerville is a rapidly growing residential suburb with a school district enrollment of 14,252 (tenth largest in Ohio), and the District's estimated population is 79,891 (National Center for Education Statistics). The District is currently comprised of 23 schools: 16 elementary schools, four middle

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schools, and three high schools. The District is culturally and economically diverse, and its residents are well educated and expect a high quality education for their children. Many residents are area leaders in business, the professions, and the arts. Westerville is the home of Otterbein College, a 4-year liberal arts institution.

Pupils in the District continue to meet or exceed the average passing rates for both Franklin County and the State on the Ohio Proficiency Tests. The District provides academic coaches, advanced placement, post secondary options, resource centers for students identified as "able and talented," elementary arts integration and world language/culture and math/science magnet schools, school-age before and after school childcare, active business partnerships, programs for more than 1,400 special needs children, and programs for more than 1,200 English as a Second Language students. The District is committed to the development and expansion of technology, and every school is connected to the Internet and is internally wired and equipped with up-to-date computers and software. The District's emphasis on learning is reflected in the general operating budget: approximately 61 cents of every General Fund dollar is invested in instruction.

The District has a statewide reputation as a high performing, exemplary public school district. The Westerville tradition of excellence is based on collaboration between students, staff, administrators, parents, and the community.

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Ohio Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is not a part of, nor under the control of, the City of Westerville. The territory of the District is considerably larger than the territory of the City of Westerville.

ECONOMIC DEVELOPMENT AND OUTLOOK

The City of Westerville is located in the northeast quadrant of Ohio's fastest growing metropolitan area and is a vital city of 35,318 (US Census Bureau) residents within 12.97 square miles that abut the City of Columbus, Ohio's capital. The City has immediate access to I-71 and I-270. Settled in 1806, Westerville's historic legacy serves as a constant backdrop to its steady residential and corporate growth. New and existing businesses enjoy the character of the cobblestone streets in Uptown Westerville and a business climate poised for the 21st century. Residents enjoy 335 acres of parkland in 26 different locations plus the family recreational activities along the nine-mile Hoover Reservoir, just east of the city. In *CNNMoney.com: Best Places to Live*, Westerville was ranked 46th in the top 100 list for Best Places to Live in the United States of America. The Westerville Parks & Recreation was named a National Gold Medal Winner.

The City is home to major national corporations such as J.P. Morgan Chase, Exel Corp., inChord Communications, Liebert Global Services, American Family Insurance, Worthington Industries, Cheryl's Cookies and more. Over the last several years, the City has enjoyed more success than any other central Ohio suburb in attracting major companies and employees. Much of this job growth as occurred in the Westar Center of Business, one of the fastest growing and most premier office developments in the Midwest. In addition to the first class Westar Center of Business, other factors that have helped the City attract jobs are its 1.25% income tax rate (among the lowest municipal income tax rates in Central Ohio), and its own municipal operated divisions of electricity and water.

The City and District's financial operations continue to benefit from the strength of the local economy. Taxable resources, including assessed property valuations and income levels, have shown

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considerable and consistent growth in recent years. The continued economic growth and expansion of the District's commercial tax base is almost certain. The District has an excellent relationship with the City of Westerville, which assures that development projects selected by the City are also highly desirable for the District. When the City of Westerville uses an incentive to attract a business, it primarily uses Community Reinvestment Areas (CRAs) or Tax Increment Financing (TIF) areas. In either case, the District is reimbursed for property taxes it would have collected through an income tax sharing agreement with the City of Westerville. In almost every case, the reimbursement is significantly more than the District would have collected without the incentive being in place. The District and City maintain a strong working relationship to attract desirable development to the community.

The City of Westerville is also home to Otterbein College, ranked among the top fifteen liberal arts colleges in the Midwest by *U.S. News and World Reports*. Westerville residents and visitors continually enjoy Otterbein's world-renowned theater and music programs. Columbus State Community College and Franklin University have branch classes in the City of Westerville.

Ohio's seasonally adjusted unemployment rate increased to 6.1% in June 2007 from 5.4% in June 2006. The national unemployment rate decreased to 4.5% in June 2007 from 4.6% in June 2006. The October 2007 employment in the State of Ohio numbered 5,980,300 (US Department of Labor – Bureau of Labor Statistics).

ORGANIZATION OF THE DISTRICT / PROFILE OF THE GOVERNMENT

The Board of Education of the Westerville City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars, and approves the annual appropriation resolution and tax budget.

Board members are elected at large for staggered four-year terms. The Board meets regularly on the second and fourth Monday of each month. At the first meeting of each year, the Board elects one of its members as president and one as vice-president to serve as such for one year. The Board members on June 30, 2007, were as follows:

| Board Member | Service as a Board Member | | |
|-------------------|---------------------------|----------|----------------|
| | Began | Expires | |
| Cindy Crowe | 01/01/00 | 12/31/07 | President |
| Kevin Hoffman | 01/01/02 | 12/31/09 | Vice-President |
| Michael Collins | 01/01/02 | 12/31/09 | Member |
| Alexander Heckman | 01/01/04 | 12/31/07 | Member |
| Kristi Robbins | 01/01/06 | 12/31/09 | Member |

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The Superintendent is the chief executive officer (CEO) of the District and is responsible directly to the Board for all education and support operations. Dr. George E. Tombaugh was appointed as Superintendent on September 1, 2000. Dr. Tombaugh has been in the education profession for over 40 years as an administrator, serving as superintendent, assistant superintendent, and treasurer of school districts. Dr. Tombaugh resigned from the District in September 2007, at which time the Board appointed Dr. Christopher F. Wanner, current Assistant Superintendent, to the Superintendent's position.

The Treasurer is the chief financial officer (CFO) of the District and is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. J. Scott Gooding II was appointed as Treasurer on June 1, 2004. Mr. Gooding has been in the government finance profession for 10 ½ years.

EMPLOYEE RELATIONS

The District currently has approximately 1,600 full-time and part-time employees. Four organizations represent District employees. For collective bargaining purposes, the Westerville Education Association (WEA) represents certificated employees, which include teachers and educational specialists. Classified employees are divided into three bargaining unions: the bus drivers and mechanics are represented by Ohio Association of Public School Employees (OAPSE #719); the custodial/maintenance staff and food service staff are represented by Ohio Association of Public School Employees (OAPSE #138); and the clerical staff is represented by the Westerville Education Support Staff Association (WESSA). In the opinion of School District officials, labor relations are good.

Certified Staff

The teaching or certified staff is represented by the Westerville Education Association (WEA), which is affiliated with the Ohio Education Association (OEA) and the National Education Association (NEA). The Board has bargained with the WEA since September 1, 1997. The Board and the WEA signed a two-year agreement effective September 1, 2005 through August 31, 2007. The settlement granted the certified staff an annual salary increase of 2.95% and 3.55%, effective September 1, 2005, and September 1, 2006, respectively.

Classified Staff

Classified employees are represented by three unions: bus drivers and mechanics are represented by the Ohio Association of Public School Employees (OAPSE #719), the custodial, maintenance and food service staff are represented by OAPSE #138, and the clerical staff is represented by Westerville Educational Support Staff Association (WESSA). The OAPSE #138 wage agreement for the period of July 1, 2005, through June 30, 2007, included raises of 3.55% and 2.95%, effective July 1, 2005, and July 1, 2006, respectively. The OAPSE #719 wage agreement for the period of July 1, 2004, through June 30, 2007, included raises of \$0.30/hour, \$0.15/hour, \$0.30/hour, \$0.15/hour, and 2.88% effective July 1, 2004, January 1, 2005, July 1, 2005, January 1, 2006, and July 1, 2006 respectively. The WESSA wage agreement for the period of July 1, 2004, through June 30, 2007, included raises of 2.00%, 2.95% and 3.55%, effective July 1, 2004, July 1, 2005, and July 1, 2006, respectively.

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DISTRICT MAJOR INITIATIVES AND EVENTS

The Westerville City School District is a school district that has a clear direction for its future. Every year, a Continuous Improvement Plan is developed that encompasses the District's vision, mission, goals, strategies, and performance measures. Focused on results for students, the District's goals are:

- Improve Student Achievement;
- Increase family, business, and community involvement;
- Provide a safe and positive learning environment;
- Increase Character Education opportunities;
- Implement Capital Improvement projects; and
- Achieve Performance Excellence.

Goal # 1: Improve Student Achievement

- 265 Ohio Award of Merit recipients
- Presidential Award for Educational Excellence earned by 124 students
- \$12.7 million in college scholarships accepted out of nearly \$25 million offered
- 31 students from Westerville South completed the diploma programme of the International Baccalaureate curriculum, each of whom received Achievement Awards for Excellence in Education from Governor Ted Strickland
- Perfect composite score of 36 on the ACT exam
- 18 National Merit Scholars or Commended Scholars
- Robert C. Byrd Honor Scholarship
- Three Class of 2007 Honda-OSU Math Medal awards
- Better Business Bureau Student of Integrity Award
- Numerous writing awards from the National Council of Teachers of English
- National Advanced Placement Scholar Award
- Superior and Excellent ratings for all three high schools at state marching band competition
- Student-written play selected to be performed by the Columbus Children's Theatre
- First in state, Ohio Future City Competition; ninth place, national level
- First Place, Web Based Animation, Ohio Youth Digital Arts Festival
- State Finalist, 2006 Wendy's High School Heisman Award program
- Top 11 out of more than 350 teams in the Mock Trial competition
- Top 10, Ohio's Readers Digest Word Power Challenge
- Third runner-up, *Columbus Dispatch* Regional Spelling Bee
- Zonta Award for Outstanding Senior High School Women in Central Ohio
- Three Ohio Music Education Association All-State Orchestra participants
- Three Ohio Capital Conference Academic League Excellence in Journalism awards
- Westerville Education Foundation logo design winner
- Two participants in the Ohio State College of Engineering/Honda Engineers in Motion Workshop for high-ability high school students
- Fifteen state level awards in the PTA Reflections competition
- Semifinalist in the 2007 Presidential Scholars Program
- Third prize in C-Span's national "StudentCam" documentary competition
- Seven inductees into the 15th annual National Technical Honor Society
- Student art selected for display in the international Very Special Arts exhibit in Washington, D.C.

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- First place, Ohio Historical Society's Ohio History Day competition
- Student musicians record for hit National Public Radio show, "From the Top"
- 2007 Denison Book Award
- 2007 Martin W. Essex School for the Gifted participant
- State winners and national runners up in energy education programs
- Central Ohio Invention Convention recognitions
- Two Congressional nominations to attend U.S. Military Academies
- First in Math team/individual state winners

Goal # 2: Increase family, business, and community involvement

Corporate and individual involvement plays an important role in public education. Partnerships enrich instruction and keep businesses and organizations in touch with young people. In 2006-2007, Westerville students and community members joined forces for the betterment of all.

- In conjunction with the Westerville Area Chamber of Commerce, the Adopt-a-School program, which began in 1985, continued to offer long-term opportunities for local businesses and schools to work together. At the end of the 2006-2007 school year, a number of partnerships were in place and many schools were connected with businesses. A significant area of growth occurred in the increase of "Adopt a School" partners, thanks to the teamwork of our civic leaders and school staff. In addition, the Chamber also continued to coordinate the Partners for Achievement in Westerville Schools (PAWS) program. To inquire about partnership opportunities, please call 797-5967. The Center for Community Engagement at Otterbein College and JPMorgan Chase were named Adopt-a-School Business Partners of the Year. The Center for Community Engagement worked on two initiatives with Genoa Middle School – the Genoa-Otterbein Creative Literacy Alliance, and Service Learning in the Middle. The JPMorgan Chase Foundation provided \$62,109 to fund the Creative Literacy Alliance, which provides a professional development program for teachers, a mentoring and literacy skill-building program for students, and an annual literacy-through-the-arts festival for the Genoa community.
- The WISE program was once again offered to prepare students for the transition to the professional workplace. Students attended classes at Alliance Data Systems for two periods each day, while also being trained by company personnel to work in Store Services. Students had the opportunity to apply for part-time, paid employment beyond the school day, as well as apply for scholarships to further their education.
- Beginning in 2008, Westerville City Schools, which enrolls and withdraws approximately 3,000 students each school year at 19 separate locations, will be able to streamline the process and serve families in a more efficient manner at one centralized facility, thanks to the generosity of OhioHealth. The District's new Welcome Center will be located in the new OhioHealth Westerville Medical Campus at the corner of Polaris Boulevard and Africa Road. OhioHealth donated a portion of its new building to the District for just \$1 per year.
- Business representatives, parents, student representatives, and educators comprised the Westerville Area Chamber of Commerce Education Committee, which met monthly to work jointly on projects that benefit both the schools and community. Highlights of the 2006-07 school year included: An art contest resulting in the design of a flag representing the Adopt-

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a-School partnership; sponsorship of the annual Laws of Life Essay Contest; and job fairs, which were hosted by the Education Committee at each of the high schools.

- Library Link is a service to the Westerville community being provided through the Outreach Department of the Westerville Public Library. Its primary function is to make daily deliveries and pick-ups of Westerville Library materials to all school buildings in the Westerville District.

Goal # 3: Provide a safe and positive learning environment

Westerville Schools have implemented a number of programs that promote safety, enhance learning, and provide a continuum of service from prevention through intervention and family support. They include:

- The School Resource Officers (SRO) program, which places police officers in the middle and high schools in an effort to create and maintain a safe learning environment. Our SRO's fulfill three roles -- as law enforcement officers, law-related counselors, and law-related education facilitators.
- Educational Options for Success (EOS), an alternative high school program serving the needs of students who have been expelled, are significantly overage and under-credited, and who have dropped out or are considering dropping out of school. In two years the program provided assistance to 300 students, 93% of whom realized success either in the form of high school graduation or by remaining enrolled in school and making adequate progress toward the attainment of a diploma.
- Parent Education, a prevention-based initiative that provides a variety of opportunities for parents to learn strategies to improve parenting skills including "It's a Parent," a program for parents of freshmen athletes; "Parent-To-Parent," a program open to all parents in the district; and "Second Step," a violence prevention program for elementary students and their families.
- *A Framework for Understanding Poverty*, by Ruby K. Payne, Ph.D. This book study series provides the Westerville City School staff with critical information regarding the learning characteristics and challenges of students from poverty, middle class, and wealth. Workshops have provided a framework for effective communication and instructional strategies in a setting with a diverse economic population.
- CPR/Automated External Defibrillator classes. In collaboration with the Westerville Division of Fire and the Genoa Township Fire Department, Westerville City Schools offered four courses that attracted 72 individuals who received training in 2006-2007. Jim Marra, Battalion Chief at the Westerville Fire Department, received the Westerville Education Association's Friend of Education award for his work with this program.
- The District provides a continuum of support for more than 1,600 students with disabilities in our special education programs for school age and preschool age children. The number of students with disabilities served by the Westerville school district has increased steadily over the years. In May of 2007 a number of Westerville students and intervention assistance teams were honored by the Central Ohio Special Education Regional Resource Center.

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Parent Mentor Tracey Davis and Secretary Teresa Wood received Superintendent's A+ Awards for exemplary performance in the Special Education Department. Special Education Coordinator Dawn Fahsholtz received a grant from the Bette Marschall Memorial Education Fund to purchase books for intervention specialists and speech/language pathologists.

- The Westerville School District also serves 1,081 non-English speaking and limited-English speaking children. These pupils are served by a staff of English-as-a-Second-Language (ESL) teachers, paraprofessionals, and bilingual aides.

Goal #4: Increase Character Education Opportunities

The Westerville Way is an effort to support and nurture the shared virtues of our community. Adults are encouraged to model and reinforce ethical behavior in relation to the following 12 monthly words: respect, citizenship, tolerance, caring, attitude, honesty, perseverance, trustworthy, responsibility, integrity, loyalty, and fairness. In 2006-2007 the local, national, and global community benefited from the energy, enthusiasm, intelligence, generosity, and creativity of students, staff, parents and community members in Westerville.

- During the 2006-2007 school year, high school pupils raised more than \$40,000 for the Westerville Caring & Sharing program. Middle schools pitched in with donations of money, food, toys, and toiletries. At the elementary level, our youngest students joined forces to collect and donate canned goods, non-perishable items, money, toiletries, gloves, mittens, hats, and scarves. Families in need were given gifts, boxes of food, and gift certificates.
- Westerville's elementary and middle school students jumped enough ropes and shot enough basketballs to earn \$45,142 for the American Heart Association.
- Never before in the history of raising money for the Leukemia & Lymphoma Society's Pennies for Patients campaign had one school raised more than \$10,000 – until last year. When Genoa Middle School finished its drive, contributions totaled \$10,226.87.
- More than 50 students, parents, and teachers associated with Westerville South High School's International Baccalaureate program spent a week in New Orleans last December, where they “demucked” 14 houses in the 7th ward. It is estimated that through their efforts the group saved residents between \$70,000 and \$80,000.
- At the second annual Martin Luther King, Jr. Community Breakfast, one individual and one program in the Westerville City School District were recognized for effectively demonstrating Dr. King's ideals. Walnut Springs Middle School teacher Alexis Acosta worked with at-risk students to promote cooperation and acceptance of others, make good choices, and promote anti-bullying efforts. At the elementary level the winning program was the Elementary Leadership Summit, coordinated by Dr. Scott Ebbrecht, Principal at Mark Twain Elementary School. 268 representatives in grades 3-5 from all Westerville elementary schools attended a one-day summit about developing leadership skills. They were challenged to return to their home school and develop a building-based community service endeavor.

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- All grade levels participated in countless projects benefiting the environment, the underprivileged and those stricken with illness. Service Learning Projects were numerous and varied. They included donating gift bags to patients at Children's Hospital; making crafts and spending time with residents at area nursing homes; donating food, supplies, clothing and money to a family whose home had burned; donating food and money to local food pantries; participating in a district Lego competition to benefit Adventures for Wish Kids; participating in the seventh annual Bowl-a-Thon, which raised \$35,000 for the Westerville Education Foundation, the Westerville Chamber Foundation, and the Westerville Symphony; supporting cancer victims by organizing a multitude of fundraisers; sending care packages to troops serving abroad; saving pop tabs to raise money for the Ronald McDonald House; participating in a basketball challenge to aid an individual stricken with Lou Gehrig's disease; and organizing a film screening and concert to help Uganda's "Invisible Children."

Goal #5: Implement Capital Improvement Projects

It takes hard work and dedication on the part of many individuals to serve the needs of more than 14,200 students in the Westerville School District. In addition to being educated, students must be transported, fed, and sheltered in a safe and clean environment.

- Our school buses are scheduled to drive more than 10,000 students to and from school every day. They travel the equivalent of 1 ½ times around the world each week, after stopping more than 7,000 times a day. Not only do we provide transportation for our 23 public schools, we also service more than 22 non-public schools and five career centers. Per the recent data provided by the Ohio Department of Education, Westerville City Schools Transportation's operational cost per mile is 12% below the state average.
- Food Service Operations served more than 628,488 lunches, and 138,900 breakfasts during the 2006-2007 school year. They also served over 575,000 menu equivalents (ala carte meals) in the middle and high schools. The elementary breakfast program was expanded to include all four middle schools and three high schools. Of the breakfasts served at our elementary, middle and high school locations, 90% were free or reduced.
- In the fall of 2006, all the middle and high schools began using the point-of-sale (POS) system. The students punch in their six-digit identification number before purchasing their lunch. Parents are able to put money into their student's account for lunch and breakfast purchases. This system will provide confidentiality for recipients of free and reduced price meals and will allow parents the convenience of prepayment (it is a debit, not a credit account). In the winter and spring of 2007, we implemented the POS system in five elementary schools. In the 2007-2008 school year, the POS system will be placed in the remaining eleven elementary schools.
- The Custodial Department is focusing on new training methods for continuous improvement in the everyday workplace. Ninety custodians clean and maintain 23 schools and other buildings throughout the district. Every summer, custodians sand and refinish 11 gym floors. The department is in its fifth year of publishing *The Custodial Zone*, a bi-monthly newsletter. Custodians are also working with the Energy Management Program to save energy costs. In addition, the Integrated Pest Management program continues to gain ground

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in the District, and it has been presented to the State House in an effort to pass a law which would keep pesticides out of schools.

- In November of 2004, Westerville School District voters approved a five-year, 2.7 mill capital improvement replacement levy. It has enabled us to provide a healthier and more productive learning environment for our students and staff. Thanks to community support, facilities are being maintained and teachers are being provided with resources and tools to support learning through the replacement of textbooks, technology, and instructional materials. Some of the physical improvements in our buildings during the 2006-2007 school year included installing an elevator at Hanby; HVAC replacement, ceiling replacement, and parking lot expansion at Heritage; stage curtain replacement and HVAC replacement in the Science Wing at North; boiler replacement at Mark Twain; partial roof replacement at Robert Frost; stage curtain replacement at South; and district wide paving repairs.
- In 2006-2007 Westerville Schools took a proactive step in good stewardship of energy and taxpayer dollars by embarking on a comprehensive energy conservation management program with Energy Education, Inc. Energy Educator/Manager Laura Ehninger was hired to implement conservation procedures in all district facilities.

Goal #6: Achieve Performance Excellence

The Westerville School District met 26 of 30 state indicators and earned an "Effective" rating from the Ohio Department of Education for the 2006-2007 school year. In addition to meeting the same 24 indicators as met on last year's report card, Westerville Schools met two of five new indicators added to the report card this year. The District earned a Performance Index score of 97.7, the second-highest score since the Performance Index was implemented in 2000-2001. This achievement is the result of commitment and dedication on the part of outstanding teachers, administrators, staff, students, parents, and community members. The District enjoyed additional successes in 2006-2007.

- Westerville City Schools was once again designated as a Gold Medal school district by *Expansion Management* magazine in its 16th annual Education Quotient issue. To earn Gold Medal status, a district must rank in the top 16% of all school districts nationally.
- For the fifth year in a row, Westerville City Schools won the Association of School Business Officials International's Certificate of Excellence in Financial Reporting award for excellence in the preparation and issuance of the fiscal year end 2006 school system. The Treasurer's Office, headed by J. Scott Gooding II, Treasurer/CFO, and Laura Hendricks, Assistant Treasurer, was lauded for having provided a high quality Comprehensive Annual Financial Report for the fiscal year end 2006.
- At the Ohio Energy Project's Youth Energy Celebration, the Westerville City School District, Annehurst Elementary School, and Heritage Middle School walked away with state and national honors for their energy education programs. On June 25, 2007, representatives from the district and those schools were recognized at the Department of the Interior in Washington, D.C.

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- Emerson World Languages & Cultures Magnet School and Longfellow Math & Science Magnet School received No Child Left Behind Blue Ribbon School designations from the U.S. Department of Education.
- Many members of our staff and school community were recognized for making a positive impact, including district GEM award winners Diane Conley, Curt Jackowski, Ronald Nocks, Carol Pfanz, and Natalie Schaublin. The Westerville Parent Council and Roush Honda sponsor this awards program. Three employees in the Central Office Administration Building received Superintendent's A+ Awards for exemplary performance – Linda Cannon, Curriculum & Instruction secretary; Karen Gabay, secretary to the Superintendent; and Deborah Rusnak, Insurance Benefits. In recognition of his leadership in several areas of the school district, Mark Hershiser, Executive Director of Student Activities & Safety, received a President's Award from the Westerville Education Association.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records are maintained during the fiscal year on a budgetary basis system of accounting as prescribed by State statute. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of "reasonable assurance" recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

Federal and State Assistance

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control

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required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding fiscal years and are not re-appropriated.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. As with the financial section, all amounts presented in the remainder of this letter are expressed in rounded dollar amounts.

Financial Condition

This is the sixth year that the District has prepared financial statements following *GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* *GASB Statement No. 34* created new basic financial statements for reporting on the District's financial activities as follows:

- **Government-wide financial statements** – These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses.
- **Fund financial statements** – These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.
- **Statement of budgetary comparisons** – This statement presents comparisons of actual information to the legally adopted budget for the general fund. The budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the financial section of this report, following the audit opinion, and provides an assessment of the District's finances for 2007.

Cash Management

It is the policy of the Westerville City School District, that with due regard to the safety and risk of investments, all available funds shall be invested in conformance with existing legal requirements and Board-adopted policy guidelines, to the maximum extent possible, at the highest rates obtainable at the time of investment. Effective cash management is recognized as essential to good fiscal management. An investment policy has been formulated to take advantage of investment interest as a viable and material source of revenue to all funds involved. The District's investments are designed and managed in a manner responsive to public trust and consistent with state and local laws.

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Risk Management

The District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio.

For fiscal year 2007, the District was enrolled in the retrospective rating plan for workers' compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

Employers who have a consistent claims history and proven safety practices will benefit the most from retrospective rating. The employer can customize the retrospective rating plan to control the amount of risk assumed and the potential savings by selecting the maximum premium and maximum claims costs they are willing to pay. Employers may benefit from retrospective rating because of lower initial premiums and realized cash flow advantages, which increase as premiums are saved.

The drawbacks of retrospective rating may outweigh the advantages for some employers. For example, if an employer incurred high losses in a rating year, actual premiums could double.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Westerville City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. This was the fifth year that the District has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report (CAFR) continues to meet the high standards required by the Certificate of Achievement program, and we are submitting it to GFOA to determine its eligibility for a certificate.

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded the Certificate of Excellence on Financial Reporting to the Westerville City School District for the fiscal year ended June 30, 2006. This was the fifth year that the District has achieved this prestigious award.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

This award certifies that the Comprehensive Annual Financial Report (CAFR) conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

A Certificate of Excellence is valid for a period of one year only. We believe this current Comprehensive Annual Financial Report meets the high standards required by the Certificate of Excellence program, and we are submitting it to ASBO to determine its eligibility for a certificate.

Independent Audit

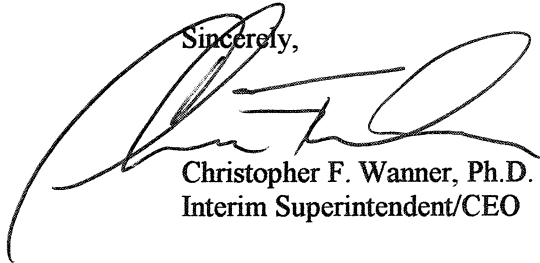
State statutes require a bi-annual audit by independent accountants unless a single audit is required. The Ohio Auditor of State conducted the District's 2007 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments

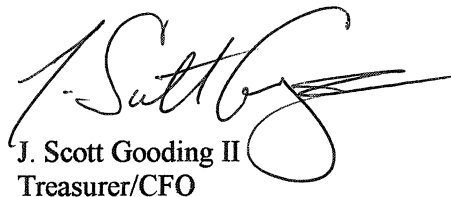
The preparation and publication of this Comprehensive Annual Financial Report on a timely basis would not have been possible without the cooperation of the entire Treasurer's Department. A special note of appreciation is extended to the District's Assistant Treasurer, Laura A. Hendricks, CPA, whose countless hours and dedication made this document a reality.

Finally, this report would not have been possible without the continued support of the Westerville Board of Education who values quality financial information with which to help make decisions. Without their leadership and commitment to excellence, this report would not be possible.

Sincerely,



Christopher F. Wanner, Ph.D.
Interim Superintendent/CEO



J. Scott Gooding II
Treasurer/CFO

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Elected Officials and Administrative Staff

As of June 30, 2007

BOARD OF EDUCATION

President

Cindy Crowe

Vice President

Kevin Hoffman

Member

Michael Collins

Member

Alexander Heckman

Member

Kristi Robbins

APPOINTED OFFICIALS

Superintendent

George E. Tombaugh, Ed.D.

Treasurer

J. Scott Gooding II

ADMINISTRATIVE STAFF

Assistant Superintendent/Human Resources

Christopher Wanner, Ph.D.

Senior Executive Director of Curriculum and Instruction

Diane Conley

Executive Director of Business Services

Jeff LeRose

Executive Director of Special Education

Glenna Cameron

Executive Director of Student Activities, Safety and
Communications

Mark Hershiser

Director of Assessment & Planning

Mary Peters, Ph.D.

Director of IMS

Greg Lewis

Principal, Westerville North High School

Curt Jackowski

Principal, Westerville South High School

Keith Bell

Principal, Westerville Central High School

Todd Meyer

Principal, Blendon Middle School

David Baker

Principal, Genoa Middle School

Suzanne Kile

Principal, Heritage Middle School

Felicia Harper

Principal, Walnut Springs Middle School

Matt Lutz

Principal, Alcott Elementary School

Roxanne Demeter

Principal, Annehurst Elementary School

Howard Baum

Principal, Central College Elementary School

Steve Petercsak

Principal, Cherrington Elementary School

Debbie Kozlesky

Principal, Emerson Elementary School

Rebecca Carter-Bates

Principal, Fouse Elementary School

Karen McClellan

Principal, Hanby Elementary School

Jan Fedorenko, Ph.D.

Principal, Hawthorne Elementary School

Machelle Kline, Ph.D.

Principal, Huber Ridge Elementary School

Barbara Wallace

Principal, Longfellow Elementary School

Steve Petercsak

Principal, Mark Twain Elementary School

Scott Ebbrecht

Principal, McVay Elementary School

Phil Roe

Principal, Pointview Elementary School

Jeanne Roth

Principal, Robert Frost Elementary School

Sara Berka

Principal, Whittier Elementary School

Lucy Rader Brown

Principal, Wilder Elementary School

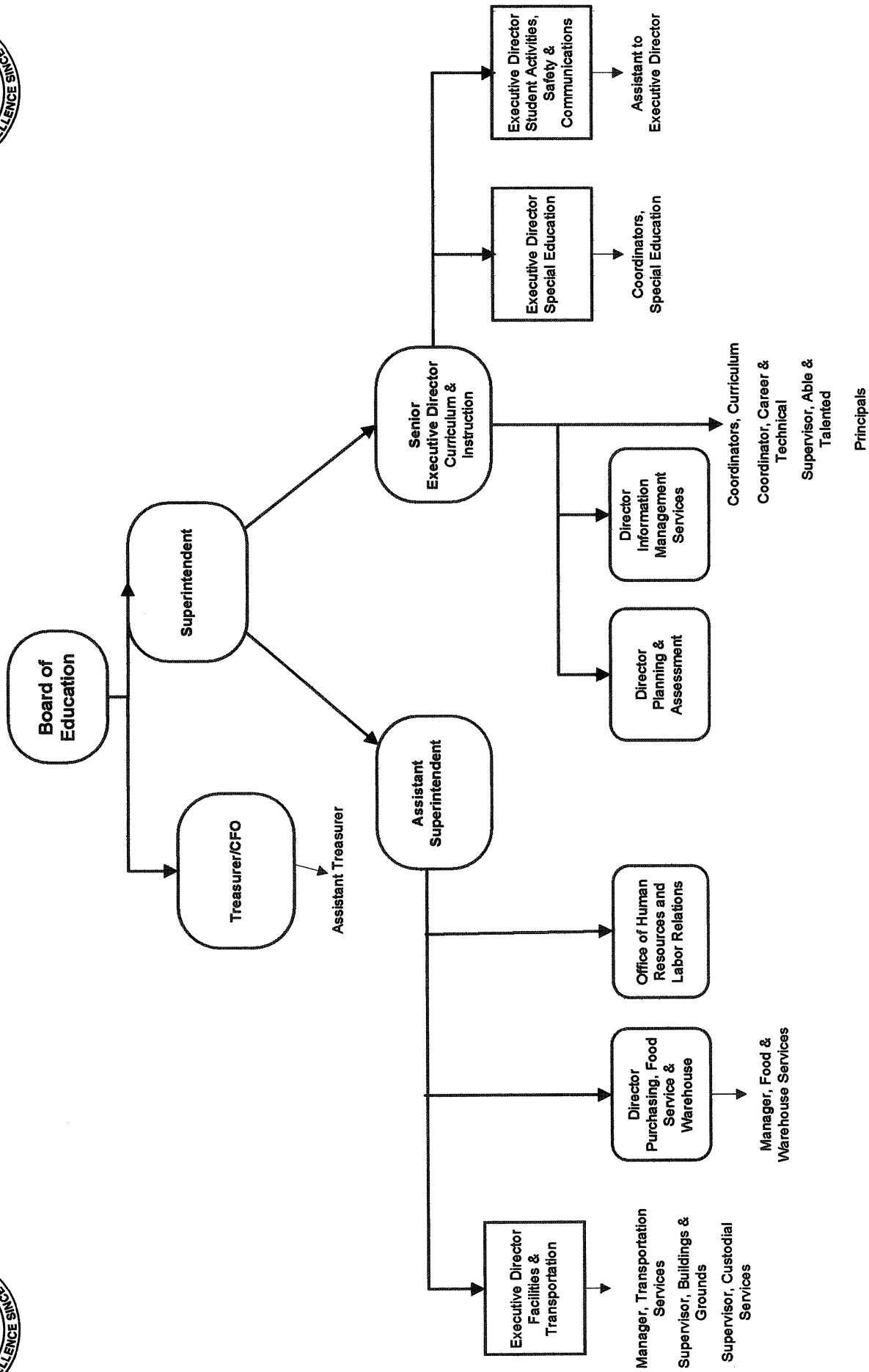
Bob Hoffman



Westerville City School District, Ohio

Table of Organization for Administrators

For Fiscal Year Ended June 30, 2007



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westerville City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

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



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

WESTERVILLE CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2006

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

President

Executive Director

Financial Section



Board of Education
Westerville City School District
Westerville, Ohio



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westerville City School District
Franklin County
336 South Otterbein
Westerville, Ohio 43081

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio, as of June 30, 2007, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2007, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

88 E. Broad St. / Tenth Floor / Columbus, OH 43215-3506
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



Mary Taylor, CPA
Auditor of State

November 30, 2007

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The management of the Westerville City School District offers the readers of the District's Comprehensive Annual Financial Report this narrative overview and analysis of the financial activities for the year ended June 30, 2007. The District encourages readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, notes to the basic financial statements and the financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's net assets increased by \$10.2 million or 17.7%. Program revenues accounted for \$12.4 million or 7.8% of total revenues, and general revenues accounted for \$146.4 million or 92.2%.

The general fund reported a positive fund balance of \$18 million.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the 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 major funds with all other non-major funds presented in total in one column. The major funds for the Westerville City School District are the general fund, the debt service fund, and the building fund. The District has also selected to present the permanent improvement fund as a major fund.

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Assets and Statement of Activities

While this document contains a large number of funds utilized by the School District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did the District perform financially in 2007?" The Statement of Net Assets and the Statement of Activities help to answer this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by private sector corporations. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The reader must also consider other non-financial factors such as the District's property tax base, current property tax laws, student enrollment growth, facility conditions and other factors in arriving at their conclusion regarding the overall health of the District.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

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

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

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 27. The fund financial statements begin on page 34 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary use different accounting approaches as further described in the notes to the financial statements.

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 remaining at year-end available for spending in future periods. These funds are reported utilizing an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund 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 available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore the statements will essentially match.

Fiduciary Funds

The District is the trustee, or fiduciary for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on page 42. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$68 million at the close of the most recent fiscal year.

A significant portion of the District's net assets (60%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 provides a comparative analysis of fiscal year 2007 to 2006:

(Table 1)
Net Assets

| | Governmental Activities | | Business-Type Activities | | Total | |
|-----------------------|----------------------------|---------------------|-----------------------------|------------------|---------------------|---------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Current Assets | \$133,405,905 | \$116,626,600 | \$558,243 | \$807,879 | \$133,964,148 | \$117,434,479 |
| Capital Assets | <u>151,633,411</u> | <u>153,784,444</u> | <u>351,803</u> | <u>263,056</u> | <u>151,985,214</u> | <u>154,047,500</u> |
| Total Assets | 285,039,316 | 270,411,044 | 910,046 | 1,070,935 | 285,949,362 | 271,481,979 |
| Current Liabilities | 92,458,848 | 83,992,774 | 378,407 | 320,558 | 92,837,255 | 84,313,332 |
| Long Term Liabilities | <u>124,924,121</u> | <u>129,207,227</u> | <u>201,541</u> | <u>202,589</u> | <u>125,125,662</u> | <u>129,409,816</u> |
| Total Liabilities | 217,382,969 | 213,200,001 | 579,948 | 523,147 | 217,962,917 | 213,723,148 |
| Net Assets: | | | | | | |
| Invested in Capital | | | | | | |
| Assets, net of debt | 40,493,825 | 34,968,131 | 351,803 | 263,056 | 40,845,628 | 35,231,187 |
| Restricted | 13,778,302 | 16,559,000 | - | - | 13,778,302 | 16,559,000 |
| Unrestricted | <u>13,384,220</u> | <u>5,683,912</u> | <u>(21,705)</u> | <u>284,732</u> | <u>13,362,515</u> | <u>5,968,644</u> |
| Total Net Assets | <u>\$67,656,347</u> | <u>\$57,211,043</u> | <u>\$330,098</u> | <u>\$547,788</u> | <u>\$67,986,445</u> | <u>\$57,758,831</u> |

An additional portion of the District's net assets (20%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities. The District is able to report positive balances in all areas of net assets for governmental activities. The business-type activities reported a negative unrestricted net assets of \$21,705 as a result of rising expenditures with no increase in the amount charged for meals. In June 2007, the Board approved a \$.25 increase per meal.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

Table 2 shows the changes in net assets for fiscal year 2007 and 2006.

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------------------|----------------------------|-----------------------|-----------------------------|---------------------|-----------------------|-----------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 2,809,742 | \$ 2,880,052 | \$ 2,997,897 | \$ 2,991,039 | \$ 5,807,639 | \$ 5,871,091 |
| Operating Grants | <u>5,512,705</u> | <u>5,477,002</u> | <u>1,126,557</u> | <u>923,233</u> | <u>6,639,262</u> | <u>6,400,235</u> |
| Total Program Revenues | <u>8,322,447</u> | <u>8,357,054</u> | <u>4,124,454</u> | <u>3,914,272</u> | <u>12,446,901</u> | <u>12,271,326</u> |
| General Revenues | | | | | | |
| Property Taxes | 98,344,144 | 86,200,594 | - | - | 98,344,144 | 86,200,594 |
| Grants and Entitlements | 44,906,266 | 43,015,156 | - | - | 44,906,266 | 43,015,156 |
| Investment Income | 1,760,239 | 1,258,932 | 24,810 | 29,660 | 1,785,049 | 1,288,592 |
| Miscellaneous | <u>1,322,802</u> | <u>1,718,734</u> | <u>-</u> | <u>-</u> | <u>1,322,802</u> | <u>1,718,734</u> |
| Total General Revenues | <u>146,333,451</u> | <u>132,193,416</u> | <u>24,810</u> | <u>29,660</u> | <u>146,358,261</u> | <u>132,223,076</u> |
| Total Revenues | <u>\$ 154,655,898</u> | <u>\$ 140,550,470</u> | <u>\$ 4,149,264</u> | <u>\$ 3,943,932</u> | <u>\$ 158,805,162</u> | <u>\$ 144,494,402</u> |
| Expenses | | | | | | |
| Program Expenses | | | | | | |
| Instruction | | | | | | |
| Regular | \$ 62,655,604 | \$ 58,982,985 | \$ - | \$ - | \$ 62,655,604 | \$ 58,982,985 |
| Special | 17,708,534 | 15,902,806 | - | - | 17,708,534 | 15,902,806 |
| Vocational | 624,810 | 526,254 | - | - | 624,810 | 526,254 |
| Other | 3,126,170 | 2,438,333 | - | - | 3,126,170 | 2,438,333 |
| Support Services | | | | | | |
| Pupil | 9,526,679 | 8,708,148 | - | - | 9,526,679 | 8,708,148 |
| Staff | 4,291,972 | 4,043,046 | - | - | 4,291,972 | 4,043,046 |
| General Administration | 1,610,376 | 1,404,573 | - | - | 1,610,376 | 1,404,573 |
| School Administration | 9,309,733 | 9,398,586 | - | - | 9,309,733 | 9,398,586 |
| Fiscal | 2,304,479 | 1,874,309 | - | - | 2,304,479 | 1,874,309 |
| Business Operations | 1,873,824 | 1,635,460 | - | - | 1,873,824 | 1,635,460 |
| Operations & Maintenance | 13,621,605 | 11,689,529 | - | - | 13,621,605 | 11,689,529 |
| Student Transportation | 6,921,601 | 6,596,268 | - | - | 6,921,601 | 6,596,268 |
| Central Services | 1,446,375 | 1,398,019 | - | - | 1,446,375 | 1,398,019 |
| Community Services | 984,663 | 673,863 | - | - | 984,663 | 673,863 |
| Food Services | 38,696 | 8,818 | 4,090,650 | 3,787,221 | 4,129,346 | 3,796,039 |
| Extra-curricular Activities | 2,652,863 | 2,531,372 | - | - | 2,652,863 | 2,531,372 |
| Interest and Fiscal Charges | 5,512,610 | 6,258,362 | - | - | 5,512,610 | 6,258,362 |
| Uniform School Supplies | <u>-</u> | <u>-</u> | <u>276,304</u> | <u>248,234</u> | <u>276,304</u> | <u>248,234</u> |
| Total Expenses | <u>\$ 144,210,594</u> | <u>\$ 134,070,731</u> | <u>\$ 4,366,954</u> | <u>\$ 4,035,455</u> | <u>\$ 148,577,548</u> | <u>\$ 138,106,186</u> |
| Change in Net Assets | 10,445,304 | 6,479,739 | (217,690) | (91,523) | 10,227,614 | 6,388,216 |
| Net Assets, beginning of year | <u>57,211,043</u> | <u>50,731,304</u> | <u>547,788</u> | <u>639,311</u> | <u>57,758,831</u> | <u>51,370,615</u> |
| Net Assets, end of year | <u>\$ 67,656,347</u> | <u>\$ 57,211,043</u> | <u>\$ 330,098</u> | <u>\$ 547,788</u> | <u>\$ 67,986,445</u> | <u>\$ 57,758,831</u> |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

Governmental Activities

Net assets of the District's governmental activities increased by \$10.4 million, and unrestricted net assets reflect a balance of \$13.4 million. This is a simple result of more revenue being collected than expenses being made.

The property tax laws in Ohio create the need to periodically seek voter approval for additional operating funds. Tax revenues generated from a levy do not increase as a result of inflation. An operating levy is approved for a fixed millage rate, but the rate is reduced for inflation with the effect of providing the District the same amount of tax dollars as originally approved. Therefore, school districts dependent upon property taxes, as a primary source of revenue, must periodically return to the ballot and ask voters for additional resources to maintain current programs. Since the District must rely heavily on voter approval of operating tax issues, management of the resources is of paramount concern to District's administration and the voting public. The District utilizes a five-year cash financial forecast to estimate revenues and control expenditures to assure tax levy revenues can maintain operations for a significant period of time.

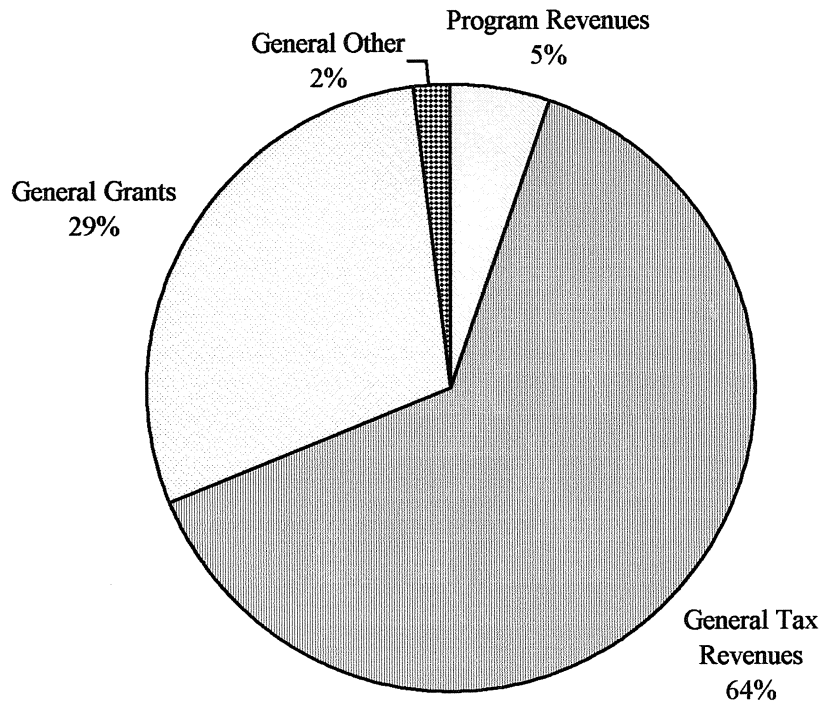
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. The net cost of program services must be supported by general revenues including tax revenue, investment earnings and unrestricted State entitlements.

(Table 3)

| | Total Cost of Services 2007 | Net Cost of Services 2007 | Total Cost of Services 2006 | Net Cost of Services 2006 |
|-----------------------------|--------------------------------|------------------------------|--------------------------------|------------------------------|
| Program Expenses | | | | |
| Instruction | | | | |
| Regular | \$ 62,655,604 | \$ 60,908,022 | \$ 58,982,985 | \$ 57,390,033 |
| Special | 17,708,534 | 15,722,923 | 15,902,806 | 13,744,823 |
| Vocational | 624,810 | 302,994 | 526,254 | 333,864 |
| Other | 3,126,170 | 2,747,586 | 2,438,333 | 2,409,421 |
| Support Services | | | | |
| Pupil | 9,526,679 | 8,757,359 | 8,708,148 | 7,923,294 |
| Staff | 4,291,972 | 3,845,870 | 4,043,046 | 3,461,347 |
| General Administration | 1,610,376 | 1,610,376 | 1,404,573 | 1,404,573 |
| School Administration | 9,309,733 | 8,965,037 | 9,398,586 | 8,930,742 |
| Fiscal | 2,304,479 | 2,280,425 | 1,874,309 | 1,852,100 |
| Business Operations | 1,873,824 | 1,871,824 | 1,635,460 | 1,634,377 |
| Operations & Maintenance | 13,621,605 | 13,621,205 | 11,689,529 | 11,689,529 |
| Student Transportation | 6,921,601 | 6,796,531 | 6,596,268 | 6,545,344 |
| Central Services | 1,446,375 | 1,329,036 | 1,398,019 | 1,276,204 |
| Community Services | 984,663 | 145,740 | 673,863 | (119,256) |
| Food Services | 38,696 | 36,946 | 8,818 | 7,568 |
| Extra-curricular Activities | 2,652,863 | 1,433,663 | 2,531,372 | 971,352 |
| Interest and Fiscal Charges | 5,512,610 | 5,512,610 | 6,258,362 | 6,258,362 |
| Total Expenses | <u>\$ 144,210,594</u> | <u>\$ 135,888,147</u> | <u>\$ 134,070,731</u> | <u>\$ 125,713,677</u> |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

(Graph 1)



The District's reliance upon tax revenues is demonstrated by the graph above indicating 64% of total revenues from local taxes. The other large portion of general revenue support is the State Foundation program as 29% of total revenues. The reliance on general revenues is indicated by the net services column reflecting the need for \$135.9 million of support as well as the graph indicating general revenues comprise 95% of total revenues.

Business-Type Activities

Business-type activities include food service and uniform school supplies. These programs had a decrease in net assets of \$217,690 for the fiscal year. The decrease was due to the rising costs of food and the need to replace some equipment.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 34) reported a combined fund balance of \$34.3 million, which is above last year's total of \$27.9 million. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2007 and 2006.

(Table 4)

| | <u>Fund Balance</u> June 30, 2007 | <u>Fund Balance</u> June 30, 2006 | <u>Increase</u> <u>(Decrease)</u> |
|-----------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General | \$ 17,979,303 | \$ 11,298,832 | \$ 6,680,471 |
| Debt Service | 8,755,309 | 8,328,474 | 426,835 |
| Permanent Improvement | 4,935,421 | 5,472,413 | (536,992) |
| Building | 1,502,172 | 1,705,024 | (202,852) |
| Other Governmental | <u>1,097,266</u> | <u>1,130,020</u> | <u>(32,754)</u> |
| Total | <u>\$ 34,269,471</u> | <u>\$ 27,934,763</u> | <u>\$ 6,334,708</u> |

General Fund

The District's general fund balance increase is due to many factors. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

(Table 5)

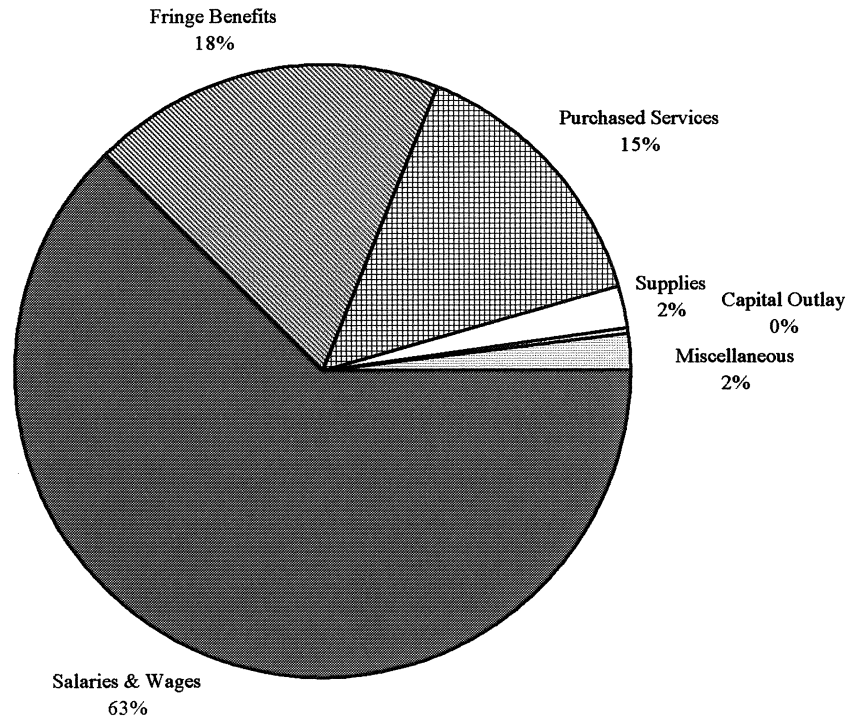
| | <u>2007</u> <u>Amount</u> | <u>2006</u> <u>Amount</u> | <u>Percentage</u> <u>Change</u> |
|---------------------------|------------------------------|------------------------------|------------------------------------|
| Revenues | | | |
| Taxes | \$ 82,198,715 | \$ 70,501,527 | 16.59% |
| Interest Earnings | 1,599,934 | 1,095,334 | 46.07% |
| Intergovernmental - State | 43,458,314 | 41,418,594 | 4.92% |
| Other Revenue | <u>2,757,508</u> | <u>2,822,388</u> | <u>-2.30%</u> |
| Total | <u>\$130,014,471</u> | <u>\$115,837,843</u> | <u>12.24%</u> |

The property tax revenue has increased by \$11.7 million due to a 10.3 mil operating levy passed in May 2006. Interest earnings have increased \$504,600 due to continued rising interest rate yields and increasing fund balances.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
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As the graph below illustrates, the largest portions of general fund expenditures is for salaries and fringe benefits. The District is a service entity and as such is labor intensive.

(Graph 2)



The effect of capital outlay is nil.

| Expenditures by Object | 2007 Amount | 2006 Amount | Percentage Change |
|------------------------|------------------------------|------------------------------|----------------------|
| Salaries and Wages | \$ 77,133,084 | \$ 72,396,734 | 6.54% |
| Fringe Benefits | 22,816,790 | 20,626,401 | 10.62% |
| Purchased Services | 17,908,097 | 15,821,027 | 13.19% |
| Supplies | 2,651,681 | 2,644,492 | 0.27% |
| Capital Outlay | 357,669 | 277,279 | 28.99% |
| Miscellaneous | 2,466,680 | 2,481,804 | -0.61% |
| Total | <u>\$ 123,334,000</u> | <u>\$ 114,247,737</u> | <u>7.95%</u> |

The expenditures have increased \$9.1 million or 7.95% over the prior year due to 34 additional staffing positions, insurance, utilities and tuition payments to other districts.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
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Other Funds

The District's debt service fund balance increased by \$426,835. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenses of the fund include debt principal and interest payments as well as county auditor and treasurer fees. The increase is due to greater than expected tax collections.

The permanent improvement fund had a decrease in fund balance of \$536,992 as a result of the District having funds that were available from prior years that were utilized in the current year for additional projects.

The building fund decrease in fund balance of \$202,852 is a result of spending down resources received from the November 2000 bond issue approved by voters. This is a normal occurrence and not indicative of diminishing financial health. Ultimately, the entire amount of capital from this bond issue will be spent.

Other governmental funds consist of special revenue funds. The decrease in fund balance of \$32,754 is primarily due to the timing of grant activity in the District.

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

The Franklin County Budget Commission amended the District's revenue estimates to reflect greater than originally anticipated revenues from real estate taxes, personal property taxes, homestead/rollback and tuition, fees, interest, & miscellaneous, but lesser than originally anticipated revenues from state sources. The appropriations or expenditure portion of the budget required changes in functional categories due to spending patterns, with the final budget for expenditures being \$727,113 million more than the original budget.

The District utilizes the five-year forecast as the original document from which to form the operating budget. After updating of the forecast for changes in revenue and expenditure assumptions the operating budget begins at the school level. Each school in the district receives a per pupil allocation augmented with resources for special education students in the specific buildings. The departments then receive the remainder of funds to bring the budget into balance with the five-year forecast. The site and department budgets are reviewed periodically to ensure management becomes aware of any significant variations during the year.

Capital Assets

The District has \$152 million invested in capital assets net of depreciation, with \$151.6 million attributed to governmental activities. Acquisitions for governmental activities totaled \$3.1 million and depreciation was \$5.2 million. The majority of the acquisitions were for various building improvements.

For more detailed information regarding the District's capital assets, refer to Note 8 in the notes to the basic financial statements.

Debt

At June 30, 2007, the District had \$114.1 million in outstanding bonds. The District paid \$5.4 million in principal on bonds outstanding and \$5.6 million in interest during the fiscal year.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2007
Unaudited

limitation based on 9% of the total assessed value of real and personal property. At June 30, 2007, the District's general obligation debt was below the legal limit.

For more detailed information regarding the District's debt, refer to Note 9 in the notes to the basic financial statements.

Restrictions and Other Limitations

With the passage of a 10.3 mill operating levy in May 2006 the District is in a good financial position. The operating levy has provided the necessary funds for the District to manage current growth patterns while maintaining the educational program and the facilities. However, the future financial stability of the District is not without challenges.

The first challenge is for management to ensure resources can be preserved as long as possible. The five-year forecast of the general fund and the five-year capital plans are utilized by management as a tool to manage resources effectively.

The second challenge facing the District is based in the local economy. The District has experienced significant growth over the last 10 years. If the growth patterns in student population change so more students enter the District than currently anticipated, we will have to change the financial models upon which our assumptions have been made. Also, an economic slowdown could result in revenue forecasts having to be revised downward. Either of these scenarios could cause the District to scale down the educational program offerings or seek additional resources.

Requests for Information

This financial report is designed to provide a general overview of the Westerville City School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Westerville City Schools, Office of the Treasurer, 336 S. Otterbein Avenue, Westerville, Ohio, 43081.

Westerville City School District
Statement of Net Assets
As of June 30, 2007

| | Governmental Activities | Business-type Activities | Total |
|---|----------------------------|-----------------------------|---------------------|
| <u>ASSETS</u> | | | |
| Cash and investments | \$24,073,502 | \$339,782 | \$24,413,284 |
| Receivables | | | |
| Taxes - current | 103,391,916 | - | 103,391,916 |
| Taxes - delinquent | 3,802,998 | - | 3,802,998 |
| Accounts | 94,069 | - | 94,069 |
| Accrued interest | 19,215 | - | 19,215 |
| Intergovernmental | 538,458 | 161,928 | 700,386 |
| Prepays | 378,624 | - | 378,624 |
| Materials & supplies inventory | 51,269 | 56,533 | 107,802 |
| Restricted cash | 234,134 | - | 234,134 |
| Deferred charges | 821,720 | - | 821,720 |
| Capital assets, non-depreciable | 5,813,922 | - | 5,813,922 |
| Capital assets, net of depreciation | 145,819,489 | 351,803 | 146,171,292 |
| Total assets | 285,039,316 | 910,046 | 285,949,362 |
| <u>LIABILITIES</u> | | | |
| Accounts payable | 1,368,372 | 22,744 | 1,391,116 |
| Retainage payable | 197,408 | - | 197,408 |
| Accrued wages and benefits | 14,162,490 | 149,238 | 14,311,728 |
| Due to other governments | 3,446,886 | 206,425 | 3,653,311 |
| Matured bonds payable | 36,726 | - | 36,726 |
| Interest payable | 384,299 | - | 384,299 |
| Unearned revenue | 72,862,667 | - | 72,862,667 |
| Long-term liabilities | | | |
| Due within one year | 7,277,767 | 4,980 | 7,282,747 |
| Due in more than one year | 117,646,354 | 196,561 | 117,842,915 |
| Total liabilities | 217,382,969 | 579,948 | 217,962,917 |
| <u>NET ASSETS</u> | | | |
| Invested in capital assets, net of related debt | 40,493,825 | 351,803 | 40,845,628 |
| Restricted for: | | | |
| Debt Service | 6,236,448 | - | 6,236,448 |
| Permanent Improvement | 5,145,068 | - | 5,145,068 |
| Special Revenue | 223,351 | - | 223,351 |
| Building | 1,502,172 | - | 1,502,172 |
| Other | 671,263 | - | 671,263 |
| Unrestricted | 13,384,220 | (21,705) | 13,362,515 |
| Total net assets | \$67,656,347 | \$330,098 | \$67,986,445 |

The notes to the basic financial statements are an integral part of this statement.

**Westerville City School District
Statement of Activities
For the Year Ended June 30, 2007**

| | <u>Program Revenues</u> | | |
|---------------------------------------|-------------------------|---|---|
| | <u>Expenses</u> | <u>Charges for Services and Sales</u> | <u>Operating Grants and Contributions</u> |
| Governmental Activities | | | |
| Instruction | | | |
| Regular | \$62,655,604 | \$1,523,316 | \$224,266 |
| Special | 17,708,534 | 67,226 | 1,918,385 |
| Vocational | 624,810 | - | 321,816 |
| Other instruction | 3,126,170 | - | 378,584 |
| Support services | | | |
| Pupils | 9,526,679 | - | 769,320 |
| Staff | 4,291,972 | - | 446,102 |
| General administration | 1,610,376 | - | - |
| School administration | 9,309,733 | - | 344,696 |
| Fiscal services | 2,304,479 | - | 24,054 |
| Business operations | 1,873,824 | - | 2,000 |
| Operation & maintenance | 13,621,605 | - | 400 |
| Student transportation | 6,921,601 | - | 125,070 |
| Central services | 1,446,375 | - | 117,339 |
| Community services | 984,663 | - | 838,923 |
| Food services | 38,696 | - | 1,750 |
| Extra-curricular activities | 2,652,863 | 1,219,200 | - |
| Interest and fiscal charges | 5,512,610 | - | - |
| Total governmental activities | <u>144,210,594</u> | <u>2,809,742</u> | <u>5,512,705</u> |
| Business-type Activities | | | |
| Food service | 4,090,650 | 2,739,899 | 1,126,557 |
| Uniform school supplies | 276,304 | 257,998 | - |
| Total business-type activities | <u>4,366,954</u> | <u>2,997,897</u> | <u>1,126,557</u> |
| Totals | <u>\$148,577,548</u> | <u>\$5,807,639</u> | <u>\$6,639,262</u> |

General revenues

Property taxes levied for:

 General purposes

 Debt service

 Capital projects

Grants and entitlements not restricted to specific programs

Investment income

Miscellaneous

Total general revenues

Change in net assets

Net assets, beginning of the year (restated, see note 3)

Net assets, end of the year

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue
and Changes in Net Assets

| Governmental Activities | Business-type Activities | Total |
|----------------------------|-----------------------------|------------------------|
| (\$60,908,022) | - | (\$60,908,022) |
| (15,722,923) | - | (15,722,923) |
| (302,994) | - | (302,994) |
| (2,747,586) | - | (2,747,586) |
| (8,757,359) | - | (8,757,359) |
| (3,845,870) | - | (3,845,870) |
| (1,610,376) | - | (1,610,376) |
| (8,965,037) | - | (8,965,037) |
| (2,280,425) | - | (2,280,425) |
| (1,871,824) | - | (1,871,824) |
| (13,621,205) | - | (13,621,205) |
| (6,796,531) | - | (6,796,531) |
| (1,329,036) | - | (1,329,036) |
| (145,740) | - | (145,740) |
| (36,946) | - | (36,946) |
| (1,433,663) | - | (1,433,663) |
| (5,512,610) | - | (5,512,610) |
| <u>(135,888,147)</u> | <u>-</u> | <u>(135,888,147)</u> |
| - | (224,194) | (224,194) |
| - | (18,306) | (18,306) |
| - | (242,500) | (242,500) |
| <u>(\$135,888,147)</u> | <u>(\$242,500)</u> | <u>(\$136,130,647)</u> |
| 82,850,463 | - | 82,850,463 |
| 10,092,937 | - | 10,092,937 |
| 5,400,744 | - | 5,400,744 |
| 44,906,266 | - | 44,906,266 |
| 1,760,239 | 24,810 | 1,785,049 |
| 1,322,802 | - | 1,322,802 |
| <u>146,333,451</u> | <u>24,810</u> | <u>146,358,261</u> |
| 10,445,304 | (217,690) | 10,227,614 |
| 57,211,043 | 547,788 | 57,758,831 |
| <u>\$67,656,347</u> | <u>\$330,098</u> | <u>\$67,986,445</u> |

**Westerville City School District
Balance Sheet
Governmental Funds
As of June 30, 2007**

| | General | Debt Service | Permanent Improvement | Building | Other Governmental | Total Governmental Funds |
|---|----------------------|----------------------|--------------------------|---------------------|-----------------------|--------------------------------|
| <u>ASSETS</u> | | | | | | |
| Cash and investments | \$ 9,671,652 | \$ 5,703,647 | \$ 4,014,025 | \$ 1,522,585 | \$ 1,294,450 | \$ 22,206,359 |
| Restricted cash and investments | 671,263 | 36,726 | - | 197,408 | - | 905,397 |
| Receivables (net of allowances for uncollectibles): | | | | | | |
| Taxes - current | 87,282,595 | 10,423,490 | 5,685,831 | - | - | 103,391,916 |
| Taxes - delinquent | 3,207,783 | 385,568 | 209,647 | - | - | 3,802,998 |
| Accounts | 81,708 | - | - | - | - | 81,708 |
| Accrued interest | 19,215 | - | - | - | - | 19,215 |
| Intergovernmental | - | - | - | - | 538,458 | 538,458 |
| Interfund loan receivable | 84,887 | - | - | - | - | 84,887 |
| Prepays | 378,624 | - | - | - | - | 378,624 |
| Inventories | 51,269 | - | - | - | - | 51,269 |
| Total assets | 101,448,996 | 16,549,431 | 9,909,503 | 1,719,993 | 1,832,908 | 131,460,831 |
| <u>LIABILITIES</u> | | | | | | |
| Accounts payable | 418,587 | - | 737,929 | 20,413 | 190,933 | 1,367,862 |
| Retainage payable | - | - | - | 197,408 | - | 197,408 |
| Accrued wages and benefits | 15,222,870 | - | - | - | 397,351 | 15,620,221 |
| Due to other governments | 3,066,946 | 57,826 | 31,348 | - | 62,471 | 3,218,591 |
| Matured bonds payable | - | 36,726 | - | - | - | 36,726 |
| Interfund loan payable | - | - | - | - | 84,887 | 84,887 |
| Deferred revenue | 64,761,290 | 7,699,570 | 4,204,805 | - | - | 76,665,665 |
| Total liabilities | 83,469,693 | 7,794,122 | 4,974,082 | 217,821 | 735,642 | 97,191,360 |
| <u>FUND BALANCES</u> | | | | | | |
| Reserved | | | | | | |
| Future years' appropriation | 25,820,285 | 3,108,488 | 1,690,673 | - | - | 30,619,446 |
| Encumbrances | 327,953 | - | - | - | 159,011 | 486,964 |
| Budgetary stabilization | 536,933 | - | - | - | - | 536,933 |
| Textbooks/instructional materials | 134,330 | - | - | - | - | 134,330 |
| Prepays | 378,624 | - | - | - | - | 378,624 |
| Inventories | 51,269 | - | - | - | - | 51,269 |
| Unreserved, reported in: | | | | | | |
| General | (9,270,091) | - | - | - | - | (9,270,091) |
| Debt Service | - | 5,646,821 | - | - | - | 5,646,821 |
| Permanent Improvement | - | - | 3,244,748 | - | - | 3,244,748 |
| Building | - | - | - | 1,502,172 | - | 1,502,172 |
| Special Revenue | - | - | - | - | 938,255 | 938,255 |
| Total fund balances | 17,979,303 | 8,755,309 | 4,935,421 | 1,502,172 | 1,097,266 | 34,269,471 |
| Total liabilities and fund balances | \$101,448,996 | \$ 16,549,431 | \$ 9,909,503 | \$ 1,719,993 | \$ 1,832,908 | \$ 131,460,831 |

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
For the Year Ended June 30, 2007

Total Governmental Fund Balances \$34,269,471

*Amounts report for governmental activities in the
statement of net assets are different because:*

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds. 151,633,411

Other long-term assets are not available to pay for current period
expenditures and therefore are deferred in the funds. 4,624,718

An internal service fund used by management to charge the cost
of worker's compensation, print shop and self insurance to individual funds.
The assets and liabilities of the internal service fund are included in
governmental activities in the statement of net assets. 969,290

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 debt | (114,091,224) |
| Interest payable | (384,299) |
| Compensated absences | <u>(9,365,020)</u> |

Net Assets of Governmental Activities \$67,656,347

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2007

| | General | Debt Service | Permanent Improvement | Building | Other Governmental | Total Governmental Funds |
|--|----------------------|---------------------|--------------------------|---------------------|-----------------------|--------------------------------|
| REVENUES | | | | | | |
| Taxes | \$ 82,198,715 | \$10,087,695 | \$ 5,409,210 | \$ - | \$ - | \$ 97,695,620 |
| Tuition | 938,607 | - | - | - | - | 938,607 |
| Extra-curricular | - | - | - | - | 1,219,200 | 1,219,200 |
| Investment income | 1,599,934 | - | - | 74,438 | 16,187 | 1,690,559 |
| Other local | 651,935 | - | - | - | 41,570 | 693,505 |
| Intergovernmental - State | 43,458,314 | 1,090,091 | 679,262 | - | 1,132,116 | 46,359,783 |
| Intergovernmental - Federal | - | - | - | - | 4,017,618 | 4,017,618 |
| Other revenue | 1,166,966 | - | - | - | 155,836 | 1,322,802 |
| Total revenues | 130,014,471 | 11,177,786 | 6,088,472 | 74,438 | 6,582,527 | 153,937,694 |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Instruction | | | | | | |
| Regular | 56,202,964 | - | - | - | 241,544 | 56,444,508 |
| Special | 14,898,883 | - | - | - | 1,899,564 | 16,798,447 |
| Vocational | 501,289 | - | - | - | 92,212 | 593,501 |
| Other Instruction | 2,601,554 | - | - | - | 382,927 | 2,984,481 |
| Support services | | | | | | |
| Pupils | 8,394,198 | - | - | - | 1,114,600 | 9,508,798 |
| Staff | 3,829,231 | - | - | - | 513,883 | 4,343,114 |
| General administration | 1,610,376 | - | - | - | - | 1,610,376 |
| School administration | 8,665,459 | - | - | - | 315,540 | 8,980,999 |
| Fiscal services | 2,131,505 | 140,328 | - | - | 22,590 | 2,294,423 |
| Business operations | 952,574 | - | - | - | - | 952,574 |
| Operation & maintenance | 13,457,798 | - | - | - | 400 | 13,458,198 |
| Student transportation | 6,435,484 | - | - | - | 28,008 | 6,463,492 |
| Central services | 1,934,634 | - | - | - | 118,988 | 2,053,622 |
| Community services | 5,491 | - | - | - | 978,119 | 983,610 |
| Food services | 26,878 | - | - | - | 3,000 | 29,878 |
| Extra-curricular | 1,685,682 | - | - | - | 900,906 | 2,586,588 |
| Capital outlay | - | - | 6,625,464 | 277,290 | 3,000 | 6,905,754 |
| Debt service: | | | | | | |
| Principal retirement | - | 5,445,000 | - | - | - | 5,445,000 |
| Interest | - | 5,607,656 | - | - | - | 5,607,656 |
| Total expenditures | 123,334,000 | 11,192,984 | 6,625,464 | 277,290 | 6,615,281 | 148,045,019 |
| Excess (deficiency) of revenues over (under) expenditures | 6,680,471 | (15,198) | (536,992) | (202,852) | (32,754) | 5,892,675 |
| Other financing sources (uses): | | | | | | |
| Proceeds from refunding bonds | - | 48,365,000 | - | - | - | 48,365,000 |
| Premium on issuance of bonds | - | 2,657,888 | - | - | - | 2,657,888 |
| Payment to bond escrow agent | - | (50,580,855) | - | - | - | (50,580,855) |
| Transfers in | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - |
| Total other financing sources (uses) | - | 442,033 | - | - | - | 442,033 |
| Net change in fund balances | 6,680,471 | 426,835 | (536,992) | (202,852) | (32,754) | 6,334,708 |
| Fund balances, July 1 | 11,298,832 | 8,328,474 | 5,472,413 | 1,705,024 | 1,130,020 | 27,934,763 |
| Fund balances, June 30 | \$ 17,979,303 | \$ 8,755,309 | \$ 4,935,421 | \$ 1,502,172 | \$ 1,097,266 | \$ 34,269,471 |

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2007

Net Change in Fund Balances - Total Governmental Funds **\$6,334,708**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period (see Note 8). (2,151,033)

Tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 648,524

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities. Also, governmentnal funds report the effect of issuance costs, premiums and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

| | |
|---------------------------------------|--------------|
| Issuance of general obligation bonds | (48,365,000) |
| Premium of bonds issued | (2,657,888) |
| Principal repayments | 5,445,000 |
| Payment to escrow agent for refunding | 50,580,855 |
| Issuance costs | 442,033 |

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 61,203

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

| | |
|--|-----------|
| Compensated absences | 572,137 |
| Accretion on capital appreciation bonds | (798,402) |
| Amortization of deferred amount of refunding and deferred charge for bond issuance costs | (143,803) |
| Amortization of premium on bond issuance | 534,015 |

The internal service funds used by management to charge the costs of insurance and printing to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (57,045)

Change in Net Assets of Governmental Activities **\$10,445,304**

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---|----------------------------|-----------------------------|----------------------------|---|
| Revenues: | | | | |
| Real Estate Taxes | \$ 70,811,068 | \$ 75,396,104 | \$ 68,405,549 | \$ (6,990,555) |
| Personal Property Taxes | 6,553,744 | 3,575,660 | 7,067,921 | 3,492,261 |
| State Revenue | 34,027,121 | 33,514,598 | 33,922,038 | 407,440 |
| Homestead/Rollback | 7,477,762 | 5,921,482 | 7,873,342 | 1,951,860 |
| Tuition, Fees, Interest & Misc | 4,387,755 | 13,108,346 | 5,765,367 | (7,342,979) |
| Transfers, Advances, Refund of Prior Year | 240,000 | 240,000 | 346,939 | 106,939 |
| Total Revenue and Other Sources | <u>123,497,450</u> | <u>131,756,190</u> | <u>123,381,156</u> | <u>(8,375,034)</u> |
| Expenditures: | | | | |
| Salaries and Wages | 76,550,477 | 76,682,130 | 76,432,252 | 249,878 |
| Benefits & Insurance | 23,528,708 | 22,652,428 | 22,604,202 | 48,226 |
| Purchased Services | 16,060,107 | 18,476,290 | 18,140,211 | 336,079 |
| Supplies & Materials | 3,343,364 | 3,039,716 | 2,931,707 | 108,009 |
| New & Replacement Equipment | 254,616 | 425,422 | 404,121 | 21,301 |
| Other Expenditures | 3,270,861 | 2,459,260 | 2,448,833 | 10,427 |
| Total Expenditures and Other Uses | <u>123,008,133</u> | <u>123,735,246</u> | <u>122,961,326</u> | <u>773,920</u> |
| Net Change in Fund Balance | 489,317 | 8,020,944 | 419,830 | (7,601,114) |
| Fund Balance, July 1 | 8,332,131 | 8,332,131 | 8,332,131 | - |
| Prior Year Encumbrances Appropriated | <u>836,022</u> | <u>836,022</u> | <u>836,022</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ 9,657,470</u></u> | <u><u>\$ 17,189,097</u></u> | <u><u>\$ 9,587,983</u></u> | <u><u>\$ (7,601,114)</u></u> |

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Net Assets
Proprietary Funds
As of June 30, 2007

| | Aggregate Non-Major Business Type Activities | Governmental Activities - Internal Service Fund |
|----------------------------------|---|--|
| <u>ASSETS</u> | | |
| Current assets: | | |
| Cash and investments | \$ 339,782 | \$ 1,195,880 |
| Receivables: | | |
| Accounts | - | 12,361 |
| Intergovernmental | 161,928 | - |
| Materials & supplies inventory | 56,533 | - |
| Total current assets | 558,243 | 1,208,241 |
| Non-current assets: | | |
| Capital assets, net | 351,803 | - |
| Total assets | 910,046 | 1,208,241 |
| <u>LIABILITIES</u> | | |
| Current liabilities: | | |
| Accounts payable | 22,744 | 510 |
| Accrued wages and benefits | 149,238 | 10,146 |
| Compensated absences payable | 4,980 | - |
| Due to: | | |
| Other governments | 206,425 | 228,295 |
| Total current liabilities | 383,387 | 238,951 |
| Non-current liabilities: | | |
| Compensated absences payable | 196,561 | - |
| Total liabilities | 579,948 | 238,951 |
| <u>NET ASSETS</u> | | |
| Invested in capital assets | 351,803 | - |
| Unrestricted | (21,705) | 969,290 |
| Total net assets | \$ 330,098 | \$ 969,290 |

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year ended June 30, 2007

| | <u>Aggregate Non-Major Business Type Activities</u> | <u>Governmental Activities - Internal Service Fund</u> |
|--------------------------------------|---|--|
| <u>OPERATING REVENUES</u> | | |
| Charges for services | \$ - | \$ 786,648 |
| Food service sales | 2,690,501 | - |
| Class material fees | 251,988 | - |
| Other | 55,408 | - |
| Total operating revenues | <u>2,997,897</u> | <u>786,648</u> |
| <u>OPERATING EXPENSES</u> | | |
| Wages and benefits | 2,023,158 | 69,107 |
| Purchased services | 81,386 | 666,994 |
| Materials and supplies | 2,071,521 | 177,272 |
| Depreciation | 44,595 | - |
| Other | 146,294 | - |
| Total operating expenses | <u>4,366,954</u> | <u>913,373</u> |
| Operating loss | (1,369,057) | (126,725) |
| <u>NON-OPERATING REVENUES</u> | | |
| Grants: | | |
| State sources | 33,278 | - |
| Federal sources | 1,093,279 | - |
| Investment income | 24,810 | 69,680 |
| Total non-operating revenues | <u>1,151,367</u> | <u>69,680</u> |
| Change in net assets | (217,690) | (57,045) |
| Net assets, beginning of year | <u>547,788</u> | <u>1,026,335</u> |
| Net assets, end of year | <u>\$ 330,098</u> | <u>\$ 969,290</u> |

The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2007

| | Aggregate Non-Major Business Type Activities | Governmental Activities - Internal Service Fund |
|--|---|--|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 2,942,489 | \$ - |
| Cash payments for wages and benefits | (1,982,991) | (66,945) |
| Cash received from interfund services provided | - | 776,014 |
| Cash payments for purchased services | (81,386) | (657,799) |
| Cash payments for materials and supplies | (1,953,369) | (177,027) |
| Cash received for other revenues | 55,408 | - |
| Cash payments for other expenses | (146,294) | - |
| | <u>(1,166,143)</u> | <u>(125,757)</u> |
| Net cash used for operating activities | | |
| Cash flows from noncapital financing activities: | | |
| Cash flows from operating grants | <u>967,922</u> | <u>-</u> |
| Cash flows from capital financing activities: | | |
| Purchase of capital assets | <u>(133,342)</u> | <u>-</u> |
| Cash flows from investing activities: | | |
| Investment income | <u>24,810</u> | <u>69,680</u> |
| Net decrease in cash and investments | (306,753) | (56,077) |
| Cash and investments at beginning of year | <u>646,535</u> | <u>1,251,957</u> |
| Cash and investments at end of year | <u>\$ 339,782</u> | <u>\$ 1,195,880</u> |
| Reconciliation of operating loss to net cash used for operating activities | | |
| Operating loss | \$ (1,369,057) | \$ (126,725) |
| Adjustments to reconcile operating loss to net cash used for operating activities: | | |
| Depreciation | 44,595 | - |
| Donated commodities used | 110,583 | - |
| Changes in assets and liabilities: | | |
| Increase in accounts receivables | - | (10,634) |
| Increase in inventory | (9,065) | - |
| Increase in accounts payable | 16,634 | 245 |
| Increase in accrued wages and benefits | 37,573 | 2,034 |
| Increase in due to other governments | 3,642 | 9,323 |
| Decrease in compensated absences payable | (1,048) | - |
| | <u>\$ (1,166,143)</u> | <u>\$ (125,757)</u> |
| Net cash used for operating activities | | |

The District received \$114,165 in donated food from the Ohio Department of Education's commodity grant program.

The notes to the basic financial statements are an integral part of this statement.

**Westerville City School District
Statement of Net Assets
Fiduciary Funds
As of June 30, 2007**

| | Private-Purpose Trust | Agency |
|---------------------------|--------------------------|-----------|
| <u>ASSETS</u> | | |
| Cash and investments | \$68,521 | \$363,227 |
| Total assets | 68,521 | 363,227 |
| <u>LIABILITIES</u> | | |
| Accounts payable | - | 13,452 |
| Due to others | - | 349,775 |
| Total liabilities | - | \$363,227 |
| <u>NET ASSETS</u> | | |
| | \$68,521 | |

**Westerville City School District
Statement of Changes in Net Assets
Fiduciary Funds
For the Year Ended June 30, 2007**

| | Private-Purpose Trust |
|---|--------------------------|
| <u>ADDITIONS</u> | |
| Gifts and contributions | \$8,500 |
| Investment income | 3,740 |
| | 12,240 |
| <u>DEDUCTIONS</u> | |
| Scholarships awarded | 14,807 |
| | 14,807 |
| Change in net assets | (2,567) |
| Assets held in trust for scholarships, beginning of the year | 71,088 |
| Assets held in trust for scholarships, end of the year | \$68,521 |

The notes to the basic financial statements are an integral part of this statement.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

(1) DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Westerville City School District (the District) was organized in the early 1850's and is a fiscally independent political subdivision of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District. The District encompasses 52 square miles and provides services to approximately 14,252 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" and Statement No. 39, "Determining Whether Certain Organizations Are Component Units", in that the financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. On that basis, the reporting entity of the District includes the services of the District only (i.e., there are no component units).

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District has elected, under GASB No. 20, to apply Financial Accounting Standards Board Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds, except those that conflict with a GASB pronouncement. The District's significant accounting policies are described below.

(a) Basis of Presentation

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

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal Service fund activity is eliminated to avoid overstatement of revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between governmental and business-type activities of the District.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type, and 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 and services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net assets. Proprietary fund's operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Food Service and Uniform School Supplies enterprise funds and of the District's Internal Service funds are charges for sales and services. Operating expenses for enterprise funds and

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The private purpose trust fund is accounted for using a flow of economic resources measurement focus.

(b) Fund Accounting

The District uses funds to report on 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.

Governmental Funds

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

General Fund—The General Fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund—The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, governmental long-term debt principal, interest, and related costs.

Permanent Improvement Fund—The Permanent Improvement Fund is used to account for financial resources to be used for the maintenance of capital facilities, technology and curriculum.

Building Fund—The Building Fund is used to account for financial resources to be used for the acquisition and/or construction of major capital facilities and/or the acquisition of land.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows.

Enterprise Funds – The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

Internal Service Funds—Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost reimbursement basis.

Self Insurance Fund—The Self Insurance Fund is used to account for monies received from other funds as payment for providing medical and dental employee benefits. This fund is currently inactive.

Print Shop Fund—The Print Shop Fund is used to account for the monies received for printing and duplicating services provided by the Print Shop to all District departments and various community organizations.

Worker's Compensation Fund – The Worker's Compensation Fund is used to account for monies received from other funds as payment for providing Worker's Compensation benefits to employees.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Private-purpose Trust Fund – Private-purpose trust fund accounts for resources, including both principal and earnings, which must be expended according to the provisions of the student scholarship agreements and are not available to support the District's own programs.

Agency Funds – Agency funds are used to account for assets held by the District for staff or student activity programs that are managed by the students. Agency funds are purely custodial and thus do not involve measurement of results of operations.

(c) Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and *accrual basis of accounting*, as are the fiduciary and proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing related to cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and other similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current economic financial resources measurement focus* and *the modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available when they are collected within 60 days of the current fiscal period. Expenditures are generally recorded when a liability is

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

incurred, as under accrual accounting. However, debt service principal expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected more than 30 days after year-end are recorded as a receivable with an offset to deferred revenue for the amounts not collected and available for advance by June 30 by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as a receivable or revenue, or deferred revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received by the District.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(d) Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds other than agency funds. The specific timetable for the fiscal year 2007 was as follows:

1. Prior to January 15 of the preceding year, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for a tax rate determination. The original budget revenue amounts reported in the budgetary statement for the General Fund reflects the amounts set forth in this tax budget.
3. Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources (the Certificate), which states the projected revenue for each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The final budget amounts

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

reported in the budgetary statement reflect the amounts set forth in the final amended Certificate issued for fiscal 2007.

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level for all funds, which is the legal level of budgetary control. This appropriation then serves as a basis for the original budget expenditure amounts reported in the budgetary statements for all funds. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, decreased or increased the originally appropriated amounts. All supplemental appropriations were legally adopted by the Board during fiscal 2007.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level for all funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. On the governmental funds balance sheet, encumbrances are reported as reservations of fund balance, in accordance with GAAP, since they do not constitute expenditures or liabilities.

9. The District prepares its budget on a basis of accounting that differs from GAAP. The actual results of operations are presented in the Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—General Fund in accordance with the budget basis of accounting. The major differences between the budgetary basis of accounting and GAAP are outlined.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

| | <u>Budget Basis</u> | <u>GAAP Basis</u> |
|---------------------------|-------------------------------------|--------------------------------------|
| Revenues are recorded | when received in cash | when susceptible to accrual |
| Expenditures are recorded | when paid in cash | when the liability is incurred |
| Encumbrances are recorded | as the equivalent of an expenditure | as a reservation of the fund balance |

(e) Cash and Investments

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District records. Each fund's interest in the pool is presented as "Cash and Investments".

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

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 Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2007.

Interim deposits are used by the District to purchase legal investments. The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations: bank certificates of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States corporations and StarOhio. During fiscal year 2007, investments were limited to nonnegotiable certificates of deposit, repurchase agreements, federal agency securities and StarOhio.

Under existing statutes, all investment earnings accrue to the General Fund except earnings specifically related to the Building, Food Service, Self Insurance, Worker's Compensation, Private Purpose Trust and Auxiliary Funds. Interest credited to the General Fund during fiscal year 2007 was \$1,599,934 which includes \$821,166 assigned from other funds.

Restricted assets in the general fund represent cash and cash equivalents for which use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the District to create a reserve for budget stabilization. See note 10 for calculation of year-end restricted asset balance and the corresponding fund balance reserve.

Restricted assets in the debt service fund represent cash equivalents for which use is limited by legal requirements. Restricted assets include matured bonds for which payment has not been requested.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

Restricted assets in the building fund represent cash and cash equivalents for which use is limited by legal requirements. Restricted assets include retainage amounts that are required to be paid to contractors upon completion of their contracts.

(f) Inventories

On government-wide financial statements, inventories are presented at the lower of cost or market using the first in, first out (FIFO) method and are expensed when used.

On fund financial statements, inventories of governmental funds are valued at cost while inventories of proprietary funds are stated at lower of cost or market. For all funds, cost is determined using the FIFO method, and are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. Reported inventories in these funds are equally offset by fund balance reserve, which indicates they do not represent available spendable resources. Inventories of proprietary funds consist of donated and purchased food.

(g) Prepaid Assets

Payments made to vendors for services that will benefit periods beyond June 30, 2007 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is recorded in the year in which services are consumed.

(h) Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$2,500 and a useful life of less than 2 years. The District does not maintain any infrastructure.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Notes to Basic Financial Statements, Continued

For the Fiscal Year Ended June 30, 2007

All reported capital assets, with the exception of land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Useful Life</u> |
|--------------------------|--------------------|
| Land | not depreciated |
| Land Improvements | 20 years |
| Buildings & Improvements | 10-50 years |
| Furniture & Equipment | 5-15 years |
| Buses & Vehicles | 7-10 years |

(i) *Compensated Absences*

The District follows GASB Statement No. 16, *Accounting for Compensated Absences*, which requires that a liability be accrued for sick leave if it is probable that the employee will be compensated through cash payment. Upon retirement, District employees are paid their accumulated balances up to a fixed number of days. This number is determined by negotiated agreements or board policy depending on the employee's classification.

The entire compensated absence liability is reported in the government-wide financial statements. For governmental fund financial statements, the amount of accumulated vacation and sick leave of employees has been recorded as a current liability to the extent payments come due each period upon the occurrence of employee resignations or retirements. The balance of the liability is not recorded. For proprietary funds, the entire amount of compensated absences is recorded as an expense and liability of the fund.

(j) *Accrued Liabilities and Long-Term Debt*

All accrued liabilities and long-term debt are reported in the entity-wide financial statements as well as the proprietary fund financial statements.

For governmental fund financial statements, the accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion due for payment during the current year. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due.

(k) *Fund Balance Reserves*

The District records reservations for portions of fund equity, which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriation for expenditures. Unreserved fund balance indicates the portion of fund equity, which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, prepaids, inventories, property tax revenue for future year's appropriations and a reserve for budget stabilization as required by state statute (see note 10).

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(l) Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

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

(m) Statement of Cash Flows

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and investments of the pool are also considered to be cash equivalents, since they are available to the proprietary funds on demand.

(n) Net Assets

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

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

(3) RESTATEMENT OF NET ASSETS

The District restated net assets as of June 30, 2006 to accurately record compensated absences as follows:

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Net Assets at June 30, 2006 (as reported) | \$57,472,121 |
| To properly record compensated absences | (261,078) |
| Net Assets at June 30, 2006 (as restated) | <u>\$57,211,043</u> |

This adjustment had no material effect on the change in net assets as reported for the year ended June 30, 2006.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(4) CASH AND INVESTMENTS

(a) Cash

State statutes classify monies held by the District into three categories as follows:

Active Monies – Those monies required to be kept in a “cash” or near-cash” status for immediate use by the District. Such monies must be maintained either as cash in the District Treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies – Those monies not required for use within the current five year period of designation of depositories. Inactive monies may be deposited or invested as 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 Monies – 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. Ohio law permits interim monies to be invested in legal securities (see Note 2e).

(b) Deposits with financial institutions

Custodial credit risk is the risk that in the event of bank failure, the government’s deposits may not be returned to it. Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. State law does not require security for public deposits and investments to be maintained in the District’s name. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. During 2007, the District and public depositories complied with the provisions of these statutes.

At year-end, the carrying amount of the District deposits was \$4,327,121 and the bank balance was \$5,599,629. Of the bank balance, \$300,000 was covered by FDIC insurance and \$5,299,629 was uninsured and collateralized with securities held by the pledging institution’s trust department, but not in the District’s name.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(c) Investments

Investments are reported as fair value. As of June 30, 2007, the District had the following investments:

| | Fair Value | Weighted Average Maturity (Days) |
|-------------------------------------|--------------|-------------------------------------|
| FHLB | \$1,966,880 | 506 |
| FNMA | 6,912,540 | 325 |
| STAR Ohio | 1,288,437 | 0 |
| Repurchase Agreement | 10,584,367 | 0 |
| Total Fair Value | \$20,752,224 | |
| Portfolio Weighted Average Maturity | | 157 |

Interest Rate Risk

The Ohio Revised Code and District policy limits security purchases to those that mature within five years of the settlement date. District policy requires that a draw schedule be prepared. Once cash flow requirements have been satisfied, maturity date selection will be determined by market conditions and interest rate forecasts. Investments that are expected to be subject to large interest rate fluctuations are not permitted.

Credit Risk

The District's investments at June 30, 2007 in FHLB and FNMA are rated AAA by Standard and Poor's. Its investments in Star Ohio are rated AAAM by Standard and Poor's. The District's policy does not address credit risk.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are in FHLB, FNMA, repurchase agreement and STAR Ohio. These investments are 9.5%, 33.0%, 51% and 6.2%, respectively, of the District's total investments.

(5) PROPERTY TAXES

Property taxes are levied and assessed on a calendar-year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year. Property taxes include amounts levied against all real, public and tangible (used in business) property located in the District. Taxpayers remit payment to their county, Franklin or Delaware, which then distributes funds to the District on the settlement dates that vary each year. The District, through board resolution, may request that the county advance 90% of amounts collected on a weekly basis through the collection period.

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. In Franklin County, if paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. In Delaware County, if paid annually, payment is due February 10; if paid semi-annually, the first payment is due February 10 with the remainder payable July 10. Settlement dates for real property taxes generally occur in the months of February and August. Amounts certified by the county auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year.

Public utility property taxes are assessed on tangible personal property at 25 percent of true value (with certain exceptions) and on real property at 35 percent of true value. Public utility property taxes attaches as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Tangible personal property taxes are levied in April on the value listed as of December 31 of the current year. Tangible personal property settlements are 25 percent of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values for collection in 2007, upon which the 2006 levies were based, were as follows:

| | |
|--------------------------|-----------------|
| Real Estate | |
| Agricultural/Residential | \$1,969,644,220 |
| Commercial/Industrial | 449,264,750 |
| Personal Property | |
| General | 39,390,964 |
| Public Utility | 53,557,100 |
| Total | \$2,511,857,034 |

Accrued delinquent property taxes receivable represent taxes outstanding for real property, personal property and public utility taxes, and are offset by a credit to deferred revenue in the fund financial statements. Amounts from the August settlement are not intended to finance current fiscal year operations and, therefore have been recorded as a receivable offset by deferred revenue to the extent these amounts were not available as advances at June 30, 2007.

(6) RECEIVABLES

Receivables and due from other governments at June 30, 2007 consisted of taxes, accounts, 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

A summary of the principal items is as follows:

| | | |
|-------------------------------------|----------------|-----------------------------|
| Governmental Activities | | |
| Taxes – Current & Delinquent | \$107,194,914 | |
| Accounts | 94,069 | |
| Accrued Interest | 19,215 | |
| Intergovernmental – State & Federal | 538,458 | |
| Business-Type Activities | | |
| Intergovernmental – Federal | <u>161,928</u> | |
| Total Receivables | | <u><u>\$108,008,584</u></u> |

(7) INTERFUND TRANSACTIONS

Interfund balances on the fund statements at June 30, 2007 consist of the following receivables and payables:

| | <u>Receivable</u> | <u>Payable</u> |
|--------------------|------------------------|------------------------|
| General | \$84,887 | \$– |
| Other Governmental | – | 84,887 |
| Total | <u><u>\$84,887</u></u> | <u><u>\$84,887</u></u> |

The balances that exist in this fund are funded on a reimbursement basis and the monies were not received from the grantor by June 30, 2007.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(8) CAPITAL ASSETS

A summary of the changes in the capital assets for the fiscal year follows:

| | Balance <u>June 30, 2006</u> | <u>Additions</u> | <u>Disposals</u> | Balance <u>June 30, 2007</u> |
|--|---------------------------------|----------------------|------------------|---------------------------------|
| <i>Governmental Activities</i> | | | | |
| Capital Assets, not being Depreciated: | | | | |
| Land | \$5,813,922 | - | - | \$5,813,922 |
| Total Capital Asset, not being Depreciated | <u>\$5,813,922</u> | <u>-</u> | <u>-</u> | <u>\$5,813,922</u> |
| Capital Assets, being Depreciated: | | | | |
| Land Improvements | 4,410,757 | 586,797 | - | 4,997,554 |
| Buildings/Improvements | 186,967,891 | 1,937,988 | 17,187 | 188,888,692 |
| Furniture/Equipment | 4,497,932 | 380,539 | 70,719 | 4,807,752 |
| Buses | 6,259,177 | 128,700 | 84,890 | 6,302,987 |
| Vehicles | 630,844 | 39,279 | 36,151 | 633,972 |
| Total Capital Assets, being Depreciated | \$202,766,601 | \$3,073,303 | \$208,947 | \$205,630,957 |
| Less Accumulated Depreciation: | | | | |
| Land Improvements | 2,944,856 | 197,275 | - | 3,142,131 |
| Buildings/Improvements | 44,169,459 | 4,146,922 | 12,526 | 48,303,855 |
| Furniture/Equipment | 2,637,769 | 381,146 | 62,745 | 2,956,170 |
| Buses | 4,675,471 | 430,260 | 84,890 | 5,020,841 |
| Vehicles | 368,524 | 47,677 | 27,730 | 388,471 |
| Total Accumulated Depreciation | <u>\$54,796,079</u> | <u>\$5,203,280</u> | <u>\$187,891</u> | <u>\$59,811,468</u> |
| Total Capital Assets, being Depreciated, Net | <u>\$147,970,522</u> | <u>(\$2,129,977)</u> | <u>\$21,056</u> | <u>\$145,819,489</u> |
| Capital Assets, Net | <u>\$153,784,444</u> | <u>(\$2,129,977)</u> | <u>\$21,056</u> | <u>\$151,633,411</u> |
| | | | | |
| <i>Business-Type Activities</i> | | | | |
| Furniture/Equipment | \$944,879 | \$133,342 | - | \$1,078,221 |
| Vehicles | 48,769 | - | - | 48,769 |
| Total Capital Assets | 993,648 | 133,342 | - | 1,126,990 |
| Less Accumulated Depreciation | 730,592 | 44,595 | - | 775,187 |
| Capital Assets, Net | <u>\$263,056</u> | <u>\$88,747</u> | <u>-</u> | <u>351,803</u> |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

Depreciation expense was charged to governmental functions as follows:

| | |
|-----------------------------------|---------------------------|
| Instruction: | |
| Regular | \$2,961,123 |
| Special | 807,153 |
| Vocational | 31,309 |
| Other | 141,689 |
| Support Services: | |
| Pupil | 13,550 |
| Staff | 135 |
| School Administration | 434,705 |
| Fiscal Services | 753 |
| Business Services | 14,569 |
| Operations & Maintenance | 138,607 |
| Student Transportation | 438,363 |
| Central Services | 150,953 |
| Community Services | 1,053 |
| Food Services | 8,818 |
| Extracurricular Activities | 60,500 |
| Total Depreciation Expense | <u><u>\$5,203,280</u></u> |

(9) LONG-TERM OBLIGATIONS

All current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund. Long-term obligations currently outstanding are reported below.

| <u>Purpose</u> | <u>Date Issued</u> | <u>Interest Rate</u> | <u>Final Maturity</u> | <u>Original Amount</u> | <u>Balance at June 30, 2007</u> |
|-----------------------------------|--------------------|----------------------|-----------------------|------------------------|---------------------------------|
| Construction and improvements (1) | 02/01/87 | 6.25% | 12/01/10 | \$37,000,000 | \$6,440,000 |
| Construction and improvements (2) | 03/15/01 | 5.00% | 12/01/10 | 99,534,632 | 10,081,777 |
| Advance Bond Refunding (3) | 04/07/04 | 3.72% | 12/01/22 | 49,970,687 | 48,772,938 |
| Advance Bond Refunding (4) | 12/14/06 | 4.13% | 12/01/27 | 48,365,000 | 48,796,509 |
| | | | | | <u><u>\$114,091,224</u></u> |

- (1) Constructed new middle school and two new elementary schools. Also completed major renovations at both high schools, one middle school and one elementary school.
- (2) Constructed new high school and two new elementary schools. Also, for an addition at one middle school, renovations at all other school buildings and the purchase of land.
- (3) Refunded portions of bonds previously issued on 9/15/95, 8/01/96 and 3/15/01.
- (4) Refunded portions of bonds previously issued on 3/15/01.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds (principal amount does not include accumulated accretion of \$2,520,128):

| <u>Year ending June 30,</u> | <u>Interest rates</u> | <u>Principal</u> | <u>Interest</u> |
|-----------------------------|-----------------------|------------------|-----------------|
| 2008 | 3.70—6.25 | \$5,375,000 | \$5,103,604 |
| 2009 | 3.70—6.25 | 5,114,138 | 5,260,024 |
| 2010 | 3.70—6.25 | 6,443,235 | 5,073,810 |
| 2011 | 3.70—6.25 | 4,902,242 | 5,748,151 |
| 2012 | 3.70—6.25 | 2,654,968 | 5,787,263 |
| 2013-2017 | 3.70—6.25 | 24,335,000 | 17,361,531 |
| 2018-2022 | 3.70—6.25 | 28,735,000 | 10,900,734 |
| 2023-2027 | 3.70—6.25 | 27,560,000 | 4,826,413 |
| 2028 | 3.70—6.25 | 6,020,000 | 150,500 |
| Total | | \$111,139,583 | \$60,212,030 |

The ORC provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The ORC further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District.

The total voted and non-voted non-exempt debt of the District that could be issued subject to the 9% limitation described above is \$226,067,133. The total District debt (including the Bonds) subject to this limitation is \$111,139,583. The total District unvoted debt that could be issued subject to the 1/10 of 1% limitation is \$2,511,857. The District has no debt subject to such limitation, leaving \$2,511,857 available for unvoted debt. Including the balance in the Debt Service Fund at June 30, 2007, the effects of these debt limitations at June 30, 2007 are a voted debt margin of \$123,682,859 and an unvoted debt margin of \$2,511,857.

The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with the Westerville Public Library (the Library). As of June 30, 2007, the District and the Library have complied with the requirement that unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value.

In the opinion of management, the District has complied with all bond covenants.

In April 2004, the District issued \$47,764,714 of general obligation refunding bonds, Series 2004 with interest rates ranging from 2% to 5% (maturing from December 2004 through December 2022) to advance refund a portion of the District's outstanding general obligation bonds. This issue included an additional \$2,205,973 in capital appreciation bonds, Series 2004, with a stated interest rate ranging from 10.63% to 29.25% (maturing from December 2007 through December 2011). The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2007, \$28,410,000 of the bonds remain outstanding.

In December 2006, the District issued \$48,365,000 of general obligation refunding bonds, Series 2006 with interest rates ranging from 4% to 5% (maturing from December 2009 through December 2027) to advance refund a portion of the District's outstanding general obligation bonds. The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2007, \$48,875,000 of the bonds are considered defeased. The transaction resulted in an economic gain of \$3,017,687 and a reduction of \$5,992,542 in future debt payments.

Payments of compensated absences are recorded as expenditures in the General Fund, except for those of food service employees, which are recorded in the Food Service - Enterprise Fund.

In 2005, the District offered an Early Retirement Incentive to the Administration and Certificated staff. If fifty (50) qualified bargaining unit members submitted their letters of intent to retire on or before April 15 of the respective school year an incentive of \$40,000 would be paid to each member. A qualified member was defined as eligible to retire under STRS guidelines and had not retired as of the effective day of the agreement. The incentive would be paid in two equal installments in the 2nd payroll in July 2006 and 2007. As a result the District will make payments of \$860,000 on July 20, 2007 from the General Fund.

The following changes occurred in long-term liabilities during the year:

| | Balance at | | | Balance at | | Amounts Due |
|-------------------------------------|----------------------|---------------------|---------------------|----------------------|--------------------|-------------|
| <i>Governmental Activities</i> | <u>June 30, 2006</u> | <u>Increase</u> | <u>Decrease</u> | <u>June 30, 2007</u> | <u>In One Year</u> | |
| General Obligation Bonds | \$119,287,045 | \$51,874,047 | \$57,069,870 | \$114,091,224 | \$5,375,000 | |
| Special Termination Benefits | 860,000 | - | - | 860,000 | 860,000 | |
| Compensated Absences | <u>9,060,182</u> | <u>1,610,477</u> | <u>697,762</u> | <u>\$9,972,897</u> | <u>1,042,767</u> | |
| Total Governmental Activities | <u>\$129,207,227</u> | <u>\$53,484,524</u> | <u>\$57,767,632</u> | <u>\$124,924,121</u> | <u>\$7,277,767</u> | |
| <i>Business-Type Activities</i> | | | | | | |
| Compensated Absences | <u>\$202,589</u> | <u>\$6,510</u> | <u>\$7,558</u> | <u>\$201,541</u> | <u>\$4,980</u> | |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(10) SET ASIDE CALCULATIONS AND FUND RESERVES

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

The set aside money requirement for budget stabilization to help protect against cyclical changes in revenues and expenditures was rescinded in fiscal year 2001. In fiscal year 2004 the Board decided to utilize a portion of the HB412 reserve as allowable by state law. They may in the future decide to eliminate the remainder of this reserve.

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

| | <u>Textbook Reserve</u> | <u>Capital Maintenance Reserve</u> | <u>Budget Stabilization Reserve</u> |
|---|-----------------------------|--|---|
| Balance, July 1, 2006 | \$- | \$- | \$536,933 |
| Required Set-Aside | 2,110,429 | 2,110,429 | - |
| Qualifying Expenditures | (1,976,099) | (6,007,949) | - |
| Total | \$134,330 | (\$3,897,520) | \$536,933 |
| Balance Carried Forward at June 30, 2007 | \$134,330 | \$- | \$536,933 |

(11) BUDGET BASIS OF ACCOUNTING

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

| Net Change in Fund Balance | |
|----------------------------|-------------------------------|
| GAAP basis | <u>General</u> \$6,680,471 |
| Increase (decrease): | |
| Due to revenues | (6,633,315) |
| Due to expenditures | 1,119,214 |
| Due to encumbrances | (746,540) |
| Budget basis | \$419,830 |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(12) EMPLOYEE RETIREMENT SYSTEMS

(a) *School Employees Retirement System*

Plan Description—All noncertified District employees participate in the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

Funding Policy—Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% for employers of annual covered payroll. 10.68% was the portion used to fund pension obligations at June 30, 2007. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The contribution requirements for the years ended June 30, 2007, 2006 and 2005 from the District were \$1,678,035, \$1,612,243 and \$1,463,311 respectively. \$937,043, representing the unpaid contribution for fiscal year 2007, is recorded as a liability.

(b) *State Teachers Retirement System*

Plan Description and Provisions—The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides basic retirement and disability benefits, annual cost-of living adjustment, and death and survivor benefits to members and beneficiaries. STRS issues a stand-alone financial report that may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090, or by visiting the STRS Ohio 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 or a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions earned and interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Benefits are established by Chapter 3307 of the Ohio Revised Code.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the Defined Benefit Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to member's beneficiaries.

Plan members are required to contribute 10% of their annual covered salaries. The District is required to contribute 14%; 13% was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's contribution requirement for the years ended June 30, 2007, 2006 and 2005 was \$8,175,566, \$7,773,976 and \$7,548,542 respectively. \$1,445,000, representing the unpaid contribution for fiscal year 2007, is recorded as a liability.

(13) POSTEMPLOYMENT BENEFITS

(a) SERS

The ORC gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with 10 or more years of qualifying service credit, and disability and survivor benefit recipients. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 2007, the allocation rate is 3.32%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 2007, the minimum pay has been established as \$35,800. For the District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$835,405. The surcharge rate, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. Net health care costs for the year ending June 30, 2006 (the latest information available) were \$158,751,207. The target level for the health care fund is 150% of the projected claims less premium contributions for the next fiscal year. As of June 30, 2006, the value of the health care fund was \$295.6 million, which is about 221% of the next year's projected net healthcare costs. On the basis of actuarial projections, the allocated contributions will be insufficient, in the long term, to provide for a health care reserve equal to at

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

least 150% of the estimated annual net claim costs. The number of participants eligible to receive benefits is 59,492.

(b) *STRS Ohio*

STRS Ohio provides access to health care coverage to retirees who participated in the Defined Benefit or Combined Plans and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium.

The ORC grants authority to STRS Ohio to provide health care coverage to eligible benefit recipients, spouses and dependents. By Ohio law, health care benefits are not guaranteed and the cost of coverage paid from STRS Ohio funds shall be included in the employer contribution rate, currently 14% of covered payroll. The Board allocates employer contributions to the Health Care Stabilization Fund. For the fiscal year ended June 30, 2007, the STRS Board allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. For the District, this amount equaled \$628,886 for fiscal year 2007.

STRS pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the year ended June 30, 2006, net health care costs paid by STRS were \$282.7 million and STRS had 119,184 eligible benefit recipients.

(14) CONTINGENCIES

(a) *Grants*

The federal and state grants remain subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based upon prior experience, the District believes such disallowances, if any, would be immaterial.

(b) *Litigation*

There are currently a few matters in litigation with the District as a defendant. It is the opinion of management that the potential claims against the District not covered by insurance would not materially affect the financial statements.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

(15) JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Educational Council (MEC) – The District is a participant in MEC. MEC is an association of public school districts within the boundaries of Franklin, Delaware, Union, Pickaway, Madison and Fairfield counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The governing board of MEC consists of one representative of each of the member districts. Financial information can be obtained from Sue Ward, who serves as fiscal officer, at 2100 City Gate Drive, Columbus, Ohio 43219-3591.

(16) RELATED ORGANIZATION

The Westerville School District Library is a political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by Board of Trustees appointed by the Westerville City School District Board of Education. The Board of Trustees possesses its own contracting and budgetary authority, hires and fires personnel and does not depend on the School District for operating subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the tax rate and purpose are discretionary decisions made solely by the Board of Trustees. Financial information may be obtained from the Westerville School District Library at 126 South State Street, Westerville, Ohio 43081.

(17) RISK MANAGEMENT

For fiscal year 2007, the District was enrolled in the retrospective rating plan for worker's compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

Employers who have a consistent claims history and proven safety practices will benefit most from the retrospective rating. The employer can customize the retrospective rating plan to control the amount of risk assumed and the potential savings by selecting the maximum premium and claims costs they are willing to pay. Employers may benefit from retrospective rating because of lower initial premiums and realized cash flow advantages, which increase as premiums are saved.

The District retains a balance in the Internal Service - Self Insurance Fund in the event the District ever returns to a self insurance plan for health and dental benefits.

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. The District contracts with an insurance carrier for property insurance and general liability insurance. Professional liability is protected by a \$1,000,000 single occurrence limit, \$3,000,000 aggregate limit and no deductible. Vehicles are also covered and have a \$500 deductible for comprehensive and a \$1,000 deductible for collision. Automotive liability

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2007

has a \$1,000,000 combined single limit of liability. Settlements have not exceeded coverage in any of the last three years, and there has been no reduction in coverage from the prior years.

Post employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 13. As such, no funding is required by the District.

The District provides life insurance and accidental death and dismemberment insurance to all employees in an amount related to the employee's position, ranging from \$30,000 to \$291,000.

Westerville City School District

Westerville, Ohio



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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain other long-term obligations from governmental resources when the District is obligated in some manner for the payment.

Permanent Improvement Fund

A fund provided to account for transactions related to the acquiring, constructing or improving of permanent improvements and the purchase of textbooks and computers as are authorized by Section 5705, Ohio Revised Code.

Building Fund

A fund used to account for the receipts and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring and constructing capital facilities including real property.

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2007**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--------------------------------------|----------------------------|-------------------------|---------------------|---|
| Debt Service Fund | | | | |
| Total Revenue and Other Sources | \$ 11,473,622 | \$ 61,957,678 | \$ 61,957,678 | \$ - |
| Total Expenditures and Other Uses | <u>10,932,070</u> | <u>61,948,463</u> | <u>61,774,095</u> | <u>174,368</u> |
| Net Change in Fund Balance | 541,552 | 9,215 | 183,583 | 174,368 |
| Fund Balance, July 1 | <u>5,520,065</u> | <u>5,520,065</u> | <u>5,520,065</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 6,061,617</u> | <u>\$ 5,529,280</u> | <u>\$ 5,703,648</u> | <u>\$ 174,368</u> |
| Permanent Improvement Fund | | | | |
| Total Revenue and Other Sources | \$ 6,644,164 | \$ 5,998,680 | \$ 5,998,680 | \$ - |
| Total Expenditures and Other Uses | <u>7,464,775</u> | <u>9,365,765</u> | <u>6,932,161</u> | <u>2,433,604</u> |
| Net Change in Fund Balance | (820,611) | (3,367,085) | (933,481) | 2,433,604 |
| Fund Balance, July 1 | 3,530,277 | 3,530,277 | 3,530,277 | - |
| Prior Year Encumbrances Appropriated | <u>719,614</u> | <u>719,614</u> | <u>719,614</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 3,429,280</u> | <u>\$ 882,806</u> | <u>\$ 3,316,410</u> | <u>\$ 2,433,604</u> |
| Building Fund | | | | |
| Total Revenue and Other Sources | \$ 796,534 | \$ 74,815 | \$ 74,575 | \$ (240) |
| Total Expenditures and Other Uses | <u>2,516,464</u> | <u>1,787,636</u> | <u>291,923</u> | <u>1,495,713</u> |
| Net Change in Fund Balance | (1,719,930) | (1,712,821) | (217,348) | 1,495,473 |
| Fund Balance, July 1 | 1,712,294 | 1,712,294 | 1,712,294 | - |
| Prior Year Encumbrances Appropriated | <u>7,636</u> | <u>7,636</u> | <u>7,636</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ 7,109</u> | <u>\$ 1,502,582</u> | <u>\$ 1,495,473</u> |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Other Governmental Funds

Other Governmental Funds are established to account for revenues from specific sources, which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the District's Other Governmental Funds follows:

Public School Support – This fund is provided to account for specific extra-curricular revenue sources, other than taxes (i.e. profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

Other Local – This fund is used to account for the proceeds of specific revenue sources except state and federal grants that are legally restricted to expenditures for specified purposes.

District Managed – This fund is provided to account for those student activity programs that have student participation in the activity, but do not have student management of the programs. This fund would usually include athletic programs but could also include band, cheerleaders, and other similar types of activities.

Auxiliary Services – This fund is provided to account for State of Ohio monies that provide services and materials to pupils attending non-public schools within the District.

Management Information System – This fund is provided to account for monies received from the State of Ohio for expenses associated with implementation of the requirements of the Educational Management Information System (EMIS).

Entry Year Programs – This fund is used to account for monies received from the State of Ohio to implement entry-year programs pursuant to Section 3317.024(T) of the Revised Code.

Data Communications – This fund is provided to account for monies received from the State of Ohio for expenses supporting the establishment, maintenance and upgrade of data communication links from the schools to the Metropolitan Educational Council, data acquisition site, and further to the Ohio Department of Education.

School Net Professional Development – This fund is used to account for monies received from the State of Ohio for expenses supporting the professional development of teaching staff with regard to technology issues.

Ohio Reads – This fund is used to account for monies received from the State of Ohio for the purpose of implementing community involvement with students in the elementary grades to supplement and enhance the reading proficiency of students.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Alternative Schools – A fund used to account for monies received from the State of Ohio for alternative educational programs for existing and new at-risk and delinquent youth.

Poverty Based Assistance – A fund used to for monies received through the State of Ohio Foundation program for intervention programs for low income students.

Miscellaneous State – This fund is used to account for various monies received from the State of Ohio that are not classified elsewhere.

IDEA, Part B – This fund is provided to account for Federal monies which assist states in providing an appropriate public education to all children with disabilities.

Vocational Education: Carl D. Perkins – This fund is provided to account for Federal monies received for expenses relating to the development of secondary vocational educational programs.

Title III – This fund is used to account for Federal monies to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Transition Program for Refugee Children – This fund is used to account for Federal monies to provide educational services to meet educational needs of refugee children who are enrolled in public elementary and secondary schools.

Title I – This fund is used to account for Federal monies to provide Local educational agencies to meet the special needs of educationally deprived children.

Title V – This fund is provided to account for Federal monies which assist Local educational agencies in the reform of elementary and secondary education. Funds may be used for various materials, technology, and projects implementing school improvement and parental involvement activities.

Title IV – This fund is provided to account for Federal monies to offer a disciplined environment conducive to learning, by preventing violence in and around schools and strengthen programs that prevent the illegal use of alcohol, tobacco and drugs, involve parents, and are coordinated with Federal, State, and community efforts and resources.

Preschool Handicapped – This fund is used to account for Federal monies which addresses the improvement and expansion of services for handicapped children ages three through five.

Title II-A – This fund is used to account for Federal monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal - This fund is used to account for various Federal monies that are not classified elsewhere.

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds
June 30, 2007**

| | Special Revenue | | | |
|--|--------------------------|------------------|---------------------|-----------------------|
| | Public School Support | Other Local | District Managed | Auxiliary Services |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 281,822 | \$ 20,894 | \$ 634,361 | \$ 196,546 |
| Receivables: | | | | |
| Intergovernmental | - | - | - | - |
| Total assets | 281,822 | 20,894 | 634,361 | 196,546 |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | 13,623 | 1,239 | 27,474 | 33,740 |
| Accrued wages and benefits | - | - | - | 67,816 |
| Due to other governments | - | - | 1,171 | 8,263 |
| Interfund loan payable | - | - | - | - |
| Total liabilities | 13,623 | 1,239 | 28,645 | 109,819 |
| <u>FUND BALANCES</u> | | | | |
| Fund balances (deficit): | | | | |
| Reserved for encumbrances | 4,294 | 2,366 | 26,922 | 79,867 |
| Unreserved | 263,905 | 17,289 | 578,794 | 6,860 |
| Total fund balances | 268,199 | 19,655 | 605,716 | 86,727 |
| Total Liabilities and Fund Balances | \$ 281,822 | \$ 20,894 | \$ 634,361 | \$ 196,546 |

Special Revenue

| Management Information Systems | Entry Year | Data Communications | School Net Professional Development | Ohio Reads | Alternative Schools |
|--------------------------------------|---------------|------------------------|---|-----------------|------------------------|
| \$ 1 | \$ - | \$ - | \$ - | \$ 8,500 | \$ 420 |
| <u>750</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>20,284</u> |
| <u>751</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,500</u> | <u>20,704</u> |
| 750 | - | - | - | 8,500 | - |
| - | - | - | - | - | 11,370 |
| - | - | - | - | - | 1,245 |
| - | - | - | - | - | - |
| <u>750</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,500</u> | <u>12,615</u> |
| - | - | - | - | - | - |
| <u>1</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,089</u> |
| <u>1</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>8,089</u> |
| <u>\$ 751</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,500</u> | <u>\$ 20,704</u> |

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2007**

| | Special Revenue | | | |
|--|--------------------------------|------------------------|------------|---|
| | Poverty Based Assistance | Miscellaneous State | IDEA - B | Vocational Education: Carl D. Perkins |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ - | \$ 22,843 | \$ 65,457 | \$ 9,969 |
| Receivables: | | | | |
| Intergovernmental | - | 1,511 | 322,032 | - |
| Total assets | - | 24,354 | 387,489 | 9,969 |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | - | 14,300 | 53,692 | 783 |
| Accrued wages and benefits | - | - | 178,684 | - |
| Due to other governments | - | - | 31,966 | - |
| Interfund loan payable | - | 10,054 | 34,144 | - |
| Total liabilities | - | 24,354 | 298,486 | 783 |
| <u>FUND BALANCES</u> | | | | |
| Fund balances (deficit): | | | | |
| Reserved for encumbrances | - | 8,454 | 11,732 | 9,186 |
| Unreserved | - | (8,454) | 77,271 | - |
| Total fund balances | - | - | 89,003 | 9,186 |
| Total Liabilities and Fund Balances | \$ - | \$ 24,354 | \$ 387,489 | \$ 9,969 |

Special Revenue

| Title III | Transition Program for Refugee Children | Title I | Title V | Title IV | Preschool Handicapped |
|-------------------------|--|-------------------------|-------------------------|------------------------|--------------------------|
| \$ 129 | \$ - | \$ 10,888 | \$ 8,526 | \$ 478 | \$ 2 |
| <u>61,370</u> | <u>491</u> | <u>76,768</u> | <u>7,460</u> | <u>1,379</u> | <u>6,214</u> |
| <u><u>61,499</u></u> | <u><u>491</u></u> | <u><u>87,656</u></u> | <u><u>15,986</u></u> | <u><u>1,857</u></u> | <u><u>6,216</u></u> |
| - | - | 1,929 | 4,950 | - | - |
| 41,546 | - | 70,747 | - | 1,119 | 4,215 |
| 4,693 | 491 | 9,959 | - | 737 | 933 |
| <u>9,987</u> | <u>-</u> | <u>5,020</u> | <u>9,739</u> | <u>-</u> | <u>682</u> |
| <u>56,226</u> | <u>491</u> | <u>87,655</u> | <u>14,689</u> | <u>1,856</u> | <u>5,830</u> |
| - | - | 8,958 | 3,577 | - | - |
| <u>5,273</u> | <u>-</u> | <u>(8,957)</u> | <u>(2,280)</u> | <u>1</u> | <u>386</u> |
| <u>5,273</u> | <u>-</u> | <u>1</u> | <u>1,297</u> | <u>1</u> | <u>386</u> |
| <u><u>\$ 61,499</u></u> | <u><u>\$ 491</u></u> | <u><u>\$ 87,656</u></u> | <u><u>\$ 15,986</u></u> | <u><u>\$ 1,857</u></u> | <u><u>\$ 6,216</u></u> |

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2007**

| | Special Revenue | | Total Other Governmental Funds |
|--|------------------|--------------------------|--------------------------------------|
| | Title II-A | Miscellaneous Federal | |
| <u>ASSETS</u> | | | |
| Cash and investments | \$ 31,726 | \$ 1,888 | \$ 1,294,450 |
| Receivables: | | | |
| Intergovernmental | 37,451 | 2,748 | 538,458 |
| Total assets | 69,177 | 4,636 | 1,832,908 |
| <u>LIABILITIES</u> | | | |
| Accounts payable | 29,953 | - | 190,933 |
| Accrued wages and benefits | 21,854 | - | 397,351 |
| Due to other governments | 2,645 | 368 | 62,471 |
| Interfund loan payable | 12,677 | 2,584 | 84,887 |
| Total liabilities | 67,129 | 2,952 | 735,642 |
| <u>FUND BALANCES</u> | | | |
| Fund balances (deficit): | | | |
| Reserved for encumbrances | 1,772 | 1,883 | 159,011 |
| Unreserved | 276 | (199) | 938,255 |
| Total fund balances | 2,048 | 1,684 | 1,097,266 |
| Total Liabilities and Fund Balances | \$ 69,177 | \$ 4,636 | \$ 1,832,908 |

Westerville City School District

Westerville, Ohio



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Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2007

| | Special Revenue | | | |
|-----------------------------|--------------------------|------------------|---------------------|-----------------------|
| | Public School Support | Other Local | District Managed | Auxiliary Services |
| REVENUES | | | | |
| Extra-curricular | \$ 265,501 | \$ - | \$ 953,699 | \$ - |
| Investment income | - | - | - | 16,187 |
| Other local sources | - | 41,570 | - | - |
| Intergovernmental - State | - | - | - | 735,898 |
| Intergovernmental - Federal | - | - | - | - |
| Other revenue | 66,251 | - | 89,585 | - |
| Total revenues | 331,752 | 41,570 | 1,043,284 | 752,085 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular | 287 | 20,436 | - | - |
| Special | - | 5,847 | - | - |
| Vocational | - | - | - | - |
| Other | - | 6,608 | - | - |
| Support services | | | | |
| Pupils | 366,732 | - | - | - |
| Staff | - | 1,389 | - | - |
| School administration | - | - | - | - |
| Fiscal administration | - | - | - | 22,590 |
| Operation & maintenance | - | 400 | - | - |
| Student transportation | - | 245 | - | - |
| Central services | - | - | - | - |
| Community services | - | 1,232 | - | 843,344 |
| Food Services | - | 3,000 | - | - |
| Extra-curricular | 4,700 | - | 896,206 | - |
| Acquisition & construction | - | 3,000 | - | - |
| Total expenditures | 371,719 | 42,157 | 896,206 | 865,934 |
| Net change in fund balances | (39,967) | (587) | 147,078 | (113,849) |
| Fund balances, July 1 | 308,166 | 20,242 | 458,638 | 200,576 |
| Fund balances, June 30 | <u>\$ 268,199</u> | <u>\$ 19,655</u> | <u>\$ 605,716</u> | <u>\$ 86,727</u> |

Special Revenue

| Management Information Systems | Entry Year | Data Communications | School Net Professional Development | Ohio Reads | Alternative Schools |
|--------------------------------------|---------------|------------------------|---|---------------|------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 48,339 | 28,150 | 69,000 | - | 32,000 | 82,024 |
| - | - | - | - | - | - |
| <u>48,339</u> | <u>28,150</u> | <u>69,000</u> | <u>-</u> | <u>32,000</u> | <u>82,024</u> |
| - | - | - | - | - | 55,460 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 18,585 |
| - | 28,150 | - | 1,000 | 32,000 | 2,414 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 49,988 | - | 69,000 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>49,988</u> | <u>28,150</u> | <u>69,000</u> | <u>1,000</u> | <u>32,000</u> | <u>76,459</u> |
| (1,649) | - | - | (1,000) | - | 5,565 |
| 1,650 | - | - | 1,000 | - | 2,524 |
| <u>\$ 1</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 8,089</u> |

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2007

| | Special Revenue | | | |
|-----------------------------|--------------------------------|------------------------|------------------|---|
| | Poverty Based Assistance | Miscellaneous State | IDEA - B | Vocational Education: Carl D. Perkins |
| REVENUES | | | | |
| Extra-curricular | \$ - | \$ - | \$ - | \$ - |
| Investment income | - | - | - | - |
| Other local sources | - | - | - | - |
| Intergovernmental - State | 92,565 | 44,140 | - | - |
| Intergovernmental - Federal | - | - | 2,599,293 | 118,450 |
| Other revenue | - | - | - | - |
| Total revenues | 92,565 | 44,140 | 2,599,293 | 118,450 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | | | | |
| Regular | - | - | 281 | - |
| Special | - | 36,627 | 1,077,587 | - |
| Vocational | - | 1,522 | - | 87,979 |
| Other | 92,565 | - | 283,754 | - |
| Support services | | | | |
| Pupils | - | - | 701,931 | - |
| Staff | - | 5,991 | 27,218 | 29,762 |
| School administration | - | - | 318,636 | - |
| Fiscal administration | - | - | - | - |
| Operation & maintenance | - | - | - | - |
| Student transportation | - | - | 17,588 | 7,674 |
| Central services | - | - | - | - |
| Community services | - | - | 118,335 | - |
| Food Services | - | - | - | - |
| Extra-curricular | - | - | - | - |
| Acquisition & construction | - | - | - | - |
| Total expenditures | 92,565 | 44,140 | 2,545,330 | 125,415 |
| Net change in fund balances | - | - | 53,963 | (6,965) |
| Fund balances, July 1 | - | - | 35,040 | 16,151 |
| Fund balances, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 89,003</u> | <u>\$ 9,186</u> |

Special Revenue

| Title III | Transition Program for Refugee Children | Title I | Title V | Title IV | Preschool Handicapped |
|-----------------|--|----------------|-----------------|---------------|--------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 272,352 | 8,788 | 569,924 | 37,263 | 31,305 | 41,950 |
| - | - | - | - | - | - |
| <u>272,352</u> | <u>8,788</u> | <u>569,924</u> | <u>37,263</u> | <u>31,305</u> | <u>41,950</u> |
| - | - | - | - | 137 | - |
| 235,172 | 8,788 | 508,005 | - | - | 27,648 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 11,661 | 15,691 |
| 35,566 | - | 71,516 | 38,583 | 18,873 | 500 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | 154 | - |
| - | - | - | - | - | - |
| - | - | 6,824 | 3,779 | 481 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>270,738</u> | <u>8,788</u> | <u>586,345</u> | <u>42,362</u> | <u>31,306</u> | <u>43,839</u> |
| 1,614 | - | (16,421) | (5,099) | (1) | (1,889) |
| 3,659 | - | 16,422 | 6,396 | 2 | 2,275 |
| <u>\$ 5,273</u> | <u>\$ -</u> | <u>\$ 1</u> | <u>\$ 1,297</u> | <u>\$ 1</u> | <u>\$ 386</u> |

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2007

| | <u>Special Revenue</u> | | Total Other Governmental Funds |
|-----------------------------|------------------------|--------------------------|--------------------------------------|
| | Title II-A | Miscellaneous Federal | |
| <u>REVENUES</u> | | | |
| Extra-curricular | \$ - | \$ - | \$ 1,219,200 |
| Investment income | - | - | 16,187 |
| Other local sources | - | - | 41,570 |
| Intergovernmental - State | - | - | 1,132,116 |
| Intergovernmental - Federal | 325,527 | 12,766 | 4,017,618 |
| Other revenue | - | - | 155,836 |
| Total revenues | <u>325,527</u> | <u>12,766</u> | <u>6,582,527</u> |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| Instruction | | | |
| Regular | 147,022 | 17,921 | 241,544 |
| Special | - | (110) | 1,899,564 |
| Vocational | - | 2,711 | 92,212 |
| Other | - | - | 382,927 |
| Support services | | | |
| Pupils | - | - | 1,114,600 |
| Staff | 184,362 | 36,559 | 513,883 |
| School administration | - | (3,096) | 315,540 |
| Fiscal administration | - | - | 22,590 |
| Operation & maintenance | - | - | 400 |
| Student transportation | - | 2,347 | 28,008 |
| Central services | - | - | 118,988 |
| Community services | 4,124 | - | 978,119 |
| Food Services | - | - | 3,000 |
| Extra-curricular | - | - | 900,906 |
| Acquisition & construction | - | - | 3,000 |
| Total expenditures | <u>335,508</u> | <u>56,332</u> | <u>6,615,281</u> |
| Net change in fund balances | (9,981) | (43,566) | (32,754) |
| Fund balances, July 1 | 12,029 | 45,250 | 1,130,020 |
| Fund balances, June 30 | <u>\$ 2,048</u> | <u>\$ 1,684</u> | <u>\$ 1,097,266</u> |

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--------------------------------------|----------------------------|-------------------------|-------------------|---|
| Special Revenue | | | | |
| Public School Support | | | | |
| Total Revenue and Other Sources | \$ 400,000 | \$ 350,000 | \$ 332,515 | \$ (17,485) |
| Total Expenditures and Other Uses | <u>456,973</u> | <u>461,973</u> | <u>384,969</u> | <u>77,004</u> |
| Net Change in Fund Balance | (56,973) | (111,973) | (52,454) | 59,519 |
| Fund Balance, July 1 | 294,390 | 294,390 | 294,390 | - |
| Prior Year Encumbrances Appropriated | <u>21,973</u> | <u>21,973</u> | <u>21,973</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 259,390</u> | <u>\$ 204,390</u> | <u>\$ 263,909</u> | <u>\$ 59,519</u> |
| | | | | |
| Other Local | | | | |
| Total Revenue and Other Sources | \$ 33,000 | \$ 41,600 | \$ 41,570 | \$ (30) |
| Total Expenditures and Other Uses | <u>52,878</u> | <u>63,094</u> | <u>45,773</u> | <u>17,321</u> |
| Net Change in Fund Balance | (19,878) | (21,494) | (4,203) | 17,291 |
| Fund Balance, July 1 | 18,616 | 18,616 | 18,616 | - |
| Prior Year Encumbrances Appropriated | <u>2,878</u> | <u>2,878</u> | <u>2,878</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 1,616</u> | <u>\$ -</u> | <u>\$ 17,291</u> | <u>\$ 17,291</u> |
| | | | | |
| District Managed | | | | |
| Total Revenue and Other Sources | \$ 1,085,000 | \$ 1,045,000 | \$ 1,043,718 | \$ (1,282) |
| Total Expenditures and Other Uses | <u>1,188,973</u> | <u>1,108,973</u> | <u>981,993</u> | <u>126,980</u> |
| Net Change in Fund Balance | (103,973) | (63,973) | 61,725 | 125,698 |
| Fund Balance, July 1 | 464,271 | 464,271 | 464,271 | - |
| Prior Year Encumbrances Appropriated | <u>53,973</u> | <u>53,973</u> | <u>53,973</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 414,271</u> | <u>\$ 454,271</u> | <u>\$ 579,969</u> | <u>\$ 125,698</u> |

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|---------------------------------------|----------------------------|-------------------------|------------------|---|
| Auxilliary Services | | | | |
| Total Revenue and Other Sources | \$ 740,000 | \$ 752,158 | \$ 752,086 | \$ (72) |
| Total Expenditures and Other Uses | <u>994,810</u> | <u>1,010,343</u> | <u>927,330</u> | <u>83,013</u> |
| Net Change in Fund Balance | (254,810) | (258,185) | (175,244) | 82,941 |
| Fund Balance, July 1 | 169,392 | 169,392 | 169,392 | - |
| Prior Year Encumbrances Appropriated | <u>88,793</u> | <u>88,793</u> | <u>88,793</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 3,375</u> | <u>\$ -</u> | <u>\$ 82,941</u> | <u>\$ 82,941</u> |
| Management Information Systems | | | | |
| Total Revenue and Other Sources | \$ 47,215 | \$ 47,589 | \$ 47,589 | \$ - |
| Total Expenditures and Other Uses | <u>51,133</u> | <u>51,507</u> | <u>51,507</u> | <u>-</u> |
| Net Change in Fund Balance | (3,918) | (3,918) | (3,918) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>3,918</u> | <u>3,918</u> | <u>3,918</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Entry Year | | | | |
| Total Revenue and Other Sources | \$ 44,100 | \$ 28,150 | \$ 28,150 | \$ - |
| Total Expenditures and Other Uses | <u>46,600</u> | <u>30,650</u> | <u>30,650</u> | <u>-</u> |
| Net Change in Fund Balance | (2,500) | (2,500) | (2,500) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>2,500</u> | <u>2,500</u> | <u>2,500</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|----------------------------|-------------------------|---------------|---|
| Data Communications | | | | |
| Total Revenue and Other Sources | \$ 69,000 | \$ 69,000 | \$ 69,000 | \$ - |
| Total Expenditures and Other Uses | <u>69,000</u> | <u>69,000</u> | <u>69,000</u> | <u>-</u> |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| School Net Professional Development | | | | |
| Total Revenue and Other Sources | \$ 6,300 | \$ - | \$ - | \$ - |
| Total Expenditures and Other Uses | <u>12,600</u> | <u>6,300</u> | <u>6,300</u> | <u>-</u> |
| Net Change in Fund Balance | (6,300) | (6,300) | (6,300) | - |
| Fund Balance, July 1 | 1,000 | 1,000 | 1,000 | - |
| Prior Year Encumbrances Appropriated | <u>5,300</u> | <u>5,300</u> | <u>5,300</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Ohio Reads | | | | |
| Total Revenue and Other Sources | \$ 32,000 | \$ 32,000 | \$ 32,000 | \$ - |
| Total Expenditures and Other Uses | <u>38,000</u> | <u>38,000</u> | <u>38,000</u> | <u>-</u> |
| Net Change in Fund Balance | (6,000) | (6,000) | (6,000) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>6,000</u> | <u>6,000</u> | <u>6,000</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--------------------------------------|----------------------------|-------------------------|----------------------|---|
| Alternative Schools | | | | |
| Total Revenue and Other Sources | \$ 87,294 | \$ 87,726 | \$ 74,899 | \$ (12,827) |
| Total Expenditures and Other Uses | <u>89,220</u> | <u>89,652</u> | <u>76,405</u> | <u>13,247</u> |
| Net Change in Fund Balance | (1,926) | (1,926) | (1,506) | 420 |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>1,926</u> | <u>1,926</u> | <u>1,926</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 420</u></u> | <u><u>\$ 420</u></u> |
| Poverty Based Assistance | | | | |
| Total Revenue and Other Sources | \$ 28,912 | \$ 92,565 | \$ 92,565 | \$ - |
| Total Expenditures and Other Uses | <u>28,912</u> | <u>92,565</u> | <u>92,565</u> | <u>-</u> |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| Miscellaneous State | | | | |
| Total Revenue and Other Sources | \$ 5,600 | \$ 55,683 | \$ 52,683 | \$ (3,000) |
| Total Expenditures and Other Uses | <u>5,600</u> | <u>55,683</u> | <u>52,594</u> | <u>3,089</u> |
| Net Change in Fund Balance | - | - | 89 | 89 |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 89</u></u> | <u><u>\$ 89</u></u> |

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|----------------------------|-------------------------|------------------|---|
| IDEA-B | | | | |
| Total Revenue and Other Sources | \$ 2,812,922 | \$ 2,812,923 | \$ 2,525,035 | \$ (287,888) |
| Total Expenditures and Other Uses | <u>2,851,504</u> | <u>2,874,869</u> | <u>2,586,950</u> | <u>287,919</u> |
| Net Change in Fund Balance | (38,582) | (61,946) | (61,915) | 31 |
| Fund Balance, July 1 | 58,364 | 58,364 | 58,364 | - |
| Prior Year Encumbrances Appropriated | <u>3,582</u> | <u>3,582</u> | <u>3,582</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ 23,364</u> | <u>\$ -</u> | <u>\$ 31</u> | <u>\$ 31</u> |
| | | | | |
| Vocational Education: Carl D. Perkins | | | | |
| Total Revenue and Other Sources | \$ 115,000 | \$ 118,450 | \$ 118,450 | \$ - |
| Total Expenditures and Other Uses | <u>151,540</u> | <u>154,990</u> | <u>154,990</u> | <u>-</u> |
| Net Change in Fund Balance | (36,540) | (36,540) | (36,540) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>36,540</u> | <u>36,540</u> | <u>36,540</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| | | | | |
| Title III | | | | |
| Total Revenue and Other Sources | \$ 191,699 | \$ 300,474 | \$ 249,091 | \$ (51,383) |
| Total Expenditures and Other Uses | <u>191,699</u> | <u>300,474</u> | <u>248,960</u> | <u>51,514</u> |
| Net Change in Fund Balance | - | - | 131 | 131 |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 131</u> | <u>\$ 131</u> |

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--|----------------------------|-------------------------|--------------------|---|
| Transition Program for Refugee Children | | | | |
| Total Revenue and Other Sources | \$ 8,500 | \$ 9,067 | \$ 9,067 | \$ - |
| Total Expenditures and Other Uses | <u>8,500</u> | <u>9,067</u> | <u>9,067</u> | <u>-</u> |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| | | | | |
| Title I | | | | |
| Total Revenue and Other Sources | \$ 704,428 | \$ 683,627 | \$ 586,702 | \$ (96,925) |
| Total Expenditures and Other Uses | <u>724,972</u> | <u>704,171</u> | <u>607,246</u> | <u>96,925</u> |
| Net Change in Fund Balance | (20,544) | (20,544) | (20,544) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>20,544</u> | <u>20,544</u> | <u>20,544</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| | | | | |
| Title V | | | | |
| Total Revenue and Other Sources | \$ 45,582 | \$ 45,583 | \$ 43,542 | \$ (2,041) |
| Total Expenditures and Other Uses | <u>54,315</u> | <u>54,316</u> | <u>52,275</u> | <u>2,041</u> |
| Net Change in Fund Balance | (8,733) | (8,733) | (8,733) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>8,733</u> | <u>8,733</u> | <u>8,733</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative)</u> |
|--------------------------------------|----------------------------|-------------------------|----------------------|---|
| Title IV | | | | |
| Total Revenue and Other Sources | \$ 35,037 | \$ 35,037 | \$ 33,013 | \$ (2,024) |
| Total Expenditures and Other Uses | <u>35,328</u> | <u>35,328</u> | <u>32,827</u> | <u>2,501</u> |
| Net Change in Fund Balance | (291) | (291) | 186 | 477 |
| Fund Balance, July 1 | 291 | 291 | 291 | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 477</u></u> | <u><u>\$ 477</u></u> |
| | | | | |
| Preschool Handicapped | | | | |
| Total Revenue and Other Sources | \$ 51,920 | \$ 51,920 | \$ 46,887 | \$ (5,033) |
| Total Expenditures and Other Uses | <u>51,920</u> | <u>51,920</u> | <u>46,887</u> | <u>5,033</u> |
| Net Change in Fund Balance | - | - | - | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |
| | | | | |
| Title II-A | | | | |
| Total Revenue and Other Sources | \$ 451,983 | \$ 450,385 | \$ 347,651 | \$ (102,734) |
| Total Expenditures and Other Uses | <u>483,412</u> | <u>481,814</u> | <u>379,080</u> | <u>102,734</u> |
| Net Change in Fund Balance | (31,429) | (31,429) | (31,429) | - |
| Fund Balance, July 1 | - | - | - | - |
| Prior Year Encumbrances Appropriated | <u>31,429</u> | <u>31,429</u> | <u>31,429</u> | <u>-</u> |
| Fund Balance, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2007

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--------------------------------------|--------------------|-----------------|-----------|------------------------------------|
| Miscellaneous Federal | | | | |
| Total Revenue and Other Sources | \$ 83,817 | \$ 84,841 | \$ 84,676 | \$ (165) |
| Total Expenditures and Other Uses | 106,635 | 103,925 | 103,755 | 170 |
| Net Change in Fund Balance | (22,818) | (19,084) | (19,079) | 5 |
| Fund Balance, July 1 | 261 | 261 | 261 | - |
| Prior Year Encumbrances Appropriated | 18,823 | 18,823 | 18,823 | - |
| Fund Balance, June 30 | \$ (3,734) | \$ - | \$ 5 | \$ 5 |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods and services to the students on a continuing basis are financed or recovered primarily through user charges. A description of the District's Enterprise Funds follows:

Food Service – This fund is provided to account for financial transactions related to the District managed food service operation.

Uniform School Supplies – This fund is used to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District.

**Westerville City School District
Combining Statement of Net Assets
Enterprise Funds
As of June 30, 2007**

| | <u>Food Service</u> | <u>Uniform School Supplies</u> | <u>Total</u> |
|----------------------------------|-------------------------|--|-------------------|
| <u>ASSETS</u> | | | |
| Current assets: | | | |
| Cash and investments | \$ 331,639 | \$ 8,143 | \$ 339,782 |
| Receivables: | | | |
| Intergovernmental | 161,928 | - | 161,928 |
| Materials & supplies inventory | 56,533 | - | 56,533 |
| Total current assets | <u>550,100</u> | <u>8,143</u> | <u>558,243</u> |
| Non-current assets: | | | |
| Capital assets, net | 351,803 | - | 351,803 |
| Total assets | <u>901,903</u> | <u>8,143</u> | <u>910,046</u> |
| <u>LIABILITIES</u> | | | |
| Current liabilities: | | | |
| Accounts payable | 19,462 | 3,282 | 22,744 |
| Accrued wages and benefits | 149,238 | - | 149,238 |
| Compensated absences payable | 4,980 | - | 4,980 |
| Due to: | | | |
| Other governments | 206,425 | - | 206,425 |
| Total current liabilities | <u>380,105</u> | <u>3,282</u> | <u>383,387</u> |
| Non-current liabilities: | | | |
| Compensated absences payable | 196,561 | - | 196,561 |
| Total liabilities | <u>576,666</u> | <u>3,282</u> | <u>579,948</u> |
| <u>NET ASSETS</u> | | | |
| Invested in capital assets | 351,803 | - | 351,803 |
| Unrestricted | (26,566) | 4,861 | (21,705) |
| Total net assets | <u>\$ 325,237</u> | <u>\$ 4,861</u> | <u>\$ 330,098</u> |

Westerville City School District
Combining Statement of Revenues, Expenses and
Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year ended June 30, 2007

| | <u>Food Service</u> | <u>Uniform School Supplies</u> | <u>Total</u> |
|--------------------------------------|-------------------------|--|-------------------|
| <u>OPERATING REVENUES</u> | | | |
| Food service sales | \$ 2,690,501 | \$ - | \$ 2,690,501 |
| Class material fees | - | 251,988 | 251,988 |
| Other | 49,398 | 6,010 | 55,408 |
| Total operating revenues | <u>2,739,899</u> | <u>257,998</u> | <u>2,997,897</u> |
| <u>OPERATING EXPENSES</u> | | | |
| Wages and benefits | 2,023,158 | - | 2,023,158 |
| Purchased services | 81,386 | - | 81,386 |
| Materials and supplies | 1,795,217 | 276,304 | 2,071,521 |
| Depreciation | 44,595 | - | 44,595 |
| Other | 146,294 | - | 146,294 |
| Total operating expenses | <u>4,090,650</u> | <u>276,304</u> | <u>4,366,954</u> |
| Operating (loss) | (1,350,751) | (18,306) | (1,369,057) |
| <u>NON-OPERATING REVENUES</u> | | | |
| Grants: | | | |
| State sources | 33,278 | - | 33,278 |
| Federal sources | 1,093,279 | - | 1,093,279 |
| Investment income | 24,810 | - | 24,810 |
| Total non-operating revenues | <u>1,151,367</u> | <u>-</u> | <u>1,151,367</u> |
| Change in net assets | (199,384) | (18,306) | (217,690) |
| Net assets at beginning of year | <u>524,621</u> | <u>23,167</u> | <u>547,788</u> |
| Net assets at end of year | <u>\$ 325,237</u> | <u>\$ 4,861</u> | <u>\$ 330,098</u> |

Westerville City School District
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2007

| | Food Service | Uniform School Supplies | Total |
|---|-----------------------|-------------------------------|-----------------------|
| Cash flows from operating activities: | | | |
| Cash received from customers | \$ 2,690,501 | \$ 251,988 | \$ 2,942,489 |
| Cash payments for wages and benefits | (1,982,991) | - | (1,982,991) |
| Cash payments for purchased services | (81,386) | - | (81,386) |
| Cash payments for materials and supplies | (1,679,618) | (273,751) | (1,953,369) |
| Cash received for other revenues | 49,398 | 6,010 | 55,408 |
| Cash payments for other expenses | (146,294) | - | (146,294) |
| Net cash used for operating activities | (1,150,390) | (15,753) | (1,166,143) |
| Cash flows from noncapital financing activities: | | | |
| Cash flows from operating grants | 967,922 | - | 967,922 |
| Cash flows from capital financing activities: | | | |
| Purchase of capital assets | (133,342) | - | (133,342) |
| Cash flows from investing activities: | | | |
| Investment income | 24,810 | - | 24,810 |
| Net increase (decrease) in cash and investments | (291,000) | (15,753) | (306,753) |
| Cash and investments at beginning of year | 622,639 | 23,896 | 646,535 |
| Cash and investments at end of year | \$ 331,639 | \$ 8,143 | \$ 339,782 |
| Reconciliation of operating loss to net cash used for operating activities | | | |
| Operating loss | \$ (1,350,751) | \$ (18,306) | \$ (1,369,057) |
| Adjustments to reconcile operating loss to net cash used for operating activities: | | | |
| Depreciation | 44,595 | - | 44,595 |
| Donated commodities | 110,583 | - | 110,583 |
| Changes in assets and liabilities: | | | |
| Increase in inventory | (9,065) | - | (9,065) |
| Increase in accounts payables | 14,081 | 2,553 | 16,634 |
| Increase in accrued wages and benefits | 37,573 | - | 37,573 |
| Increase in due to other governments | 3,642 | - | 3,642 |
| Decrease in compensated absences payable | (1,048) | - | (1,048) |
| Net cash used for operating activities | \$ (1,150,390) | \$ (15,753) | \$ (1,166,143) |

The District received \$114,165 in donated food from the Ohio Department of Education's commodity grant program.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Internal Service Funds

Internal Service Funds are established to account for the financing of goods or services provided by one department or agency of the District to other departments or agencies on a cost reimbursement basis. Charges are intended only to recoup the total cost of such services. A description of the District's Internal Service Funds follows:

Self Insurance – A fund provided to account for monies received from other funds as payment for providing medical and dental employee benefits. The District's self-funded health and dental plans are currently inactive as indicated in Note 17 to the financial statements. The Self Insurance Fund may make payments for services provided to employees, for reimbursement to employees who have paid providers, to third party administrators for claim payment administration, for stop-loss coverage, or any other reinsurance or similar purposes.

Print Shop – This fund is used to account for the monies received for printing and duplicating services provided by the Print Shop to all District departments and various community organizations.

Worker's Compensation – This fund is used to account for Worker's Compensation Self-Insurance receipts and expenditures.

**Westerville City School District
Combining Statement of Net Assets
Internal Service Funds
As of June 30, 2007**

| | <u>Self Insurance</u> | <u>Print Shop</u> | <u>Worker's Compensation</u> | <u>Total</u> |
|----------------------------|---------------------------|-----------------------|----------------------------------|-------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 828,778 | \$ 73,619 | \$ 293,483 | \$ 1,195,880 |
| Receivables: | | | | |
| Accounts | 10,056 | 2,305 | - | 12,361 |
| Total assets | <u>838,834</u> | <u>75,924</u> | <u>293,483</u> | <u>1,208,241</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | - | 510 | - | 510 |
| Accrued wages and benefits | - | 10,146 | - | 10,146 |
| Due to: | | | | |
| Other Governments | - | 3,316 | 224,979 | 228,295 |
| Total liabilities | <u>-</u> | <u>13,972</u> | <u>224,979</u> | <u>238,951</u> |
| <u>NET ASSETS</u> | | | | |
| Unrestricted | 838,834 | 61,952 | 68,504 | 969,290 |
| Total net assets | <u>\$ 838,834</u> | <u>\$ 61,952</u> | <u>\$ 68,504</u> | <u>\$ 969,290</u> |

Westerville City School District
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year ended June 30, 2007

| | <u>Self Insurance</u> | <u>Print Shop</u> | <u>Worker's Compensation</u> | <u>Total</u> |
|--------------------------------------|---------------------------|-----------------------|----------------------------------|-------------------|
| <u>OPERATING REVENUES</u> | | | | |
| Charges for services | \$ 10,056 | \$ 268,743 | \$ 507,849 | \$ 786,648 |
| Total operating revenues | <u>10,056</u> | <u>268,743</u> | <u>507,849</u> | <u>786,648</u> |
| <u>OPERATING EXPENSES</u> | | | | |
| Wages and benefits | - | 69,107 | - | 69,107 |
| Purchased services | 85,394 | 821 | 580,779 | 666,994 |
| Materials and supplies | - | 177,272 | - | 177,272 |
| Total operating expenses | <u>85,394</u> | <u>247,200</u> | <u>580,779</u> | <u>913,373</u> |
| Operating income (loss) | (75,338) | 21,543 | (72,930) | (126,725) |
| <u>NON-OPERATING REVENUES</u> | | | | |
| Investment income | 44,724 | - | 24,956 | 69,680 |
| Total non-operating revenues | <u>44,724</u> | <u>-</u> | <u>24,956</u> | <u>69,680</u> |
| Change in net assets | (30,614) | 21,543 | (47,974) | (57,045) |
| Net assets at beginning of year | <u>869,448</u> | <u>40,409</u> | <u>116,478</u> | <u>1,026,335</u> |
| Net assets at end of year | <u>\$ 838,834</u> | <u>\$ 61,952</u> | <u>\$ 68,504</u> | <u>\$ 969,290</u> |

Westerville City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2007

| | <u>Governmental Activities - Internal Service</u> | | | |
|---|---|-----------------------|----------------------------------|---------------------|
| | <u>Self Insurance</u> | <u>Print Shop</u> | <u>Worker's Compensation</u> | <u>Total</u> |
| Cash flows from operating activities: | | | | |
| Cash payments for wages and benefits | \$ - | \$ (66,945) | \$ - | \$ (66,945) |
| Cash received from interfund services provided | - | 268,165 | 507,849 | 776,014 |
| Cash payments for purchased services | (85,394) | (821) | (571,584) | (657,799) |
| Cash payments for materials and supplies | - | (177,027) | - | (177,027) |
| Net cash from (used for) operating activities | <u>(85,394)</u> | <u>23,372</u> | <u>(63,735)</u> | <u>(125,757)</u> |
| Cash flows from investing activities: | | | | |
| Investment income | 44,724 | - | 24,956 | 69,680 |
| Net increase (decrease) in cash and investments | (40,670) | 23,372 | (38,779) | (56,077) |
| Cash and investments at beginning of year | 869,448 | 50,247 | 332,262 | 1,251,957 |
| Cash and investments at end of year | <u>\$ 828,778</u> | <u>\$ 73,619</u> | <u>\$ 293,483</u> | <u>\$ 1,195,880</u> |
| Reconciliation of operating income (loss) to net cash from (used for) operating activities | | | | |
| Operating loss | \$ (75,338) | \$ 21,543 | \$ (72,930) | \$ (126,725) |
| Adjustments to reconcile operating loss to net cash (used for) operating activities: | | | | |
| Changes in assets and liabilities: | | | | |
| Increase in accounts receivables | (10,056) | (578) | - | (10,634) |
| Increase in accounts payable | - | 245 | - | 245 |
| Increase in accrued wages and benefits | - | 2,034 | - | 2,034 |
| Increase in due to other governments | - | 128 | 9,195 | 9,323 |
| Net cash from (used for) operating activities | <u>\$ (85,394)</u> | <u>\$ 23,372</u> | <u>\$ (63,735)</u> | <u>\$ (125,757)</u> |

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Combining Statements and Individual Fund Schedules

Agency Funds

Agency Funds are established to account for assets held for the by the school district on the behalf of other individuals, staff or students. In an agency fund, assets equal liabilities, and the fund balance is zero. A description of the District's Agency Funds follows:

District Agency – A fund used to account for those assets held by a school district as an agent for individuals or staff.

Student Managed Activity – This fund is used to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor.

Westerville City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Year Ended June 30, 2007

| | Beginning Balance <u>June 30, 2006</u> | <u>Additions</u> | <u>Deductions</u> | Ending Balance <u>June 30, 2007</u> |
|---------------------------------|--|------------------|-------------------|---|
| District Agency | | | | |
| Assets | | | | |
| Cash and investments | \$105,659 | \$62,927 | \$46,742 | \$121,844 |
| Total assets | <u>105,659</u> | <u>62,927</u> | <u>46,742</u> | <u>121,844</u> |
| Liabilities | | | | |
| Accounts payable | 842 | 2,425 | 842 | 2,425 |
| Due to others | 104,817 | 14,602 | - | 119,419 |
| Total liabilities | <u>\$105,659</u> | <u>\$17,027</u> | <u>\$842</u> | <u>\$121,844</u> |
| Student Managed Activity | | | | |
| Assets | | | | |
| Cash and investments | \$268,103 | \$400,593 | \$427,313 | \$241,383 |
| Total assets | <u>268,103</u> | <u>400,593</u> | <u>427,313</u> | <u>241,383</u> |
| Liabilities | | | | |
| Accounts payable | 1,950 | 11,027 | 1,950 | 11,027 |
| Due to others | 266,153 | - | 35,797 | 230,356 |
| Total liabilities | <u>\$268,103</u> | <u>\$11,027</u> | <u>\$37,747</u> | <u>\$241,383</u> |
| Total Agency Funds | | | | |
| Assets | | | | |
| Cash and investments | \$373,762 | \$463,520 | \$474,055 | \$363,227 |
| Total assets | <u>373,762</u> | <u>463,520</u> | <u>474,055</u> | <u>363,227</u> |
| Liabilities | | | | |
| Accounts payable | 2,792 | 13,452 | 2,792 | 13,452 |
| Due to others | 370,970 | 14,602 | 35,797 | 349,775 |
| Total liabilities | <u>\$373,762</u> | <u>\$28,054</u> | <u>\$38,589</u> | <u>\$363,227</u> |

Westerville City School District

Westerville, Ohio



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Statistical Section



Board of Education
Westerville City School District
Westerville, Ohio

STATISTICAL SECTION

This part of the Westerville 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 | 102 |
| These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time. | |
| Revenue Capacity | 108 |
| These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax. | |
| Debt Capacity | 112 |
| 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. | |
| Demographic and Economic Information | 115 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | |
| Operating Information | 117 |
| These schedules contain service 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. | |

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 for the year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

Westerville City School District
 Net Assets by Component
 Last Six Fiscal Years
 (accrual basis of accounting)

| | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental activities | | | | | | |
| Invested in capital assets, net of related debt | \$40,493,825 | \$34,968,131 | \$31,135,671 | \$33,096,968 | \$31,190,176 | \$21,436,170 |
| Restricted | 13,778,302 | 16,559,000 | 16,680,835 | 11,404,078 | 9,578,075 | 13,896,805 |
| Unrestricted | <u>13,384,220</u> | <u>5,683,912</u> | <u>2,914,798</u> | <u>(4,135,831)</u> | <u>3,851,481</u> | <u>10,490,302</u> |
| Total governmental activities net assets | <u>\$67,656,347</u> | <u>\$57,211,043</u> | <u>\$50,731,304</u> | <u>\$40,365,215</u> | <u>\$44,619,732</u> | <u>\$45,823,277</u> |
| Business-type activities | | | | | | |
| Invested in capital assets, net of related debt | \$351,803 | \$263,056 | \$273,253 | \$312,533 | \$302,026 | \$252,738 |
| Unrestricted | <u>(21,705)</u> | <u>284,732</u> | <u>366,058</u> | <u>173,740</u> | <u>308,730</u> | <u>379,390</u> |
| Total business-type activities net assets | <u>\$330,098</u> | <u>\$547,788</u> | <u>\$639,311</u> | <u>\$486,273</u> | <u>\$610,756</u> | <u>\$632,128</u> |
| Primary government | | | | | | |
| Invested in capital assets, net of related debt | \$40,845,628 | \$35,231,187 | \$31,408,924 | \$33,409,501 | \$31,492,202 | \$21,688,908 |
| Restricted | 13,778,302 | 16,559,000 | 16,680,835 | 11,404,078 | 9,578,075 | 13,896,805 |
| Unrestricted | <u>13,362,515</u> | <u>5,968,644</u> | <u>3,280,856</u> | <u>(3,962,091)</u> | <u>4,160,211</u> | <u>10,869,692</u> |
| Total primary government net assets | <u>\$67,986,445</u> | <u>\$57,758,831</u> | <u>\$51,370,615</u> | <u>\$40,851,488</u> | <u>\$45,230,488</u> | <u>\$46,455,405</u> |

Source: School district financial records

Westerville City School District
Change in Net Assets
Last Six Fiscal Years
(accrual basis of accounting)

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Expenses: | | | | | | |
| Governmental activities: | | | | | | |
| Instruction | | | | | | |
| Regular | \$62,655,604 | \$58,982,985 | \$58,315,571 | \$61,435,413 | \$51,870,597 | \$62,211,281 |
| Special | 17,708,534 | 15,902,806 | 13,819,966 | 12,162,246 | 10,330,195 | 8,728,805 |
| Vocational | 624,810 | 526,254 | 404,299 | 2,266,230 | 2,550,806 | 2,120,629 |
| Other instruction | 3,126,170 | 2,438,333 | 2,337,018 | 1,835,688 | 1,656,434 | 1,166,761 |
| Support services | | | | | | |
| Pupils | 9,526,679 | 8,708,148 | 8,100,767 | 7,601,627 | 6,443,665 | 5,661,710 |
| Staff | 4,291,972 | 4,043,046 | 4,055,364 | 4,431,094 | 4,826,578 | 4,144,559 |
| General administration | 1,610,376 | 1,404,573 | 1,413,567 | 1,445,681 | 1,397,792 | 1,265,245 |
| School administration | 9,309,733 | 9,398,586 | 8,422,107 | 8,383,725 | 9,249,706 | 7,784,403 |
| Fiscal services | 2,304,479 | 1,874,309 | 1,909,425 | 1,515,452 | 1,760,511 | 1,662,225 |
| Business services | 1,873,824 | 1,635,460 | 1,496,593 | 1,104,154 | 1,249,159 | 865,019 |
| Operation & maintenance | 13,621,605 | 11,689,529 | 11,652,334 | 10,977,422 | 10,614,195 | 9,536,464 |
| Student transportation | 6,921,601 | 6,596,268 | 6,196,437 | 5,771,952 | 5,671,020 | 5,317,633 |
| Central services | 1,446,375 | 1,398,019 | 1,022,336 | 1,144,924 | 1,738,582 | 1,548,397 |
| Community services | 984,663 | 673,863 | 897,810 | 690,830 | 649,801 | 9,112 |
| Food services | 38,696 | 8,818 | 8,818 | 8,817 | 14,657 | 445,488 |
| Extra-curricular activities | 2,652,863 | 2,531,372 | 2,357,322 | 2,788,686 | 2,024,729 | 1,969,421 |
| Interest and fiscal charges | 5,512,610 | 6,258,362 | 6,412,729 | 5,788,941 | 7,086,262 | 8,719,392 |
| Total governmental activities expenses | <u>144,210,594</u> | <u>134,070,731</u> | <u>128,822,463</u> | <u>129,352,882</u> | <u>119,134,689</u> | <u>123,156,544</u> |
| Business-type activities: | | | | | | |
| Food service | 4,090,650 | 3,787,221 | 3,402,253 | 3,563,734 | 3,316,818 | 3,206,846 |
| Uniform school supplies | 276,304 | 248,234 | 240,559 | 234,452 | 220,139 | 215,195 |
| Total business-type activities expenses | <u>4,366,954</u> | <u>4,035,455</u> | <u>3,642,812</u> | <u>3,798,186</u> | <u>3,536,957</u> | <u>3,422,041</u> |
| Total primary government expenses | <u>\$148,577,548</u> | <u>\$138,106,186</u> | <u>\$132,465,275</u> | <u>\$133,151,068</u> | <u>\$122,671,646</u> | <u>\$126,578,585</u> |

Source: School district financial records

Westerville City School District
Change in Net Assets, continued
Last Six Fiscal Years
(accrual basis of accounting)

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Program revenues | | | | | | |
| Governmental activities: | | | | | | |
| Charges for services and sales | | | | | | |
| Instruction | | | | | | |
| Regular | \$1,523,316 | \$1,289,545 | \$989,548 | \$932,364 | \$788,755 | \$654,732 |
| Special | 67,226 | 30,487 | 41,937 | 21,623 | 8,400 | 20,138 |
| Extra-curricular activities | 1,219,200 | 1,560,020 | 1,866,271 | 1,065,844 | 940,944 | 1,036,497 |
| Operating grants and contributions | 5,512,705 | 5,477,002 | 5,537,321 | 4,700,516 | 4,283,660 | 3,240,167 |
| Capital grants and contributions | - | - | - | 319,871 | 6,547 | 13,375 |
| Total governmental activities program revenues | <u>8,322,447</u> | <u>8,357,054</u> | <u>8,435,077</u> | <u>7,040,218</u> | <u>6,028,306</u> | <u>4,964,909</u> |
| Business-type activities: | | | | | | |
| Charges for services and sales | | | | | | |
| Food service | 2,739,899 | 2,748,022 | 2,754,240 | 2,744,280 | 2,713,577 | 2,797,923 |
| Uniform school supplies | 257,998 | 243,017 | 237,103 | 236,264 | 221,005 | 214,735 |
| Operating grants and contributions | 1,126,557 | 923,233 | 790,065 | 697,187 | 542,087 | 457,399 |
| Total business-type activities program revenues | <u>4,124,454</u> | <u>3,914,272</u> | <u>3,781,408</u> | <u>3,677,731</u> | <u>3,476,669</u> | <u>3,470,057</u> |
| Total primary government program revenues | <u>\$12,446,901</u> | <u>\$12,271,326</u> | <u>\$12,216,485</u> | <u>\$10,717,949</u> | <u>\$9,504,975</u> | <u>\$8,434,966</u> |
| Net (expense)/revenue | | | | | | |
| Governmental activities | (\$135,888,147) | (\$125,713,677) | (\$120,387,386) | (\$122,312,664) | (\$113,106,383) | (\$118,191,635) |
| Business-type activities | (242,500) | (121,183) | 138,596 | (120,455) | (60,288) | 48,016 |
| Total primary government net expense | <u>(\$136,130,647)</u> | <u>(\$125,834,860)</u> | <u>(\$120,248,790)</u> | <u>(\$122,433,119)</u> | <u>(\$113,166,671)</u> | <u>(\$118,143,619)</u> |
| General revenues and other changes in net assets | | | | | | |
| Governmental activities: | | | | | | |
| Property taxes levied for: | | | | | | |
| General purposes | \$82,850,463 | \$70,312,884 | \$69,808,534 | \$58,753,446 | \$56,040,935 | 57,705,984 |
| Debt service | 10,092,937 | 10,310,165 | 11,008,652 | 10,796,918 | 9,699,373 | 9,786,788 |
| Capital projects | 5,400,744 | 5,577,545 | 5,335,310 | 4,308,694 | 3,938,029 | 4,201,615 |
| Grants and entitlements not restricted to specific programs | 44,906,266 | 43,015,156 | 43,063,290 | 42,954,970 | 40,769,790 | 40,380,438 |
| Investment income | 1,760,239 | 1,258,932 | 742,797 | 395,572 | 1,385,301 | 4,849,723 |
| Loss on sale of capital assets | - | - | (45,647) | - | - | (267,424) |
| Miscellaneous | 1,322,802 | 1,718,734 | 840,539 | 848,547 | 981,987 | 1,160,909 |
| Total governmental activities | <u>146,333,451</u> | <u>132,193,416</u> | <u>130,753,475</u> | <u>118,058,147</u> | <u>112,815,415</u> | <u>117,818,033</u> |
| Business-type activities: | | | | | | |
| Investment income | 24,810 | 29,660 | 14,442 | 7,318 | 11,703 | 14,142 |
| Miscellaneous | - | - | - | - | - | 2,681 |
| Total Business-type activities | <u>24,810</u> | <u>29,660</u> | <u>14,442</u> | <u>7,318</u> | <u>11,703</u> | <u>16,823</u> |
| Total primary government | <u>\$146,358,261</u> | <u>\$132,223,076</u> | <u>\$130,767,917</u> | <u>\$118,065,465</u> | <u>\$112,827,118</u> | <u>\$117,834,856</u> |
| Change in net assets | | | | | | |
| Governmental activities | \$10,445,304 | \$6,479,739 | \$10,366,089 | (\$4,254,517) | (\$290,968) | (\$373,602) |
| Business-type activities | (217,690) | (91,523) | 153,038 | (113,137) | (48,585) | 64,839 |
| Total primary government | <u>\$10,227,614</u> | <u>\$6,388,216</u> | <u>\$10,519,127</u> | <u>(\$4,367,654)</u> | <u>(\$339,553)</u> | <u>(\$308,763)</u> |

Source: School district financial records

Westerville City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| General fund | | | | | | | | | | |
| Reserved | \$27,249,394 | \$20,576,711 | \$15,852,554 | \$8,204,760 | \$7,900,865 | \$8,477,909 | \$8,264,561 | \$14,340,834 | \$18,002,511 | \$15,829,283 |
| Unreserved | (9,270,091) | (9,277,879) | (6,143,828) | (5,406,906) | 3,337,746 | 9,187,046 | 10,208,219 | 8,918,974 | 8,175,983 | 7,137,807 |
| Total General fund | \$17,979,303 | \$11,298,832 | \$9,708,726 | \$2,797,854 | \$11,238,611 | \$17,664,955 | \$18,472,780 | \$23,259,808 | \$26,178,494 | \$22,967,090 |
| All other governmental funds | | | | | | | | | | |
| Reserved | \$4,958,172 | \$5,044,945 | \$4,410,538 | \$3,180,380 | \$13,222,679 | \$41,233,162 | \$5,527,228 | \$2,429,671 | \$3,398,773 | \$5,970,019 |
| Unreserved, reported in: | | | | | | | | | | |
| Debt service | 5,646,821 | 5,461,983 | 5,583,530 | 5,989,550 | 4,686,069 | 6,913,995 | 7,085,491 | 4,332,604 | 4,984,100 | 1,676,621 |
| Capital projects | 4,746,920 | 5,204,516 | 5,815,624 | 4,586,996 | 6,187,802 | 26,677,330 | 91,426,168.00 | 2,477,320.00 | 1,712,685.00 | 5,823,433.00 |
| Special revenue | 938,255 | 924,487 | 897,141 | 726,239 | 564,240 | 634,504 | 730,065 | 172,388 | (124,594) | 162,898 |
| Total all other governmental funds | \$16,290,168 | \$16,635,931 | \$16,706,833 | \$14,483,165 | \$24,660,790 | \$75,458,991 | \$104,768,952 | \$9,411,983 | \$9,970,964 | \$13,632,971 |

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

| | 2007 | 2006 | 2005 | 2004 | 2003 |
|--|--------------------|--------------------|--------------------|-----------------------|-----------------------|
| Revenues: | | | | | |
| From local sources | | | | | |
| Taxes | \$97,695,620 | \$86,402,046 | \$86,602,416 | \$74,289,634 | \$69,252,976 |
| Tuition | 938,607 | 772,984 | 598,107 | 410,603 | 488,196 |
| Extra-curricular | 1,219,200 | 1,560,020 | 1,866,271 | 1,065,844 | 940,944 |
| Investment income | 1,690,559 | 1,197,757 | 710,785 | 386,471 | 1,373,429 |
| Other local | 693,505 | 578,351 | 462,653 | 582,604 | 388,214 |
| Intergovernmental - state | 46,359,783 | 44,256,443 | 44,760,578 | 44,748,270 | 42,552,850 |
| Intergovernmental - federal | 4,017,618 | 4,204,412 | 3,810,758 | 2,871,146 | 2,427,892 |
| Other revenue | 1,322,802 | 1,946,141 | 840,539 | 1,165,268 | 981,987 |
| Total revenues | 153,937,694 | 140,918,154 | 139,652,107 | 125,519,840 | 118,406,488 |
| Expenditures: | | | | | |
| Instructional | | | | | |
| Regular | 56,444,508 | 54,660,424 | 52,316,796 | 55,807,436 | 51,772,472 |
| Special | 16,798,447 | 15,232,634 | 12,956,491 | 11,437,291 | 9,901,261 |
| Vocational | 593,501 | 540,118 | 648,594 | 2,129,010 | 2,392,716 |
| Continuing | - | - | - | - | - |
| Other | 2,984,481 | 2,326,826 | 2,225,747 | 1,753,098 | 1,607,521 |
| Support Services | | | | | |
| Pupils | 9,508,798 | 8,697,619 | 7,944,046 | 7,604,487 | 6,448,953 |
| Staff | 4,343,114 | 4,147,768 | 3,997,020 | 4,349,735 | 4,771,434 |
| General administration | 1,610,376 | 1,404,573 | 1,413,567 | 1,445,681 | 1,397,792 |
| School administration | 8,980,999 | 9,081,411 | 8,104,318 | 8,110,849 | 8,663,698 |
| Fiscal services | 2,294,423 | 1,869,542 | 1,895,357 | 2,020,073 | 1,709,155 |
| Business services | 952,574 | 879,293 | 816,282 | 914,221 | 1,051,841 |
| Operation & maintenance | 13,458,198 | 11,555,153 | 11,302,331 | 10,903,355 | 10,258,280 |
| Student transportation | 6,463,492 | 6,068,975 | 5,666,923 | 5,307,951 | 4,994,803 |
| Central services | 2,053,622 | 1,804,761 | 1,678,114 | 1,740,896 | 1,747,849 |
| Community services | 983,610 | 673,140 | 896,865 | 690,830 | 649,801 |
| Food services | 29,878 | - | - | - | 2,923 |
| Extra-curricular activities | 2,586,588 | 2,694,027 | 2,322,628 | 2,750,499 | 1,991,739 |
| Capital outlay | 6,905,754 | 6,852,241 | 4,575,532 | 17,378,934 | 53,580,974 |
| Debt Service: | | | | | |
| Principal retirement | 5,445,000 | 5,300,000 | 5,915,000 | 4,705,000 | 6,115,000 |
| Interest | 5,607,656 | 5,610,445 | 5,841,956 | 5,559,608 | 6,790,573 |
| Total expenditures | 148,045,019 | 139,398,950 | 130,517,567 | 144,608,954 | 175,848,785 |
| Excess (deficiency) of revenues over (under) expenditures | 5,892,675 | 1,519,204 | 9,134,540 | (19,089,114) | (57,442,297) |
| Other financing sources (uses): | | | | | |
| Proceeds from sale of bonds | - | - | - | - | - |
| Proceeds from refunding bonds | 48,365,000 | - | - | 49,499,954 | - |
| Premium on issuance of bonds | 2,657,888 | - | - | 7,102,634 | - |
| Payment to bond agent | (50,580,855) | - | - | (56,131,856) | - |
| Proceeds on sale of assets | - | - | - | - | - |
| Transfers in | - | - | - | 36,000 | 36,000 |
| Transfers out | - | - | - | (36,000) | (36,000) |
| Other | - | - | - | - | - |
| Total other financing sources (uses) | 442,033 | - | - | 470,732 | - |
| Net change in fund balances | \$6,334,708 | \$1,519,204 | \$9,134,540 | (\$18,618,382) | (\$57,442,297) |
| Debt service as a percentage of noncapital expenditures | 8.50% | 8.97% | 10.30% | 8.78% | 11.80% |

Source: School district financial records

| <u>2002</u> | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> |
|-----------------------|---------------------|----------------------|--------------------|----------------------|
| \$71,166,995 | \$54,379,386 | \$55,439,262 | \$56,299,337 | \$53,589,073 |
| 399,296 | 446,027 | 261,034 | 953,350 | 244,153 |
| 1,036,497 | 1,120,434 | 1,073,524 | 937,878 | 871,957 |
| 4,825,857 | 3,906,256 | 2,095,540 | 2,124,961 | 2,593,441 |
| 423,073 | 335,052 | 322,044 | 314,299 | 329,392 |
| 41,929,676 | 37,073,140 | 32,679,365 | 30,938,056 | 27,887,304 |
| 1,556,805 | 1,747,645 | 1,345,344 | 1,227,599 | 1,151,563 |
| 1,160,909 | 770,637 | 379,066 | 717,528 | 1,562,174 |
| <u>122,499,108</u> | <u>99,778,577</u> | <u>93,595,179</u> | <u>93,513,008</u> | <u>88,229,057</u> |
| 50,352,696 | 47,616,427 | 45,452,537 | 41,965,460 | 38,914,594 |
| 8,740,977 | 8,376,039 | 7,015,481 | 7,018,430 | 6,527,638 |
| 2,138,402 | 1,954,732 | 2,230,460 | 2,084,844 | 1,633,957 |
| - | 980 | 5,263.00 | - | - |
| 1,166,761 | 945,198 | 755,637 | 780,973 | 436,572 |
| 5,592,025 | 4,213,268 | 3,665,902 | 3,611,082 | 3,360,344 |
| 4,164,763 | 3,493,873 | 3,252,031 | 2,880,158 | 2,770,092 |
| 1,265,245 | 1,363,605 | 1,124,098 | 1,073,368 | 977,129 |
| 7,529,232 | 6,505,300 | 6,280,557 | 5,658,571 | 5,236,919 |
| 1,650,788 | 1,595,175 | 1,466,850 | 1,677,271 | 1,718,850 |
| 858,308 | 1,195,663 | 1,269,586 | 941,022 | 655,338 |
| 9,394,710 | 9,003,486 | 8,514,621 | 7,261,397 | 7,349,265 |
| 4,911,727 | 4,625,427 | 4,194,683 | 3,630,510 | 3,651,022 |
| 1,553,428 | 1,222,709 | 1,252,079 | 1,109,605 | 976,840 |
| 445,488 | 624,950 | 454,701 | 413,717 | 300 |
| - | - | - | - | 561,462 |
| 1,950,979 | 1,886,554 | 1,722,802 | 1,508,227 | 1,383,641 |
| 40,481,842 | 9,795,662 | 3,419,427 | 7,286,615 | 15,278,401 |
| 2,328,533 | 2,410,000 | 2,505,000 | 2,415,000 | 2,080,000 |
| 8,115,314 | 2,584,128 | 2,514,441 | 2,653,260 | 2,782,466 |
| <u>152,641,218</u> | <u>109,413,176</u> | <u>97,096,156</u> | <u>93,969,510</u> | <u>96,294,830</u> |
| (30,142,110) | (9,634,599) | (3,500,977) | (456,502) | (8,065,773) |
| - | 99,718,574 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 24,326 | 1,083 | 21,990 | - | 5,183 |
| 36,000 | 36,000 | 36,000 | 3,679,751 | 172,187 |
| (36,000) | (36,000) | (36,000) | (3,679,751) | (172,187) |
| - | - | - | 3,117 | - |
| <u>24,326</u> | <u>99,719,657</u> | <u>21,990</u> | <u>3,117</u> | <u>5,183</u> |
| <u>(\$30,117,784)</u> | <u>\$90,085,058</u> | <u>(\$3,478,987)</u> | <u>(\$453,385)</u> | <u>(\$8,060,590)</u> |
| 10.27% | 5.28% | 5.66% | 6.21% | 6.39% |

Westerville City School District
 Assessed Valuation and Estimated Actual Value of Taxable Property
 Last Ten Collection Years

| Collection Year | Real Property (a) | | Tangible Personal Property (b) | | Public Utility (c) | | Total | | Tax Rate (d) |
|-----------------|-------------------|-------------------|--------------------------------|-------------------|--------------------|-------------------|-----------------|-------------------|--------------|
| | Assessed Value | Est. Actual Value | Assessed Value | Est. Actual Value | Assessed Value | Est. Actual Value | Assessed Value | Est. Actual Value | |
| 2007 | \$2,418,908,970 | \$6,911,168,486 | \$39,390,964 | \$315,127,712 | \$53,557,100 | \$153,020,286 | \$2,511,857,034 | \$7,379,316,484 | 42.69 |
| 2006 | 2,379,600,480 | 6,798,858,514 | 53,636,288 | 223,484,533 | 53,702,010 | 153,434,314 | 2,486,938,778 | 7,175,777,362 | 37.41 |
| 2005 | 2,074,038,900 | 5,925,825,429 | 73,858,548 | 307,743,950 | 55,563,540 | 158,752,971 | 2,203,460,988 | 6,392,322,350 | 42.29 |
| 2004 | 2,024,458,100 | 5,784,166,000 | 76,287,708 | 317,865,450 | 54,084,170 | 154,526,200 | 2,154,829,978 | 6,256,557,650 | 37.06 |
| 2003 | 1,961,931,150 | 5,605,517,571 | 112,285,098 | 449,140,312 | 56,031,920 | 160,091,200 | 2,130,248,148 | 6,214,749,083 | 37.64 |
| 2002 | 1,708,441,740 | 4,881,262,114 | 115,766,508 | 463,066,032 | 54,993,020 | 157,122,914 | 1,879,201,268 | 5,501,451,060 | 41.05 |
| 2001 | 1,624,735,960 | 4,642,102,743 | 117,792,551 | 471,170,204 | 64,511,420 | 184,318,343 | 1,807,039,931 | 5,297,591,290 | 40.68 |
| 2000 | 1,545,832,520 | 4,416,664,543 | 102,497,145 | 409,988,580 | 62,846,340 | 179,560,971 | 1,711,176,005 | 5,006,214,094 | 36.91 |
| 1999 | 1,338,755,350 | 3,825,015,286 | 94,171,271 | 376,685,084 | 61,625,950 | 176,074,143 | 1,494,552,571 | 4,377,774,513 | 40.87 |
| 1998 | 1,279,877,850 | 3,656,793,857 | 101,499,833 | 405,999,332 | 56,786,680 | 162,247,657 | 1,438,164,363 | 4,225,040,846 | 41.48 |

Source: Franklin County Auditor

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of the true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75% for 2006 and 12.5% for 2007.

(c) Assumes public utilities are assessed at true value which is 35%.

(d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

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

| Tax Year/ Collection Year | Franklin County | Delaware County | City of Westerville | City of Columbus | Westerville City School District | | | | | Total | Blendon Township | Genoa Township | Plain Township | Sharon Township | Minerva Park Corp. | Westerville Corp. (Genoa) |
|----------------------------------|--------------------|--------------------|------------------------|---------------------|----------------------------------|-------|------|-------------|-----------|-------|---------------------|-------------------|-------------------|--------------------|-----------------------|---------------------------------|
| | | | | | Gen. Fd. | Voted | Bond | Improvement | Permanent | | | | | | | |
| 2006/2007 Res/Agr Comm/Ind | 18.44 | 5.65 | 17.60 | 3.14 | 61.60 | 4.40 | 2.70 | 3.80 | 72.50 | 26.55 | 10.10 | 13.15 | 23.50 | 16.09 | 17.60 | |
| | 13.54 | 5.09 | 10.17 | 3.14 | 31.02 | 4.40 | 2.32 | 3.80 | 41.54 | 14.99 | 8.99 | 7.50 | 14.76 | 14.44 | 10.17 | |
| | 16.11 | 5.17 | 11.83 | 3.14 | 33.28 | 4.40 | 2.63 | 3.80 | 44.11 | 18.10 | 9.94 | 6.03 | 16.39 | 14.98 | 11.83 | |
| 2005/2006 | 18.44 | 5.67 | 17.97 | 3.14 | 56.30 | 4.51 | 2.70 | 3.80 | 67.31 | 25.02 | 10.10 | 13.27 | 23.50 | 16.09 | 17.97 | |
| 2004/2005 | 18.44 | 5.61 | 17.95 | 3.14 | 56.30 | 5.21 | 2.70 | 3.80 | 68.01 | 25.05 | 12.80 | 13.37 | 23.50 | 16.08 | 17.95 | |
| 2003/2004 | 17.64 | 5.61 | 18.06 | 3.14 | 52.30 | 5.40 | 2.70 | 3.80 | 64.20 | 25.07 | 12.80 | 13.12 | 23.50 | 16.13 | 18.06 | |
| 2002/2003 | 17.64 | 5.61 | 17.85 | 3.14 | 51.30 | 5.40 | 2.70 | 3.80 | 63.20 | 25.40 | 12.80 | 13.43 | 23.50 | 16.13 | 17.85 | |
| 2001/2002 | 17.64 | 5.61 | 14.50 | 3.14 | 51.30 | 5.60 | 2.70 | 3.80 | 63.40 | 22.00 | 12.80 | 13.52 | 19.00 | 16.32 | 14.50 | |
| 2000/2001 | 17.64 | 5.92 | 14.54 | 3.14 | 51.30 | 5.70 | 2.70 | 3.80 | 63.50 | 22.16 | 12.80 | 13.58 | 19.08 | 16.32 | 14.54 | |
| 1999/2000 | 17.64 | 6.72 | 14.57 | 3.14 | 51.30 | 1.86 | 2.70 | 3.80 | 59.66 | 22.41 | 10.80 | 10.72 | 19.10 | 12.32 | 14.57 | |
| 1998/1999 | 17.54 | 6.12 | 14.65 | 3.14 | 51.30 | 3.35 | 2.70 | 3.80 | 61.15 | 22.43 | 11.20 | 9.34 | 13.10 | 16.31 | 14.65 | |
| 1997/1998 | 15.22 | 6.12 | 14.69 | 3.14 | 51.30 | 3.52 | 2.70 | 3.80 | 61.32 | 22.60 | 11.20 | 9.42 | 13.10 | 15.10 | 14.69 | |

Source: Franklin County Auditor - Data is presented on a Collection Year basis because that is the manner in which the information is maintained by the County Auditor

Figures for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only reflect "effective" millage. All other figures reflect voted millage.

Ohio Revised Code Sections 5705.02 and 5705.07 requires any millage exceeding the "unvoted" or "inside" millage can only be done by a vote of the people.

Westerville City School District
Principal Taxpayers
Current Year and Eight Years Ago

| | <u>Total Assessed Valuation</u> | <u>% of Total Assessed Valuation</u> | | <u>Total Assessed Valuation</u> | <u>% of Total Assessed Valuation</u> |
|---|---|--|--|---|--|
| December 31, 2006 | | | December 31, 1998 | | |
| <u>Public Utilities</u> | | | <u>Public Utilities</u> | | |
| 1. Columbus Southern Power Co. | \$18,435,390 | 0.73% | 1. Columbus Southern Power Co | \$19,005,150 | 1.27% |
| 2. Sprint Nextel Corporation | 10,119,870 | 0.40% | 2. Ohio Bell Telephone Co | 16,454,390 | 1.10% |
| 3. Ohio Bell Telephone Company | 7,525,020 | 0.30% | 3. Columbia Gas of Ohio Inc | 9,240,380 | 0.62% |
| | | | 4. Nextel West Corporation | 4,342,100 | 0.29% |
| <u>Real Estate</u> | | | <u>Real Estate</u> | | |
| 1. Banc One Management Corp | 15,880,000 | 0.63% | 1. Banc One Management Corp | 18,788,700 | 1.26% |
| 2. Eastrich No 167 Corp | 10,055,510 | 0.40% | 2. Partners at Brooksedge | 11,171,200 | 0.75% |
| 3. NRI Brooksedge LLC | 9,847,560 | 0.39% | 3. Eastrich No 167 Corp | 7,137,880 | 0.48% |
| 4. St. Ann's Hospital | 9,346,760 | 0.37% | 4. Corporate Exchange Building IV & V LP | 6,860,300 | 0.46% |
| 5. Chestnut Hill Apartments | 9,002,860 | 0.36% | 5. AAC Funding Partnership | 5,005,000 | 0.33% |
| 6. Corporate Exchange | 8,050,000 | 0.32% | 6. CASA 94 LP | 4,906,340 | 0.33% |
| 7. Remington Station | 7,525,020 | 0.30% | 7. Richard J Solove & John J Chester | 4,007,290 | 0.27% |
| 8. Westminster Corporate | 6,825,010 | 0.27% | 8. Associated Estates Realty Corp | 3,893,000 | 0.26% |
| 9. 380 Associates LLC | 5,460,000 | 0.22% | 9. CASNA LP | 3,851,950 | 0.26% |
| 10. AAC Funding Partnership | 5,355,000 | 0.21% | 10. Simon Property Group L P | 3,643,420 | 0.24% |
| <u>Tangible Personal Property</u> | | | <u>Tangible Personal Property</u> | | |
| 1. Intellirisk Management Corp. | 1,343,196 | 0.05% | 1. I B M Credit Corporation | 13,241,630 | 0.89% |
| 2. Roush Equipment Company | 1,257,114 | 0.05% | 2. Bank One Corp | 10,321,530 | 0.69% |
| 3. Kroger Company | 1,042,433 | 0.04% | 3. Kroger Company | 1,924,340 | 0.13% |
| 4. J P Morgan Chase & Co. | 915,193 | 0.04% | 4. West-Camp Press Inc | 1,642,390 | 0.11% |
| 5. Mid-Ohio Imported Car Company Inc. | 846,766 | 0.03% | 5. Time Warner Entertainment Company | 1,535,270 | 0.10% |
| 6. Germain Nissan Of New Albany | 805,420 | 0.03% | 6. Mettler Toledo Inc | 1,422,800 | 0.10% |
| 7. Auto Direct Inc | 750,541 | 0.03% | 7. Cutler-Hammer 1Dt Inc | 1,411,200 | 0.09% |
| 8. Time Warner Entertainment Company LP | 705,812 | 0.03% | 8. Roush Equipment Company Inc | 1,252,840 | 0.08% |
| 9. Home Depot USA Inc | 657,149 | 0.03% | 9. Symix Systems Inc. | 1,232,240 | 0.08% |
| 10. Rush Motor Sales Inc | 653,357 | 0.03% | 10. Mid-Ohio Imported Cars Company Inc | 1,168,980 | 0.08% |
| All Others | <u>2,379,452,053</u> | <u>94.74%</u> | All Others | <u>1,341,092,251</u> | <u>89.73%</u> |
| Total Assessed Valuation | <u><u>\$2,511,857,034</u></u> | <u><u>100.00%</u></u> | Total Assessed Valuation | <u><u>\$1,494,552,571</u></u> | <u><u>100.00%</u></u> |

Source: Franklin County Auditor - Nine years ago information not available, therefore used eight years ago.

Westerville City School District
Property Tax Levies and Collections - Real, Public Utility
Tax and Tangible Personal Property
Last Ten Calendar Years

| Tax Year/ Collection Year | Current Levy | Delinquent Levy | Total Levy | Current Collection (1) | Percent of Current Levy Collected | Delinquent Collection (2) | Total Collection | Total Collection As a Percent of Total Levy | Delinquent Taxes Receivable |
|------------------------------|-----------------|--------------------|---------------|---------------------------|---|------------------------------|---------------------|---|-----------------------------------|
| | | | | | | | | | |
| 2006/07 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2005/06 | \$62,554,612 | \$2,798,410 | \$65,353,022 | \$60,761,825 | 97.13% | \$1,460,370 | \$62,222,195 | 95.21% | \$3,101,187 |
| 2004/05 | 62,996,400 | 2,865,996 | 65,862,396 | 60,619,247 | 96.23% | 1,616,810 | 62,236,057 | 94.49% | 2,755,789 |
| 2003/04 | 55,139,660 | 3,225,688 | 58,365,348 | 53,587,683 | 97.19% | 1,642,476 | 55,230,159 | 94.63% | 2,742,699 |
| 2002/03 | 55,118,475 | 3,580,141 | 58,698,616 | 53,913,651 | 97.81% | 1,927,176 | 55,840,827 | 95.13% | 3,168,633 |
| 2001/02 | 55,511,182 | 3,051,334 | 58,562,516 | 53,514,087 | 96.40% | 1,541,579 | 55,055,666 | 94.01% | 3,544,953 |
| 2000/01 | 54,652,124 | 2,669,250 | 57,321,374 | 54,107,821 | 99.00% | 1,532,826 | 55,640,647 | 97.07% | 2,859,562 |
| 1999/00 | 49,423,043 | 2,410,391 | 51,833,434 | 48,087,673 | 97.30% | 1,257,745 | 49,345,518 | 95.20% | 1,986,166 |
| 1998/97 | 47,835,965 | 1,859,890 | 49,695,855 | 47,058,116 | 98.37% | 1,148,512 | 48,206,628 | 97.00% | 2,304,262 |
| 1997/98 | 47,075,734 | 2,057,961 | 49,133,695 | 46,517,483 | 98.81% | 1,112,038 | 47,629,521 | 96.94% | 2,094,690 |

Source: Franklin County Auditor - Data is presented on a Calendar Year basis because that is the manner in which the information is maintained by the County Auditor. Data is for Franklin County only.

(1) Includes Homestead/Rollback on real estate and reimbursement on personal property taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenues.

(2) Delinquent only pertains to real estate tax as personal property information is unavailable.

N/A - The information was not available at the time of the document's preparation.

Westerville City School District
Percent of Net General Obligation Bonded Debt to
Assessed Value and Bonded Debt Per Capita
Last Ten Years

| Year | (a) Assessed Value | (b) Gross Bonded Debt | (c) Less Debt Service | Net Bonded Debt | % of Net Bonded Debt to Assessed Valuation | (d) Percentage of Personal Income | (d) Net Bonded Debt Per Capita | (d) Net Bonded Debt Per ADM |
|------|--------------------------|-----------------------------|-----------------------------|--------------------|--|--|---|--------------------------------------|
| 2007 | \$2,511,857,034 | \$111,139,583 | \$8,755,309 | 102,384,274 | 0.0408 | 4.36% | 1,282 | 7,184 |
| 2006 | 2,486,938,778 | 117,094,585 | 8,328,474 | 108,766,111 | 0.0437 | 4.73% | 1,391 | 7,650 |
| 2005 | 2,203,460,988 | 122,394,585 | 7,835,634 | 114,558,951 | 0.0520 | 5.00% | 1,469 | 8,169 |
| 2004 | 2,154,829,978 | 127,962,429 | 7,276,551 | 120,685,878 | 0.0560 | 5.30% | 1,559 | 8,525 |
| 2003 | 2,130,248,148 | 133,155,446 | 5,490,715 | 127,664,731 | 0.0599 | 5.66% | 1,665 | 9,091 |
| 2002 | 1,879,201,268 | 138,949,070 | 7,720,099 | 131,228,971 | 0.0698 | 6.38% | 1,876 | 9,486 |
| 2001 | 1,807,059,931 | 140,174,487 | 7,144,043 | 133,030,444 | 0.0736 | 6.58% | 1,933 | 9,706 |
| 2000 | 1,711,176,005 | 43,049,855 | 4,350,532 | 38,699,323 | 0.0226 | 1.63% | 479 | 2,844 |
| 1999 | 1,494,552,571 | 45,554,855 | 5,011,856 | 40,542,999 | 0.0271 | 3.01% | 539 | 3,028 |
| 1998 | 1,438,164,363 | 47,969,855 | 1,553,479 | 46,416,376 | 0.0323 | 3.46% | 619 | 3,510 |

Sources:

- (a) County auditor
- (b) School district records - General obligation debt outstanding end of fiscal year
- (c) Balance of general obligation bond retirement fund at end of fiscal year
- (d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, population and enrollment information

Westerville City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 as of June 30, 2007

| Governmental Unit | Gross Debt Outstanding | Percent Applicable to Westerville City School District | Amount Applicable to Westerville City School District |
|--|---------------------------|---|--|
| Westerville City School District | \$111,139,586 | 100.00% | \$111,139,586 |
| Delaware County | 35,835,000 | 14.37% | 5,149,490 |
| Franklin County | 91,615,000 | 5.70% | 5,222,055 |
| City of Columbus | 421,960,875 | 3.63% | 15,317,180 |
| City of Westerville | 16,550,000 | 97.05% | 16,061,775 |
| Plain Township | 2,049,998 | 0.77% | 15,785 |
| Minerva Park Corporation | 205,000 | 100.00% | 205,000 |
| New Albany Plain Local Park District Misc. | 15,009,990 | 0.55% | 82,555 |
| | \$694,365,449 | | \$153,193,426 |

Source: Ohio Municipal Advisory Council

Note: Percent applicable to Westerville City School District calculated using assessed valuation of the School District areas value contained within the noted governmental unit divided by assessed calculation of the governmental unit.

Overlapping governments with no outstanding debt are not reflected.

Westerville City Schools
 Legal Debt Margin Information
 as of June 30, 2007

| | | | | | | | | | | |
|--|------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|
| Assessed Valuation | <u>\$2,511,857,034</u> | | | | | | | | | |
| Voted and Unvoted Debt Limit - 9% of Assessed Valuation | \$226,067,133 | | | | | | | | | |
| Balance in Debt Service Fund | \$8,755,309 | | | | | | | | | |
| Total Debt Outstanding | \$111,139,583 | | | | | | | | | |
| Less: Exempted Debt | \$0 | | | | | | | | | |
| Net subject to 9% limit | \$111,139,583 | | | | | | | | | |
| Total Legal Voted Debt Margin | <u>\$123,682,859</u> | | | | | | | | | |
| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 |
| Debt Limit | \$234,822,442 | \$232,152,964 | \$206,147,123 | \$201,211,249 | \$197,213,048 | \$176,096,190 | \$162,633,594 | \$154,005,840 | \$134,509,731 | \$129,434,793 |
| Total Net Debt Applicable to Limit | <u>\$111,139,583</u> | <u>117,094,585</u> | <u>122,394,585</u> | <u>127,962,429</u> | <u>133,155,446</u> | <u>137,845,954</u> | <u>140,174,487</u> | <u>43,049,855</u> | <u>45,554,855</u> | <u>47,969,855</u> |
| Legal Debt Margin | <u>\$123,682,859</u> | <u>\$115,058,379</u> | <u>\$83,752,538</u> | <u>\$73,248,820</u> | <u>\$64,057,602</u> | <u>\$38,250,236</u> | <u>\$22,459,107</u> | <u>\$110,955,985</u> | <u>\$88,954,876</u> | <u>\$81,464,938</u> |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 47.33% | 50.44% | 59.37% | 63.60% | 67.52% | 78.28% | 86.19% | 27.95% | 33.87% | 37.06% |

Source: Franklin County Auditor and School District financial records

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

Voted debt margins are determined without reference to applicable monies in the school district's Debt Service fund.

Westerville City School District
 Demographic and Economic Statistics
 Last Ten Years

| Year | (a) MORPC Population | (b) Per Capita Income | Personal Income | (c) Unemployment Rate | (b) % of Population 25 Years & older with Bachelor's Degree or Higher | (d) Enrollment Membership |
|------|----------------------------|-----------------------------|--------------------|-----------------------------|---|---------------------------------|
| 2007 | 79,891 | \$29,401 | \$2,348,875,291 | 3.9% | 44.6% | 14,252 |
| 2006 | 78,213 | \$29,401 | \$2,299,540,413 | 4.1% | 44.6% | 14,217 |
| 2005 | 77,964 | \$29,401 | \$2,292,219,564 | 4.4% | 44.6% | 14,023 |
| 2004 | 77,415 | \$29,401 | \$2,276,078,415 | 4.2% | 44.6% | 14,156 |
| 2003 | 76,680 | \$29,401 | \$2,254,468,680 | 3.7% | 44.6% | 14,043 |
| 2002 | 69,939 | \$29,401 | \$2,056,276,539 | 2.5% | 44.6% | 13,834 |
| 2001 | 68,805 * | \$29,401 | \$2,022,935,805 | 1.7% | 44.6% | 13,706 |
| 2000 | 80,761 | \$29,401 | \$2,374,454,161 | 1.6% | 44.6% | 13,609 |
| 1999 | 75,273 | \$17,898 | \$1,347,236,154 | 1.3% | 40.2% | 13,390 |
| 1998 | 75,021 | \$17,898 | \$1,342,725,858 | 1.3% | 40.2% | 13,225 |

Sources:

(a) Mid Ohio Regional Planning Commission

* Population figures prior to 2001 were estimated by MORPC. 2001 is an actual number specified by the 2000 census as the population of Westerville City School District.

(b) US Census Bureau 2000 and 1990 Census Demographic Profiles for the City of Westerville

(c) U.S. Department of Labor, Bureau of Labor Statistics

(d) Per School District records - Educational Management Information System

Westerville City School District
Principal Employers
Current Year and Nine Years Ago

December 2006

| Employer | Employees | Percentage of Total Employment | Type of Business |
|------------------------------------|---------------|--------------------------------|------------------------------|
| 1 J. P. Morgan Chase (Bank One) | 3,958 | 6.75% | Banking & Financial Services |
| 2 Mount Carmel Health | 2,360 | 4.00% | Health Care |
| 3 Westerville City Schools | 2,195 | 3.70% | Public Education |
| 4 Otterbein College | 1,783 | 3.00% | Private College |
| 5 CMS Subsidiary | 1,722 | 2.90% | Membership Services |
| 6 Alliance Data Systems, Inc. | 1,200 | 2.00% | Finance Credit Services |
| 7 Cheryl's Cookies (1-800 Flowers) | 931 | 1.60% | Retail Food |
| 8 City of Westerville | 884 | 1.50% | Municipal Government |
| 9 Meijer's | 691 | 1.20% | Retail Groceries |
| 10 Heartland Employment | 671 | 1.10% | Financial Services |
| Total | 16,395 | 27.75% | |

December 1997

| Employer | Employees | Percentage of Total Employment | Type of Business |
|------------------------------------|---------------|--------------------------------|------------------------------|
| 1 Bank One | 8,537 | N/A | Banking & Financial Services |
| 2 CMS Subsidiary | 2,177 | N/A | Membership Services |
| 3 Westerville City Schools | 1,912 | N/A | Public Education |
| 4 Otterbein College | 1,558 | N/A | Private College |
| 5 St. Ann's Hospital | 1,399 | N/A | Health Care |
| 6 Alliance Data Systems, Inc. | 1,384 | N/A | Finance Credit Services |
| 7 Worthington Industries | 833 | N/A | Manufacturing |
| 8 City of Westerville | 686 | N/A | Municipal Government |
| 9 Cheryl's Cookies (1-800-Flowers) | 508 | N/A | Retail Food |
| 10 Krogers | 449 | N/A | Retail Groceries |
| Total | 19,443 | | |

Note: Information for total city employment only, District information was not available

Source: City of Westerville Division of Taxation, December 1997 and December 2006

N/A: Percentage information not available for 1997

Westerville City School District
 Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
 Last Four Fiscal Years

| | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|
| Teaching staff: | | | | |
| Elementary | 372.20 | 353.40 | 338.00 | 348.00 |
| Middle | 200.20 | 192.00 | 184.00 | 224.00 |
| High | 241.10 | 230.00 | 219.50 | 240.00 |
| Counselors/Social Workers | | | | |
| Psychologists | 31.00 | 30.00 | 30.00 | 28.00 |
| Nurses | 13.40 | 12.80 | 9.60 | 11.00 |
| Speech | 7.40 | 7.40 | 7.35 | 7.00 |
| Adapted phys ed. - OT/PT | 16.60 | 15.30 | 15.70 | 15.00 |
| Media specialist | 13.60 | 11.60 | 10.60 | 10.00 |
| | 15.00 | 15.00 | 15.00 | 15.00 |
| Administrators: | | | | |
| Certificated | 55.30 | 54.30 | 55.80 | 59.00 |
| Classified | 17.00 | 15.00 | 16.00 | 15.00 |
| Support staff: | | | | |
| Secretarial | 103.91 | 108.44 | 104.50 | 103.00 |
| ESL paraprofessionals | 18.76 | 18.23 | 19.92 | 20.00 |
| Educational Interpreter | - | - | - | 1.00 |
| Job Coaches | 4.74 | 2.29 | 3.86 | 4.00 |
| Health Aides | 8.83 | 8.77 | 7.39 | 7.00 |
| Recess aides/crossing guards | 22.25 | 19.50 | 19.25 | 19.00 |
| Building/duty monitors | 9.18 | 10.56 | 12.43 | 12.00 |
| Parent Mentor | 0.75 | 0.75 | 0.00 | 0.00 |
| Community Relations Facilitator | 1.00 | 1.00 | 1.00 | 1.00 |
| IMS personnel | 7.00 | 7.00 | 7.00 | 7.00 |
| Printers | 2.00 | 2.00 | 2.00 | 2.00 |
| Food service | 54.00 | 56.00 | 50.37 | 53.00 |
| Nutrition Education Specialist | 0.75 | 0.50 | 0.50 | 1.00 |
| Custodial | 86.00 | 86.00 | 86.00 | 86.00 |
| Maintenance | 16.00 | 16.00 | 16.00 | 16.00 |
| HVAC | 3.00 | 3.00 | 3.00 | 3.00 |
| Bus drivers | 77.00 | 87.00 | 87.00 | 81.00 |
| Mechanics | 7.00 | 7.00 | 7.00 | 7.00 |
| Warehouse | 5.00 | 5.00 | 5.00 | 5.00 |
| Total | <u>1,409.97</u> | <u>1,375.84</u> | <u>1,333.77</u> | <u>1,400.00</u> |

| <u>Function</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Governmental activities: | | | | |
| Instruction | 836.00 | 794.92 | 765.08 | 840.5 |
| Support services: | | | | |
| Pupils | 105.83 | 100.87 | 95.34 | 93.00 |
| Instructional staff | 64.43 | 63.06 | 66.18 | 65.50 |
| School administration | 100.21 | 103.74 | 102.30 | 100.00 |
| Fiscal services | 10.00 | 10.00 | 10.00 | 10.00 |
| Business services | 11.50 | 11.50 | 11.50 | 11.50 |
| Operation & maintenance | 109.50 | 108.50 | 108.50 | 108.50 |
| Student transportation | 90.00 | 100.00 | 101.00 | 95.00 |
| Central services | 17.00 | 16.00 | 13.00 | 13.00 |
| Community services | 0.75 | 0.75 | 0.00 | 0.00 |
| Extra-curricular activities | 6.00 | 6.00 | 6.00 | 6.00 |
| Total governmental activities | <u>1,351.22</u> | <u>1,315.34</u> | <u>1,278.90</u> | <u>1,343.00</u> |
| Business-type activities: | | | | |
| Food service | 58.75 | 60.50 | 54.87 | 57.00 |
| Total primary government | <u>1,409.97</u> | <u>1,375.84</u> | <u>1,333.77</u> | <u>1,400.00</u> |

Source - School District Records

Information prior to 2004 is unavailable.

Westerville City School District
 Operating Indicators by Function
 Last Three Fiscal Years

| | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|--|-------------|-------------|-------------|
| Governmental Activities | | | |
| Instruction | | | |
| Regular and special | | | |
| Enrollment (Students) | 14,252 | 14,217 | 14,023 |
| Graduation rate | N/A | 94.6% | 94.6% |
| Support services - pupil | | | |
| % of students going on to higher education | 79.0% | 79.0% | 84.0% |
| % of students with disabilities | 11.6% | 11.2% | 11.3% |
| % of limited English proficient students | 7.4% | 6.3% | 4.2% |
| School administration | | | |
| Student attendance rate | 95.6% | 95.4% | 95.4% |
| Fiscal | | | |
| Purchase orders processed | 9,876 | 9,477 | 9,173 |
| Nonpayroll checks issued | 11,571 | 11,628 | 11,459 |
| Business | | | |
| Facility rentals permits issued | 303 | 265 | 268 |
| Maintenance | | | |
| Maintenance work orders completed | 7,192 | 5,913 | 5,330 |
| District square footage maintained by custodians and maintenance staff | 2,115,276 | 2,115,276 | 2,115,276 |
| District acreage maintained by grounds staff | 403 | 403 | 403 |
| Transportation | | | |
| Avg. public and parochial students transported daily | 8,401 | 8,502 | 7,939 |
| Avg. daily bus stops | 4,961 | 6,126 | 5,836 |
| Central | | | |
| Information technology services work orders completed | 2,857 | 2,785 | 2,526 |
| Extra-curricular activities | | | |
| High school varsity teams | 60 | 60 | 60 |
| Business-Type Activities | | | |
| Food service operations | | | |
| Breakfasts served to students | 138,900 | 105,625 | 85,587 |
| Lunches served to students | 628,488 | 622,037 | 602,386 |

Source - School District Records and Ohio Department of Education Report Card Data

N/A - Calculation not available from Ohio Department of Education

Information not available prior to 2005.

Westerville City School District
 Capital Assets by Function/Program
 Last Four Fiscal Years

| | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Governmental Activities | | | | |
| Regular Instruction | | | | |
| Land/improvements | \$9,396,188 | \$9,396,188 | \$9,392,188 | \$9,392,188 |
| Buildings/improvements | 184,756,845 | 182,885,105 | 179,800,709 | 178,855,973 |
| Furniture/equipment | 2,194,639 | 2,032,256 | 2,082,672 | 2,003,496 |
| Special Instruction | | | | |
| Furniture/equipment | 79,469 | 73,094 | 68,314 | 57,196 |
| Vocational Instruction | | | | |
| Buildings/improvements | 110,873 | 110,873 | 127,357 | 127,357 |
| Furniture/equipment | 5,038 | 5,038 | 5,038 | 5,038 |
| Vehicles | 17,279 | - | - | - |
| Pupil Support | | | | |
| Land/improvements | 3,550 | 3,550 | - | - |
| Buildings/improvements | 312,235 | 312,235 | - | - |
| Furniture/equipment | 33,599 | 25,142 | 31,934 | 31,934 |
| Instructional Support Staff | | | | |
| Furniture/equipment | 10,579 | 10,579 | 10,379 | 10,379 |
| School Administration | | | | |
| Furniture/equipment | 127,921 | 53,916 | 63,258 | 73,850 |
| Fiscal Services | | | | |
| Furniture/equipment | 13,376 | 13,376 | 13,376 | 13,376 |
| Business services | | | | |
| Buildings/improvements | 96,600 | 96,600 | 96,600 | 96,600 |
| Furniture/equipment | 49,015 | 49,015 | 61,810 | 61,810 |
| Vehicles | 101,065 | 101,065 | 48,769 | 48,769 |
| Operation & maintenance | | | | |
| Land/improvements | 365,607 | 248,620 | 28,926 | 28,926 |
| Buildings/improvements | 2,751,812 | 2,705,699 | 2,701,530 | 2,701,530 |
| Furniture/equipment | 529,916 | 521,797 | 483,329 | 482,499 |
| Vehicles | 515,628 | 529,779 | 510,504 | 597,563 |
| Student transportation | | | | |
| Land/improvements | 294,084 | 294,084 | 294,084 | 294,084 |
| Buildings/improvements | 34,648 | 31,700 | 31,700 | 31,700 |
| Furniture/equipment | 73,277 | 48,277 | 48,277 | 48,277 |
| Buses | 6,302,987 | 6,259,176 | 6,078,877 | 6,505,227 |
| Central services | | | | |
| Buildings/improvements | 288,201 | 288,201 | 288,201 | 288,201 |
| Furniture/equipment | 1,262,331 | 1,259,306 | 1,203,668 | 1,201,070 |
| Food services | | | | |
| Furniture/equipment | 131,257 | 131,257 | 131,257 | 131,257 |
| Community services | | | | |
| Furniture/equipment | 6,832 | 3,942 | - | - |
| Extra-curricular activities | | | | |
| Land/improvements | 752,047 | 282,237 | 194,420 | 22,511 |
| Buildings/improvements | 537,478 | 537,478 | 537,478 | 537,478 |
| Furniture/equipment | 290,503 | 270,938 | 258,376 | 237,111 |
| Total governmental activities capital assets | <u><u>\$211,444,879</u></u> | <u><u>\$208,580,523</u></u> | <u><u>\$204,593,031</u></u> | <u><u>\$203,885,400</u></u> |
| Business-type Activities | | | | |
| Food service | | | | |
| Furniture/equipment | \$1,078,221 | \$944,879 | \$944,885 | \$942,130 |
| Vehicles | 48,769 | 48,769 | 48,769 | 48,769 |
| | <u><u>\$1,126,990</u></u> | <u><u>\$993,648</u></u> | <u><u>\$993,654</u></u> | <u><u>\$990,899</u></u> |

Westerville City School District
 School Building Information
 Last Six Fiscal Years

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|--|--------|--------|--------|--------|--------|--------|
| Alcott Elementary (2002) | | | | | | |
| Square feet | 70,309 | 70,309 | 70,309 | 70,309 | 70,309 | N/A |
| Capacity (students) | 614 | 594 | 594 | 594 | 594 | N/A |
| Enrollment | 669 | 671 | 649 | 602 | 560 | N/A |
| Annehurst Elementary (1970) | | | | | | |
| Square feet | 39,747 | 39,747 | 39,747 | 39,747 | 39,747 | 36,204 |
| Capacity (students) | 365 | 382 | 330 | 330 | 330 | 330 |
| Enrollment | 354 | 352 | 341 | 348 | 350 | 373 |
| Central College Elementary (1931) | | | | | | |
| Square feet | 15,470 | 15,470 | 15,470 | 15,470 | 15,470 | 15,470 |
| Capacity (students) | 89 | 106 | 120 | 120 | 120 | 120 |
| Enrollment | 126 | 128 | 126 | 118 | 119 | 129 |
| Cherrington Elementary (1968) | | | | | | |
| Square feet | 41,348 | 41,348 | 41,348 | 41,348 | 41,348 | 39,283 |
| Capacity (students) | 374 | 350 | 408 | 408 | 408 | 408 |
| Enrollment | 338 | 335 | 336 | 347 | 343 | 361 |
| Emerson Elementary (1896) | | | | | | |
| Square feet | 28,005 | 28,005 | 28,005 | 28,005 | 28,005 | 28,005 |
| Capacity (students) | 265 | 277 | 225 | 225 | 225 | 225 |
| Enrollment | 225 | 238 | 210 | 190 | 168 | 247 |
| Fouse Elementary (2002) | | | | | | |
| Square feet | 70,309 | 70,309 | 70,309 | 70,309 | 70,309 | N/A |
| Capacity (students) | 614 | 570 | 570 | 570 | 570 | N/A |
| Enrollment | 648 | 624 | 626 | 587 | 523 | N/A |
| Hanby Elementary (1922) | | | | | | |
| Square feet | 43,532 | 43,532 | 43,532 | 43,532 | 43,532 | 43,532 |
| Capacity (students) | 292 | 260 | 353 | 353 | 353 | 353 |
| Enrollment | 294 | 267 | 250 | 254 | 231 | 394 |
| Hawthorne Elementary (1957) | | | | | | |
| Square feet | 62,888 | 62,888 | 62,888 | 62,888 | 62,888 | 61,391 |
| Capacity (students) | 648 | 614 | 511 | 511 | 511 | 511 |
| Enrollment | 676 | 688 | 669 | 681 | 673 | 740 |
| Huber Ridge Elementary (1964) | | | | | | |
| Square feet | 55,464 | 55,464 | 55,464 | 55,464 | 55,464 | 55,464 |
| Capacity (students) | 549 | 509 | 423 | 423 | 423 | 423 |
| Enrollment | 518 | 509 | 479 | 519 | 523 | 644 |
| Longfellow Elementary (1931) | | | | | | |
| Square feet | 13,753 | 13,753 | 13,753 | 13,753 | 13,753 | 13,753 |
| Capacity (students) | 91 | 91 | 110 | 110 | 110 | 110 |
| Enrollment | 124 | 129 | 125 | 120 | 122 | 131 |
| Mark Twain Elementary (1974) | | | | | | |
| Square feet | 45,864 | 45,864 | 45,864 | 45,864 | 45,864 | 39,628 |
| Capacity (students) | 419 | 422 | 332 | 332 | 332 | 332 |
| Enrollment | 434 | 433 | 427 | 452 | 423 | 462 |
| McVay Elementary (1989) | | | | | | |
| Square feet | 67,159 | 67,159 | 67,159 | 67,159 | 67,159 | 67,159 |
| Capacity (students) | 478 | 498 | 563 | 563 | 563 | 563 |
| Enrollment | 480 | 495 | 507 | 544 | 558 | 574 |
| Pointview Elementary (1973) | | | | | | |
| Square feet | 36,893 | 36,893 | 36,893 | 36,893 | 36,893 | 36,893 |
| Capacity (students) | 348 | 381 | 314 | 314 | 314 | 314 |
| Enrollment | 349 | 333 | 348 | 363 | 390 | 524 |

Source: School District Records, information not available prior to 2002.

Note: Year of original construction in parentheses. Increases in square footage are the result of renovations and additions. Capacity prior to 2006 is from the FY '01 URS study which is based on square footage. Capacity for 2006 is based on actual classroom usage per the OSFC guidelines.

*This building is not district owned and is being leased by Westerville City Schools.

N/A - Not available, building was not open.

Westerville City School District
School Building Information, continued
Last Six Fiscal Years

| | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|---|---------|---------|---------|---------|---------|---------|
| Robert Frost Elementary (1974) | | | | | | |
| Square feet | 45,763 | 45,763 | 45,763 | 45,763 | 45,763 | 39,527 |
| Capacity (students) | 437 | 461 | 350 | 350 | 350 | 350 |
| Enrollment | 371 | 384 | 388 | 396 | 454 | 594 |
| Whittier Elementary (1952) | | | | | | |
| Square feet | 46,097 | 46,097 | 46,097 | 46,097 | 46,097 | 39,548 |
| Capacity (students) | 377 | 419 | 355 | 355 | 355 | 355 |
| Enrollment | 313 | 323 | 365 | 365 | 343 | 461 |
| Wilder Elementary (1989) | | | | | | |
| Square feet | 67,159 | 67,159 | 67,159 | 67,159 | 67,159 | 67,159 |
| Capacity (students) | 483 | 493 | 570 | 570 | 570 | 570 |
| Enrollment | 492 | 492 | 495 | 522 | 544 | 676 |
| Blendon Middle School (1969) | | | | | | |
| Square feet | 79,025 | 79,025 | 79,025 | 79,025 | 79,025 | 77,402 |
| Capacity (students) | 581 | 624 | 650 | 650 | 650 | 650 |
| Enrollment | 578 | 572 | 591 | 642 | 682 | 697 |
| Genoa Middle School (1998) | | | | | | |
| Square feet | 143,955 | 143,955 | 143,955 | 143,955 | 143,955 | 127,950 |
| Capacity (students) | 892 | 821 | 750 | 750 | 750 | 750 |
| Enrollment | 897 | 935 | 907 | 909 | 862 | 817 |
| Heritage Middle School (1989) | | | | | | |
| Square feet | 117,945 | 117,945 | 117,945 | 117,945 | 117,945 | 115,485 |
| Capacity (students) | 633 | 686 | 835 | 835 | 835 | 835 |
| Enrollment | 862 | 901 | 874 | 911 | 946 | 912 |
| Walnut Springs Middle School (1965) | | | | | | |
| Square feet | 99,068 | 99,068 | 99,068 | 99,068 | 99,068 | 91,713 |
| Capacity (students) | 733 | 693 | 716 | 716 | 716 | 716 |
| Enrollment | 951 | 920 | 925 | 893 | 843 | 824 |
| Westerville Central High School (2003) | | | | | | |
| Square feet | 326,102 | 326,102 | 326,102 | 326,102 | N/A | N/A |
| Capacity (students) | 1,751 | 1,605 | 1,605 | 1,605 | N/A | N/A |
| Enrollment | 1,536 | 1,444 | 1,117 | 733 | N/A | N/A |
| Westerville North High School (1975) | | | | | | |
| Square feet | 266,928 | 266,928 | 266,928 | 266,928 | 266,928 | 266,928 |
| Capacity (students) | 1,487 | 1,470 | 1,515 | 1,515 | 1,515 | 1,515 |
| Enrollment | 1,624 | 1,596 | 1,729 | 1,900 | 2,269 | 2,254 |
| Westerville South High School (1960) | | | | | | |
| Square feet | 254,583 | 254,583 | 254,583 | 254,583 | 254,583 | 254,583 |
| Capacity (students) | 1,255 | 1,312 | 1,467 | 1,467 | 1,467 | 1,467 |
| Enrollment | 1,449 | 1,448 | 1,572 | 1,760 | 2,092 | 2,030 |
| Administration Building (1974) | | | | | | |
| Square feet | 8,580 | 8,580 | 8,580 | 8,580 | 8,580 | 8,580 |
| White House (1873) | | | | | | |
| Square feet | 2,596 | 2,596 | 2,596 | 2,596 | 2,596 | 2,596 |
| Warehouse (1980) | | | | | | |
| Square feet | 3,239 | 3,239 | 3,239 | 3,239 | 3,239 | 3,239 |
| Buildings & Grounds (1987) | | | | | | |
| Square feet | 8,700 | 8,700 | 8,700 | 8,700 | 8,700 | 8,700 |
| Farmhouse (1905) | | | | | | |
| Square feet | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Transportation (1954) | | | | | | |
| Square feet | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 | 8,400 |
| Vine Street (1922) | | | | | | |
| Square feet | 3,502 | 3,502 | 3,502 | 3,502 | 3,502 | 3,502 |
| Eastwind * | | | | | | |
| Square feet | 7,196 | 7,196 | 7,196 | 7,196 | 7,196 | 7,196 |

Westerville City School District
Educational and Operating Statistics
Last Ten School Years

| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|--|---------|---------|---------|---------|---------|---------|---------|------------|---------|---------|
| 3rd Grade Achievement Tests: | | | | | | | | | | |
| Reading | N/A | N/A | N/A | N/A | N/A | N/A | 87% | (a) 85% | 87% | 88% |
| Math | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 77% | 83% | 90% |
| 4th Grade Proficiency/Achievement Tests: | | | | | | | | | | |
| Writing | 68% | 73% | 92% | 88% | 83% | 87% | 88% | (a) 88% | 90% | 86% |
| Reading | 57% | 69% | 73% | 70% | 77% | 78% | 83% | 88% | 84% | 90% |
| Mathematics | 58% | 66% | 71% | 77% | 78% | 73% | 78% | 72% | 86% | 85% |
| Citizenship | 72% | 81% | 79% | 76% | 81% | 77% | 74% | 77% | N/A | N/A |
| Science | 63% | 65% | 68% | 68% | 77% | 69% | 75% | 66% | N/A | N/A |
| 5th Grade Achievement Tests | | | | | | | | | | |
| Reading | N/A | N/A | N/A | N/A | N/A | N/A | N/A | (a) 84% | 85% | 88% |
| Mathematics | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 69% | 67% |
| Science | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 75% |
| Social Studies | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 69% |
| 6th Grade Proficiency/Achievement Tests: | | | | | | | | | | |
| Writing | 90% | 81% | 85% | 89% | 92% | 85% | 95% | (a) 90% | N/A | N/A |
| Reading | 62% | 62% | 57% | 66% | 66% | 74% | 71% | 76% | 89% | 81% |
| Mathematics | 59% | 64% | 65% | 72% | 71% | 66% | 72% | 72% | 76% | 79% |
| Citizenship | 75% | 80% | 79% | 79% | 82% | 83% | 80% | 82% | N/A | N/A |
| Science | 59% | 57% | 64% | 70% | 71% | 78% | 73% | 73% | N/A | N/A |
| 7th Grade Achievement Tests: | | | | | | | | | | |
| Reading | N/A | N/A | N/A | N/A | N/A | N/A | N/A | (a) N/A | 88% | 85% |
| Math | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 74% | 81% | 84% |
| Writing | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 87% |
| 8th Grade Achievement Tests: | | | | | | | | | | |
| Reading | N/A | N/A | N/A | N/A | N/A | N/A | N/A | (a) 89% | 86% | 88% |
| Math | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 78% | 80% | 83% |
| Science | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 69% |
| Social Studies | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 60% |
| 9th Grade Proficiency Tests: | | | | | | | | | | |
| Writing | 96% | 97% | 97% | 95% | 88% | 97% | 98% | (a) N/A | N/A | N/A |
| Reading | 94% | 94% | 93% | 93% | 78% | 97% | 98% | N/A | N/A | N/A |
| Mathematics | 80% | 82% | 83% | 80% | 94% | 89% | 92% | N/A | N/A | N/A |
| Citizenship | 91% | 92% | 90% | 88% | 90% | 94% | 96% | N/A | N/A | N/A |
| Science | 83% | 87% | 86% | 83% | 81% | 91% | 94% | N/A | N/A | N/A |
| 10th Grade Ohio Graduation Test: | | | | | | | | | | |
| Writing | N/A | N/A | N/A | N/A | N/A | N/A | N/A | (a) 86% | 93% | 94% |
| Reading | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 77% | 96% | 90% |
| Mathematics | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 69% | 91% | 87% |
| Social Studies | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 90% | 90% | 84% |
| Science | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 84% | 84% | 79% |
| ACT Scores (Averages) | | | | | | | | | | |
| Westerville | 22.7 | 22.4 | 22.6 | 22.5 | 22.4 | 22.3 | 22.5 | 22.1 | 22.7 | 22.2 |
| National | 21.0 | 21.0 | 21.0 | 21.0 | 20.8 | 20.8 | 20.9 | 20.9 | 20.1 | 21.2 |
| SAT Scores (Averages) | | | | | | | | | | |
| Westerville | | | | | | | | | | |
| Verbal | *541 | 536 | 541 | 533 | 540 | 542 | 541 | 539 | 537 | 538 |
| Mathematics | *571 | 555 | 551 | 558 | 563 | 529 | 561 | 551 | 561 | 571 |
| National | | | | | | | | | | |
| Verbal | 505 | 505 | 505 | 506 | 504 | 507 | 508 | 508 | 503 | 502 |
| Mathematics | 512 | 511 | 514 | 514 | 516 | 519 | 518 | 520 | 518 | 515 |
| National Merit Scholars (Percent of Senior Class) | | | | | | | | | | |
| | N/A | 2.57 | 2.28 | 2.60 | 2.76 | 2.40 | 2.50 | 1.51 | 1.90 | 1.47 |

Source: School District Student Records and Ohio Department of Education

N/A = Not Available/Not Applicable

*Scores for Westerville North-No Results available for Westerville South

(a) 2004-05 tests were added for 3rd, 5th, 7th, 8th grades and the names/content were changed from proficiency to achievement for the 4th and 6th grade tests. The Ohio Graduation Test was added for 10th graders and eliminated the 9th grade test.

Westerville City School District
 Educational and Operating Statistics, continued
 Last Ten School Years

| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| ODE Per Pupil Costs | | | | | | | | | | |
| Westerville | \$6,335 | \$6,519 | \$6,895 | \$7,400 | \$7,696 | \$8,071 | \$8,330 | \$8,356 | \$8,608 | \$9,236 |
| State Avg. | \$6,232 | \$6,642 | \$7,057 | \$7,602 | \$8,073 | \$8,435 | \$8,775 | \$9,028 | \$9,356 | \$9,587 |
| Cost to Educate Graduate | | | | | | | | | | |
| Westerville | N/A | N/A | N/A | \$70,533 | \$74,468 | \$78,379 | \$82,436 | \$86,727 | \$90,590 | \$94,531 |
| State Avg. | \$60,682 | \$64,002 | \$67,621 | \$71,601 | \$75,655 | \$79,741 | \$84,130 | \$88,685 | \$93,017 | \$97,362 |
| Average Teacher Salary | | | | | | | | | | |
| Westerville | N/A | N/A | N/A | \$51,733 | \$53,104 | \$55,925 | \$58,291 | \$59,403 | \$59,695 | \$61,487 |
| State Avg. | \$39,201 | \$40,835 | \$41,833 | \$42,995 | \$43,755 | \$45,645 | \$47,659 | \$49,438 | \$50,772 | \$53,536 |
| Teacher Experience | | | | | | | | | | |
| % of Teachers with 0-4 Years | 14.0 | 14.0 | 15.0 | 19.2 | 23.5 | 19.9 | 21.9 | 19.5 | 15.7 | 16.0 |
| % of Teachers with 5-9 Years | 13.4 | 13.4 | 16.1 | 15.4 | 18.1 | 17.7 | 16.3 | 18.4 | 22.8 | 19.3 |
| % of Teachers with 10+ Years | 72.6 | 72.6 | 68.9 | 65.4 | 58.4 | 62.4 | 61.8 | 62.1 | 61.4 | 64.7 |
| Percentage of Teachers with a Master's Degree or Higher | | | | | | | | | | |
| | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 75.8 | 76.8 | 72.0 |
| ODE Teacher/Pupil Ratio | | | | | | | | | | |
| Westerville | 21.0 | 19.9 | 19.9 | 18.8 | 18.0 | 18.1 | 20.4 | 22.0 | 21.2 | 21.5 |
| State Avg. | 20.4 | 18.6 | 18.1 | 18.0 | 16.9 | 16.5 | 18.5 | 18.5 | 18.6 | 19.6 |
| Percentage of Students on Free/Reduced Lunch | | | | | | | | | | |
| | N/A | N/A | N/A | 6.7 | 8.6 | 10.7 | 12.4 | 14.9 | 15.4 | 22.2 |

Westerville City School District

Westerville, Ohio



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Mary Taylor, CPA
Auditor of State

WESTERVILLE CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 31, 2007**