

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2002



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2002**

FEDERAL GRANTOR Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education</i>						
Child Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$19,972	\$0	\$18,389
National School Lunch Program	045062 LL P4 02	10.555	55,138		55,138	
Total U. S. Department of Agriculture			55,138	19,972	55,138	18,389
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education</i>						
<i>Special Education Cluster:</i>						
Special Education Grants to States	045062 6B SF 01 P	84.027	0		77,980	
	045062 6B SF 02 P		289,912		217,544	
Total CFDA			289,912	0	295,524	0
Special Education Preschool	045062 PG S1 01 P	84.173	0		2,763	
	045062 PG S1 02 P		17,558		12,423	
Total CFDA			17,558	0	15,186	0
Total Special Education Cluster			307,470	0	310,710	0
Title I, Part A, ESEA	045062 C1 S1 01	84.010	0		580	
	045062 C1 S1 02		100,169		99,874	
Total CFDA			100,169	0	100,454	0
Safe and Drug Free Schools	045062 DR S1 02	84.186	15,679		15,679	
Total CFDA			15,679	0	15,679	0
Eisenhower Professional Development	045062 MS S4 00	84.281	0		3,844	
	045062 MS S4 01		0		934	
	045062 MS S1 02		13,869		977	
Total CFDA			13,869	0	5,755	0
Innovative Education Program Strategy	045062 C2 S1 00	84.298	0		12,207	
	045062 C2 S1 01		0		14,572	
	045062 C2 S1 02		23,446		1,624	
Total CFDA			23,446	0	28,403	0
Adult Basic Education	045062 AB S2 02	84.002	51,737		50,261	
	045062 AB S2 02 P		13,976		12,121	
Total CFDA			65,713	0	62,382	0
Class Size Reduction	045062 CR S1 02	84.340	44,456	0	44,456	0
State Improvement	045062 ST S1 00	84.323	0		21,560	
	045062 ST S1 01		25,000		20,592	
Total CFDA			25,000	0	42,152	0
Total U. S. Department of Education			595,802	0	609,991	0
TOTAL FEDERAL ASSISTANCE			\$650,940	\$19,972	\$665,129	\$18,389

See Notes to the Schedule of Federal Awards Receipts and Expenditures.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2002**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION PROGRAM

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Values may change from month to month and are entirely subjective. At June 30, 2002, the District had no significant food commodities in inventory.

NOTE C – NATIONAL SCHOOL LUNCH PROGRAM

Federal monies received by the District for this program is commingled with State grants and local revenues. It is assumed that federal monies are expended first.

N/A – Not Applicable

CFDA – Catalog of Federal Domestic Assistance



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

Board of Education
Westlake City School District
Cuyahoga County
2260 Dover Center Road
Westlake, Ohio 44145

We have audited the financial statements of the Westlake City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated December 18, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the District's management in a separate letter dated December 18, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the District's management in a separate letter dated December 18, 2002.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, looping initial "J" and a long horizontal stroke extending to the right.

Jim Petro
Auditor of State

December 18, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education
Westlake City School District
Cuyahoga County
2260 Dover Center Road
Westlake, Ohio 44145

Compliance

We have audited the compliance of the Westlake City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each major federal program for the year ended June 30, 2002. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each major federal program for the year ended June 30, 2002.

Internal Control Over Compliance

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

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the District's management in a separate letter dated December 18, 2002.

Schedule of Federal Awards Expenditures

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2002, and have issued our report thereon dated December 18, 2002. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Jim Petro
Auditor of State

December 18, 2002

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2002**

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 weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions 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):	Nutrition Cluster CFDA # 10.550 and # 10.555 Title I, Part A, ESEA CFDA # 84.010
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

Westlake City School District
Westlake, Ohio

Comprehensive
Annual Financial Report

For the Fiscal Year Ended June 30, 2002

Westlake City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2002
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December 18, 2002

Board of Education Members
Westlake City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Westlake City School District for the fiscal year ended June 30, 2002. This CAFR includes an opinion from the State Auditor and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Westlake City School District with comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the Porter Public Library, major taxpayers, financial rating services and other interested parties.

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

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

**WESTLAKE
CITY SCHOOLS**

Board of Education
2260 Dover Center Rd.
Westlake, Ohio 44145
440 871-7300 tel
440 871-6034 fax

**Bassett
Elementary School**
2155 Bassett Rd.
440 835-6330

**Dover
Elementary School**
2300 Dover Center Rd.
440 835-6322

**Hilliard
Elementary School**
24365 Hilliard Rd.
440 835-6343

**Holly Lane
Elementary School**
3057 Holly Lane
440 835-6332

**Lee Burneson
Middle School**
2240 Dover Center Rd.
440 835-6340

**Parkside
Intermediate School**
24525 Hilliard Rd.
440 835-6325

**Westlake
High School**
27830 Hilliard Rd.
440 835-6351

The School District

The Westlake City School District is located in western Cuyahoga County, approximately thirteen miles southwest of downtown Cleveland. Westlake City School District encompasses the entire City of Westlake.

The School District was originally part of Dover Township. Dover Township was organized as one school district. As the population grew, nine sub-districts were created, each serviced by a one room school. In 1898, the Dover Public High School was organized and anyone graduating from the eighth grade in any of the sub-districts could attend the high school. In 1909, Dover Village, which is now the City of Westlake, incorporated and the first centralized school opened that fall. A bond issue was passed in 1917 allowing four rooms to be added to the rear of the school, doubling its size. This building is still in use today, serving as the School District's administration building.

In 1923, a new high school was dedicated and the sub-district system was abandoned. Since that time several new schools have been constructed. There are now seven schools in the School District, one high school, one middle school, one intermediate school and four elementary schools.

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

The Reporting Entity

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

Excluded from the reporting entity because they are fiscally independent of the School District are the City of Westlake, the Parent Teacher Organization, and Westshore Vocational Cooperative.

The Lake Erie Educational Computer Association and the Ohio Schools Council Association are jointly governed organizations and the Porter Public Library is a related organization whose relationships to the School District are described in Notes 17 and 18, respectively, to the basic financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Economic Condition and Outlook

The City of Westlake is one of the leaders in Cuyahoga County in growth and development. The City's proximity to Interstates 90, 80 and 480 coupled with the fact that land is available for future development provides the basis for continued economic growth. The City has carefully planned for a balance of residential, commercial and industrial development in order to maintain a substantial tax base.

Residential and commercial/industrial development is projected to continue in the near future with roughly 26.5 percent of the city's land still available for development. In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on eighty acres in western Westlake. When completed in 2007, it will create a downtown for Westlake with retail, office, restaurant, and residential spaces. Other building initiatives in 2001 and early 2002 have also added to Westlake's growing tax base.

Dave and Buster's, a 57,500 square foot restaurant and gaming complex opened in 2001. Hyland Software moved its headquarters to Westlake in early 2002. La Centre, a banquet, conference and office center featuring over 100,000 square feet began construction in 2002.

In addition to new commercial/industrial development, Westlake approved plans for several upscale subdivisions throughout the City that are currently under construction. Recent new home sales range from \$600,000-\$800,000 with some topping \$1,000,000.

School District enrollment has remained relatively flat over the last several years and is projected to remain stable for the foreseeable future. The 2001-2002 student enrollment was 3,743.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "... the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...".

The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

Major Initiatives

The Westlake City School District continued its major focus on student achievement during the 2001-2002 school year. The School District received, for the third consecutive year, the State's highest school district rating, "excellent". Westlake is one of less than 3% of Ohio school districts to achieve the State's highest rating in each of the three years since the program has been established. In addition, student achievement, as measured by college admissions tests, continues to be very strong. Students taking both the SAT and ACT tests have scored above both the State and the National averages.

Curriculum planning and implementation, technology initiatives and continuous improvement planning strategies marked the 2001-2002 school year. Each of these activities represented the continuation of planning and implementation initiatives already in place and are designed to support and enhance the achievement of students.

A staff committee completed comprehensive revisions of the mathematics course of study which was adopted by the Board of Education for implementation in the 2002-2003 school year. New materials were purchased for students in grades nine through twelve, providing new books, software and workbooks for students. Elementary and middle school materials selection will continue into the 2002-2003 school year.

In the technology realm, a School District committee designed a new technology plan that focuses on the achievement of children and is aligned with the curriculum. Technology skills are essential to compete in a knowledge economy. The plan implements high standards of performance and provides support for each child, as well as staff members. The power of technology will be used to extend learning and to be more efficient and productive in management.

The School District continues to use technology to communicate with the community and parents. The School District maintains an ever-expanding web site that includes a great deal of School District information, downloadable forms and links to a number of educational resources. All staff members have email and voice mail accounts.

The Continuous Improvement Plan (CIP), adopted by the Board in 2000, is a working document that guides the School District in every aspect of its performance. A monitoring committee and an outside school improvement specialist reviewed the goals and performance indicators to keep the School District on target

and accountable. The updated CIP serves as a guide to educators, students and their families, businesses and community members about the process of achieving and measuring improvements in the School District's performance. It addresses changes in the School District, educational events and State mandates since 1999, including the "No Child Left Behind" legislation signed by President Bush. The CIP emphasizes teamwork, commitment to excellence and a celebration of learning, which is reflected in the School District vision and mission statements.

The permanent improvement fund that began with receipts from the 2000 operating levy has been continued. This fund continues to be used to maintain school buildings and facilities. Major projects completed this past year include the installation of a new fire alarm system at Bassett Elementary system and the renovation of two science laboratories at the high school. The fire alarm replacement completes the replacements of all fire alarms systems in the School District's seven schools. The School District continued its bus replacement schedule by ordering four additional busses.

The School District offers a comprehensive program for children with special needs. The program was reviewed by the State Department of Education. The results of this review have been incorporated into program improvements and modifications. A State School Improvement grant secured in the 2000-01 school year was continued for the past year. This grant supported a number of professional development activities for both special and regular education staff members. Emphasis was on differentiating instruction and problem solving.

Financial Information

Internal Accounting and Budgetary Control

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

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

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

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

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

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

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

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

Financial Condition

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

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion follows the Report of Independent Accountants, providing an assessment of the School District's finances for 2002 and a discussion of current issues affecting the School District in the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

Financial Highlights - Internal Service Fund

The only internal service fund carried on the financial records relates to the self-insurance. This fund accounts for the revenues and expenses related to the provision of medical, surgical, prescription drug and dental benefits to the School District employees. The internal service fund had net assets of \$264,499 at June 30, 2002, compared with net assets of \$329,364 at June 30, 2001, reflecting a net decrease in net assets of \$64,865.

Financial Highlights - Fiduciary Fund

The trust fund carried on the financial records of the School District is a scholarship private purpose trust fund that has assets totaling \$26,689 as of June 30, 2002.

Cash Management

The Board has an aggressive cash management program which consists of expediting the receipt of revenues and prudently depositing cash which is insured by the Federal Deposit Insurance Corporation as well as investing available cash in instruments issued by the United States Government or the State of Ohio. The program is beneficial because of access to daily balances which enables the Board to maintain minimum balance accounts and invest to the maximum extent. The total amount of interest earned by School District funds was \$372,426 for the fiscal year ended June 30, 2002, \$328,434 being credited directly to the general fund.

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

Risk Management

The School District provides employee medical, surgical, prescription drug and dental benefits through a minimum premium program. A self-insurance internal service fund is maintained to account for and finance this program. Medical Mutual of Ohio administers the plan and reviews all claims. Stop-loss coverage is provided by Medical Mutual.

All employees of Westlake City School District are covered by a blanket bond, while certain individuals in policy-making roles are covered by separate, higher limit bond coverage.

The School District contracted through the Ohio Schools Council for property and general liability insurance, as well as boiler and machinery coverage. There is a \$1,000 deductible with a one hundred percent co-insurance.

The School District contracts for general liability insurance with a \$1,000,000 single occurrence limit and \$5,000,000 aggregate with a \$1,000 deductible and a ninety percent co-insurance. The School District also carries a single occurrence \$1,000,000 limit, a \$5,000,000 aggregate and a \$5,000 deductible for professional liability and automobile liability which has a \$2,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past ten years.

The School District participates in the State Workers' Compensation plan and pays a premium based on a rate per \$100 of salaries.

Independent Audit

State statutes require the School District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of and for the year ended June 30, 2002. The opinion appears at the beginning of the financial section of this report.

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

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Westlake City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2001. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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

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

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

Respectfully submitted,



Mark C. Pepera
Chief Financial Officer



Dr. James Costanza, Ed.D.
Superintendent

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Westlake City School District

Principal Officials

June 30, 2002

Board of Education

Mr. Thomas LeChaixPresident
Ms. Andrea Rocco Vice-President
Mr. David Beal..... Member
Mr. Robert Swanson Member
Ms. Renee Wargo..... Member

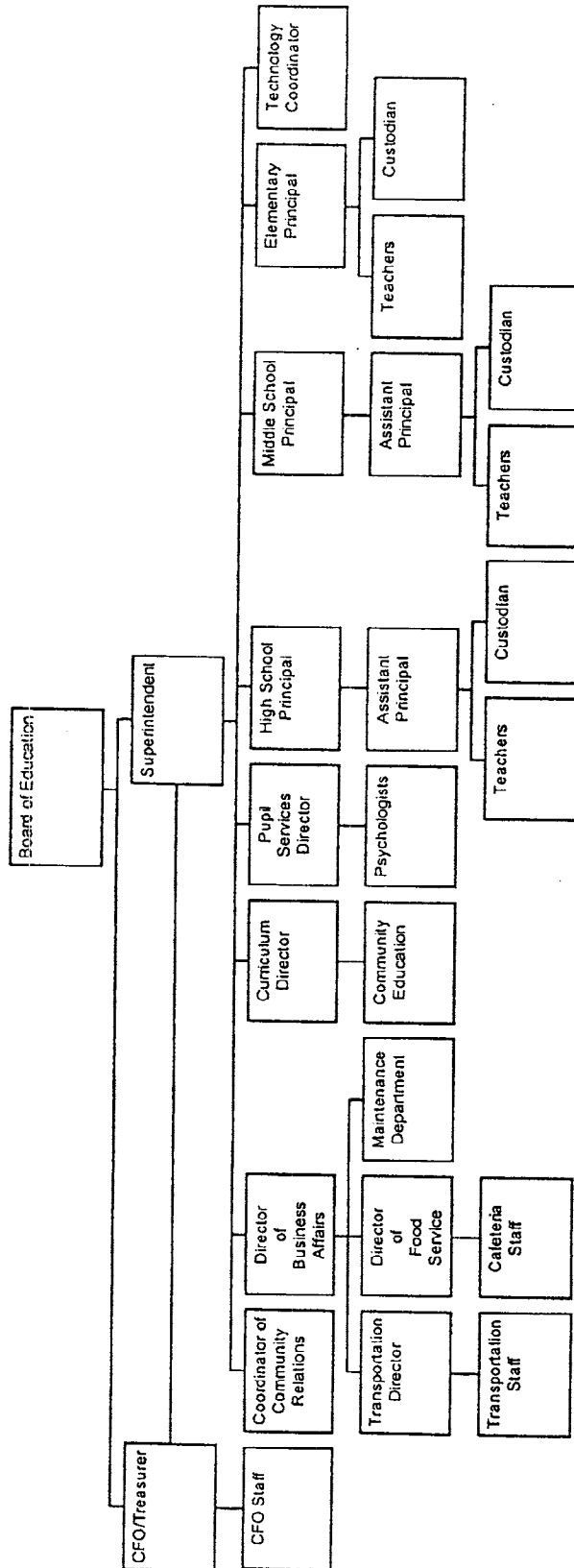
Chief Financial Officer

Mr. Mark C. Pepera

Executive Administration

Dr. James Costanza, Ed.D..... Superintendent
Mr. Gary Slocum Director of Business Affairs

Westlake City School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westlake City School
District, Ohio

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

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.



William Patrick Pate
President

Jeffrey L. Essler
Executive Director

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building
615 Superior Avenue, NW.
Twelfth Floor
Cleveland, Ohio 44113-1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education
Westlake City School District
Cuyahoga County
2260 Dover Center Road
Westlake, Ohio 44145

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Westlake City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2002, 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Westlake City School District, Cuyahoga County, Ohio, as of June 30, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2002 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and statistical tables are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements 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.

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

Jim Petro
Auditor of State

December 18, 2002

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The management discussion and analysis of Westlake City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2002. The intent of this narrative is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key Financial Highlights for 2002 are as follows:

- In total, net assets increased by \$7.3 million.
- Revenues for governmental activities totaled \$48.4 million in fiscal year 2002, as compared to \$42.4 million in fiscal year 2001. Of the total, 93.8 percent consisted of General revenues while Program revenues accounted for 6.2 percent.
- Program expenses totaled \$41.0 million as compared to \$40.5 million in fiscal year 2001. Instructional expenses made up 54.1 percent of this total while support services accounted for 34.8 percent. Other expenses such as food service, extracurricular, debt service and non-instructional rounded out the remaining 11 percent.
- The School District's net change in fund balance for the General fund was \$4.9 million.
- Outstanding general obligation bonded debt decreased to \$29.5 million from \$31.2 in fiscal year 2001.
- Moody's investor services upgraded the School District's credit rating from Aa3 to Aa2.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2002?" The *Statement of Net Assets* and the *Statement of Activities* answers this question. These statements include all assets and liabilities using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and willingness of the community to support the School District. On the other hand, financial factors may include the School District's financial position, liquidity and solvency, fiscal capacity and risk and exposure.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

The School District as a Whole

You may recall that the *Statement of Net Assets* provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2002 compared to 2001:

Table 1

Net Assets
Governmental Activities

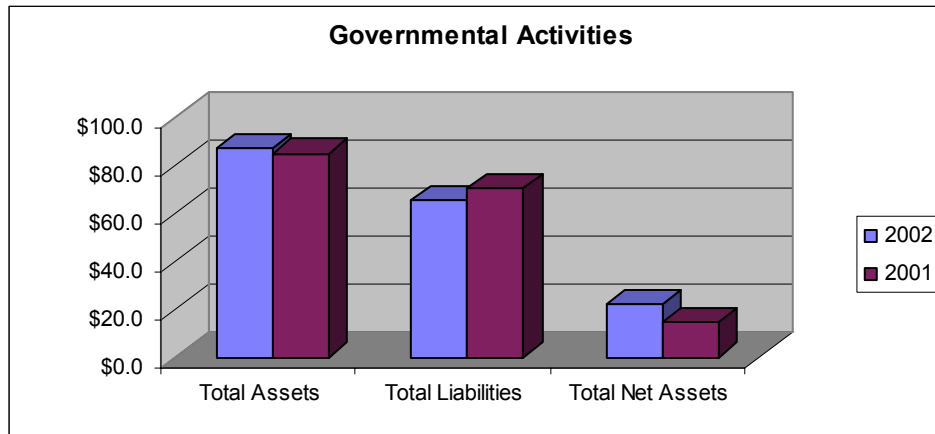
	2002	2001
Assets		
Current and Other Assets	\$47,322,614	\$44,765,100
Capital Assets, Net	40,116,619	40,281,728
<i>Total Assets</i>	87,439,233	85,046,828
Liabilities		
Current and Other Liabilities	33,077,335	36,656,553
Long-Term Liabilities:		
Due Within One Year	2,559,976	1,966,849
Due in More than One Year	29,882,795	31,819,537
<i>Total Liabilities</i>	65,520,106	70,442,939
Net Assets		
Invested in Capital Assets Net of Debt	16,650,496	15,345,133
Restricted:		
Capital Projects	1,514,097	1,410,069
Debt Service	2,811,430	2,222,742
Other Purposes	532,660	665,408
Unrestricted (Deficit)	410,444	(5,039,463)
<i>Total Net Assets</i>	\$21,919,127	\$14,603,889

Graph 1 (See page 6)

Net Assets Governmental Activities
(in millions)

	2002	2001
Total Assets	\$87.4	\$85.0
Total Liabilities	65.5	70.4
Total Net Assets	\$21.9	\$14.6

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited



As one can see total assets increased by \$2.4 million. The majority of this increase can be attributed directly to the area of taxes receivable. More specifically, this increase in total assets was derived from the full collection of the 5.5 mill levy that was passed in calendar year 2000 as well as the high amount of tax delinquencies as certified by the County Auditor. In June, 2002, the County extended the tax collection period for an extra eight days. Due to this timing difference, the School District had an additional \$4 million available for advance as compared to \$2.1 million available in fiscal year 2001 or a total of \$6.1 million available as of June 30, 2002. This additional amount contributed to the increase in tax revenues and the decrease in deferred revenue as reported for fiscal year 2002. Depending on the County's collection period next year, a significant fluctuation in the amount available for advance could occur in fiscal year 2003.

Total liabilities decreased by more than \$4.9 million. The most significant decrease was in the category of deferred revenue. Deferred revenue decreased by more than \$4 million from fiscal year 2001 as a result of the recently passed levy, the high amount of delinquent taxes and the increase in amount available as an advance as mentioned above, which are reported as taxes revenue and not deferred revenue.

By comparing total assets and liabilities, one can see the overall fiscal health of the School District has improved in fiscal year 2002. This is clearly shown by the increase in net assets of \$7.3 million in fiscal year 2002 over fiscal year 2001. This increase supports the fact the School District's financial health has strengthened from fiscal year 2001.

The vast majority of revenue supporting all Governmental Activities is General revenue. General revenue accounted for \$45.4 million or 93.8 percent of the total revenue. The most significant portion of the General revenue is local property tax. The other form of revenue that accounts for 6.2 percent of total revenue is called program revenues. Program revenues accounted for slightly less of a percentage of total revenues from fiscal year 2001 to fiscal year 2002. This difference can be seen in a decrease in charges for services, capital grants and contributions.

Table 2 shows total revenues, expenses and changes in net assets for fiscal year 2002. The significant increase in fiscal year 2002 is mainly due to the increased amount of property taxes.

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 2

Governmental Activities

	<u>2002</u>	<u>2001</u>
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$1,653,881	\$1,797,390
Operating Grants and Contributions	1,276,282	1,213,814
Capital Grants	47,257	243,121
Total Program Revenues	<u>2,977,420</u>	<u>3,254,325</u>
<i>General Revenues:</i>		
Property Taxes	38,126,305	32,131,952
Grants and Entitlements	6,865,844	6,222,333
Interest	370,873	773,708
Other	52,456	1,124
Total General Revenues	<u>45,415,478</u>	<u>39,129,117</u>
<i>Total Revenues</i>	<u>48,392,898</u>	<u>42,383,442</u>
<i>Program Expenses:</i>		
<i>Instruction</i>		
Regular	18,561,778	17,899,511
Special	3,320,191	3,096,309
Vocational	308,959	985,007
Adult/Continuing	39,473	28,445
<i>Support Services:</i>		
Pupil	2,187,073	2,052,453
Instructional Staff	1,987,734	1,830,028
Board of Education	27,743	15,090
Administration	2,505,538	2,352,216
Fiscal	1,072,157	785,636
Business	402,168	336,837
Operation and Maintenance	3,185,520	3,496,070
Pupil Transportation	2,766,196	3,046,466
Central	145,174	91,221
Operation of Non-Instructional Services	711,847	758,908
Extracurricular Activities	1,382,233	1,134,802
Operation of Food Services	786,465	827,579
Interest and Fiscal Charges	1,687,411	1,778,329
<i>Total Expenses</i>	<u>41,077,660</u>	<u>40,514,907</u>
Increase in Net Assets	<u>\$7,315,238</u>	<u>\$1,868,535</u>

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Governmental Activities

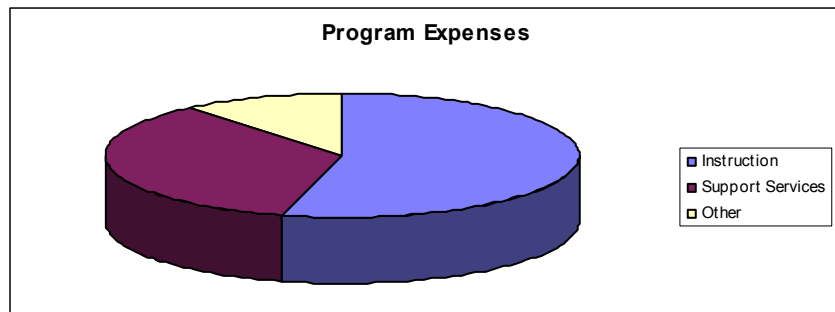
The School District has carefully planned its financial existence by forecasting its revenues and expenditures over the next five years. In May of 2000, the School District successfully passed a 5.5 mill replacement levy that is estimated to generate \$3.2 million dollars in additional revenue per year. Collections began the second half of fiscal year 2001. The full effect of this levy was realized in fiscal year 2002. This additional income will be dedicated to the operational and capital needs of the School District over the next four to five years.

Although the School District relies heavily upon local property taxes to support its operations, they continue to actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

As one can see, the School District spent roughly 54.1 percent of its budget to fund instructional expenses as compared to 54.3 percent in fiscal year 2001. Additional supporting services for pupils, staff and business operations are similar to fiscal year 2001 and encompass an additional 34.8 percent. The remaining 11.1 percent of program expenses is budgeted to facilitate other obligations of the School District such as interest and fiscal charges, the food service program and various extracurricular activities.

The Statement of Activities shows the total net cost of program services. Table 3 shows the total cost of services for governmental activities and the net cost of those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

	2002	2001
Instruction	\$22.2	\$22.0
Support Services	14.2	14.0
Other	4.6	4.5
Total Expenses	\$41.0	\$40.5



Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 3

Governmental Activities

	Total Cost of Services 2002	Total Cost of Services 2001	Net Cost of Services 2002	Net Cost of Services 2001
Instruction:				
Regular	\$18,561,778	\$17,899,511	(\$18,357,986)	(\$17,641,754)
Special	3,320,191	3,096,309	(2,980,218)	(2,685,855)
Vocational	308,959	985,007	(308,959)	(985,007)
Adult/Continuing	39,473	28,445	4,654	(28,445)
Support Services:				
Pupil	2,187,073	2,052,453	(2,101,021)	(1,974,794)
Instructional Staff	1,987,734	1,830,028	(1,903,954)	(1,766,414)
Board of Education	27,743	15,090	(27,701)	(13,765)
Administration	2,505,538	2,352,216	(2,390,111)	(2,243,521)
Fiscal	1,072,157	785,636	(1,072,157)	(769,954)
Business	402,168	336,837	(380,756)	(332,325)
Operation and Maintenance of Plant	3,185,520	3,496,070	(3,124,912)	(3,220,114)
Pupil Transportation	2,766,196	3,046,466	(2,720,039)	(2,987,857)
Central	145,174	91,221	(107,037)	(55,628)
Operation of Non-Instructional Services	711,847	758,908	(13,984)	(95,083)
Extracurricular Activities	1,382,233	1,134,802	(876,945)	(615,208)
Operation of Food Services	786,465	827,579	(51,703)	(66,529)
Interest and Fiscal Charges	1,687,411	1,778,329	(1,687,411)	(1,778,329)
<i>Total Expenses</i>	<u>\$41,077,660</u>	<u>\$40,514,907</u>	<u>(\$38,100,240)</u>	<u>(\$37,260,582)</u>

As one can see, the reliance upon local tax revenues for governmental activities is crucial. In fact, local property tax accounts for roughly 78.8 percent of the total revenues in 2002 up from 75.8 percent in 2001. This increase can be directly attributed to the full collection of the proceeds of the operating levy passed in 2000. While property taxes assume the bulk of the revenues for the School District, grant and entitlements not restricted to specific programs support 14.2 percent, while investment and other miscellaneous type revenues account for less than 1 percent. Program revenues only account for 6.2 percent of all governmental expenses.

Clearly, the Westlake community is by far the greatest source of financial support for the students of the Westlake City Schools.

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

School District's Funds

Information regarding the School District's major funds can be found on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$47.8 million and expenditures of \$42.3 million. The net change in fund balance for the year was most significant in the General Fund, an increase of \$4.9 million as compared to a \$1.3 million increase in fiscal year 2001.

General Fund Budgeting Highlights

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

During fiscal year 2002, the School District amended its general fund budget numerous times, none significant. The School District uses a site-based style of budgeting and has in place systems that are designed to tightly control expenses but provide flexibility for site based decision and management.

For the General Fund, the final budget basis revenue estimate totaled \$36.1 million and was slightly below original budget estimates of \$36.3 million. Although budgeted amounts differed slightly, a positive variance existed in comparing actual revenues to budgeted revenues. This variance was primarily due to additional taxes received. The budget basis expenditure estimate totaled \$37.0 million compared to original estimates of \$35.4 million. This difference was primarily due to changes in staffing, pupil transportation and increased administration costs throughout the year.

The School District's fund balance totaled \$4.7 million and was slightly above the final budgeted amount. The School District expected its fund balance to increase this year due to the full collection of the 5.5 mill levy approved in 2000.

Actual expenses were consistent with annual budget expectations and the School District even finished the year with an overall positive variance of \$1.7 million. Liquidity is very important in the operation of a school district and measures the ability of an entity to cover its obligations in the short term. One can see the School District has a favorable current ratio in fiscal year 2002 of 56.3 as compared to 81.9 in 2001. Solvency is also important to an entities existence and considers the ability of an entity to cover obligations in the long run. As evidenced by the supporting data in the report, the debt to asset ratio for the School District improved in fiscal year 2002 to 47.8 percent from 70.1 in fiscal year 2001.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2002, the School District had \$40.1 million invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Table 4 shows fiscal year 2002 values compared to fiscal year 2001.

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

Table 4
Capital Assets at June 30
Governmental Activities

	2002	2001
Land	\$2,468,751	\$2,468,751
Land Improvements	71,034	0
Buildings and Improvements	33,393,937	33,768,577
Furniture and Equipment	2,004,164	2,142,387
Vehicles	1,747,703	1,707,036
Textbooks	431,030	194,977
Totals	\$40,116,619	\$40,281,728

All capital assets, except land, are reported net of depreciation. As one can see, the main increase in capital assets during the fiscal year occurred in the categories of textbooks, land improvements and vehicles. The most significant increase of \$.2 million was due to the recent curriculum textbook adoption. The increase in land improvements were due to various site construction projects while the slight increase in the vehicle category was due to the upgrade of the School District's transportation fleet. For additional information see Note 9 of the notes to the basic financial statements.

Debt

At June 30, 2002 the School District had \$29,500,000 in bonds outstanding. Table 5 below summarizes the School District's bonds outstanding.

	2002	2001
1986 Facility Improvements 7.25 %	\$840,000	\$1,120,000
1997 School Improvements 5.08 %	2,100,000	2,200,000
1997 School Improvements 5.51 %	20,260,000	21,275,000
1998 Library Improvements 5.51 %	6,300,000	6,590,000
Totals	\$29,500,000	\$31,185,000

The 1986 additions facilities improvement bonds were issued to upgrade School District facilities, primarily at Westlake High School and Bassett elementary school. These bonds will be repaid in 2004.

The 1997 school improvement bonds were issued to fund various facility and technology improvements which will be repaid in fiscal year 2017.

In addition, the School District serves as the fiscal bonding authority for the Porter Public library. In 1998, the Porter Public Library issued improvement bonds to renovate and expand their existing facility. This debt will be repaid in 2016.

The School District's overall legal debt margin was \$78,731,252 with an unvoted debt margin of \$1,173,030. Most recently, Moody's Investor Services upgraded the School District's credit rating from Aa3 to Aa2. Moody's indicated the rating revision reflected the School District's sizeable, growing tax base; manageable debt levels; and sound financial operations. For additional debt obligation information, see Note 14.

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

School District Outlook

Westlake City Schools has a solid financial outlook as evidenced by its liquidity and solvency ratios. The Board of Education and administration closely monitor its revenues and expenditures in accordance with its financial forecast and the School District Continuous Improvement Plan. The School District continues to rank among the top schools in Ohio for educational excellence.

The financial future of the School District is not without its challenges, though, and are both internal and external in nature. The internal challenges will continue as the School District must rely heavily on local property taxes to fund its operations. External challenges continue to evolve as the State of Ohio determines the outcome of the Ohio Supreme Court case dealing with the unconstitutionality of the State's educational funding system.

Although the School District relies heavily on its property taxpayers to support its operations, the fiscal capacity and community support for the schools is quite strong. As mentioned earlier, the Westlake voters had passed a 5.5 mill replacement levy in May of 2000, which will help fund the general operations and permanent improvements of the School District over the next several years. The School District has communicated to the community they rely upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the School District's financial five-year plan. The community also realizes the income generated by local levies remains relatively constant, thereby, forcing the School District to come back to the voters from time to time to ask for additional support.

Externally, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational funding system, one that was neither 'adequate' nor 'equitable'. Since 1997, the State has directed its additional financial support toward School Districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again, ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes, which are inherently not 'equitable' nor 'adequate'. The court directed the Governor and the legislature to address the fundamental issue creating the inequities. In September 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding system. The decision identified aspects of the current plan that require modification. In general, it is expected that the decision would result in an increase in overall State funding for education. On March 21, 2002, the Ohio General Assembly was still analyzing what impact this Supreme Court decision would have on funding for individual school districts. Further, the State of Ohio, has asked the Court to reconsider and clarify the parts of the decision. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

Westlake City School District has not anticipated any meaningful growth in State revenue due to the concern the State may require the redistribution of commercial and industrial property taxes. With roughly 40 percent of the taxes for the School District coming from local business and industry, one can see the significant impact this change would have on the School District and ultimately, the residential taxpayers.

As a result of the challenges mentioned above, it is imperative the School District's management continue to carefully and prudently plan in order to provide the resources required to meet student needs over the next several years.

Westlake City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2002
Unaudited

In summary, the Westlake City School District has committed itself to financial and educational excellence for many years to come. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1993 and the Auditor's Award for Excellence in Financial Reporting since 1993. In addition, the School District was one of only 40 governmental entities in Ohio recognized for financial reporting using the new standards.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Mark C. Pepera, Chief Financial Officer, at Westlake City School District, 2260 Dover Center Road, Westlake, Ohio 44145. Or if you prefer, you may email inquiries to: Pepera@westlake.k12.oh.us.

Westlake City School District

Statement of Net Assets

June 30, 2002

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$11,451,344
Accounts Receivable	31,219
Intergovernmental Receivable	31,589
Prepaid Items	10,033
Inventory Held for Resale	3,612
Materials and Supplies Inventory	12,840
Taxes Receivable	35,781,977
Nondepreciable Capital Assets	2,468,751
Depreciable Capital Assets, Net	<u>37,647,868</u>
<i>Total Assets</i>	<u>87,439,233</u>
Liabilities	
Accounts Payable	432,849
Contracts Payable	96,770
Accrued Wages	3,342,867
Intergovernmental Payable	1,201,978
Deferred Revenue	27,385,176
Accrued Interest Payable	135,575
Claims Payable	482,120
Long-Term Liabilities:	
Due Within One Year	2,559,976
Due In More Than One Year	<u>29,882,795</u>
<i>Total Liabilities</i>	<u>65,520,106</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	16,650,496
Restricted for:	
Capital Projects	1,514,097
Debt Service	2,811,430
Other Purposes	532,660
Unrestricted	<u>410,444</u>
<i>Total Net Assets</i>	<u>\$21,919,127</u>

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2002

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	\$18,561,778	\$147,691	\$56,101	\$0	(\$18,357,986)
Special	3,320,191	0	339,973	0	(2,980,218)
Vocational	308,959	0	0	0	(308,959)
Adult/Continuing	39,473	0	44,127	0	4,654
Support Services:					
Pupil	2,187,073	0	86,052	0	(2,101,021)
Instructional Staff	1,987,734	0	83,780	0	(1,903,954)
Board of Education	27,743	0	42	0	(27,701)
Administration	2,505,538	112,284	3,143	0	(2,390,111)
Fiscal	1,072,157	0	0	0	(1,072,157)
Business	402,168	21,412	0	0	(380,756)
Operation and Maintenance of Plant	3,185,520	55,842	3,666	1,100	(3,124,912)
Pupil Transportation	2,766,196	0	0	46,157	(2,720,039)
Central	145,174	0	38,137	0	(107,037)
Operation of Non-Instructional Services	711,847	200,098	497,765	0	(13,984)
Extracurricular Activities	1,382,233	439,863	65,425	0	(876,945)
Operation of Food Services	786,465	676,691	58,071	0	(51,703)
Interest and Fiscal Charges	1,687,411	0	0	0	(1,687,411)
<i>Totals</i>	<u>\$41,077,660</u>	<u>\$1,653,881</u>	<u>\$1,276,282</u>	<u>\$47,257</u>	<u>(\$38,100,240)</u>

General Revenues	
Property Taxes Levied for:	
General Purposes	34,584,031
Debt Service	3,542,274
Grants and Entitlements not Restricted to Specific Programs	6,865,844
Investment Earnings	370,873
Miscellaneous	52,456
Total General Revenues	<u>45,415,478</u>
Change in Net Assets	7,315,238
Net Assets Beginning of Year	<u>14,603,889</u>
Net Assets End of Year	<u><u>\$21,919,127</u></u>

See accompanying notes to the basic financial statements

Westlake City School District

Balance Sheet

Governmental Funds

June 30, 2002

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$6,350,119	\$1,951,208	\$2,403,398	\$10,704,725
Taxes Receivable	32,413,449	3,368,528	0	35,781,977
Accounts Receivable	28,592	0	2,627	31,219
Intergovernmental Receivable	4,630	0	26,959	31,589
Interfund Receivable	25,500	0	0	25,500
Prepaid Items	10,033	0	0	10,033
Inventory Held for Resale	0	0	3,612	3,612
Materials and Supplies Inventory	11,371	0	1,469	12,840
<i>Total Assets</i>	<u>\$38,843,694</u>	<u>\$5,319,736</u>	<u>\$2,438,065</u>	<u>\$46,601,495</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$408,113	\$0	\$24,736	\$432,849
Contracts Payable	0	0	96,770	96,770
Accrued Wages and Benefits	3,280,415	0	62,452	3,342,867
Interfund Payable	0	0	25,500	25,500
Intergovernmental Payable	831,645	0	95,565	927,210
Deferred Revenue	26,301,839	2,661,211	1,440	28,964,490
<i>Total Liabilities</i>	<u>30,822,012</u>	<u>2,661,211</u>	<u>306,463</u>	<u>33,789,686</u>
Fund Balances				
Reserved for Encumbrances	1,231,163	0	362,286	1,593,449
Reserved for Property Taxes	6,111,610	707,317	0	6,818,927
Unreserved				
Undesignated, Reported in:				
General Fund	678,909	0	0	678,909
Special Revenue Funds	0	0	594,940	594,940
Debt Service Fund	0	1,951,208	0	1,951,208
Capital Projects Funds	0	0	1,174,376	1,174,376
<i>Total Fund Balances</i>	<u>8,021,682</u>	<u>2,658,525</u>	<u>2,131,602</u>	<u>12,811,809</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$38,843,694</u>	<u>\$5,319,736</u>	<u>\$2,438,065</u>	<u>\$46,601,495</u>

See accompanying notes to the basic financial statements

Westlake City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2002*

Total Governmental Funds Balances		\$12,811,809
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		40,116,619
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	1,577,874	
Grants	1,440	
Total		1,579,314
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		264,499
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.		(274,768)
Liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(29,500,000)	
Compensated Absences	(2,676,648)	
Capital Lease Payable	(266,123)	
Accrued Interest Payable	(135,575)	
Total		(32,578,346)
 <i>Net Assets of Governmental Activities</i>		 \$21,919,127

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2002

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$33,995,708	\$3,514,747	\$0	\$37,510,455
Intergovernmental	6,492,815	399,214	1,228,337	8,120,366
Interest	328,434	6,213	37,112	371,759
Tuition and Fees	61,992	0	566,838	628,830
Extracurricular Activities	0	0	253,931	253,931
Rentals	55,842	0	0	55,842
Charges for Services	21,412	0	693,866	715,278
Contributions and Donations	0	0	66,691	66,691
Miscellaneous	15,442	0	36,588	52,030
<i>Total Revenues</i>	<u>40,971,645</u>	<u>3,920,174</u>	<u>2,883,363</u>	<u>47,775,182</u>
Expenditures				
Current:				
Instruction:				
Regular	18,134,755	0	130,245	18,265,000
Special	2,919,793	0	299,969	3,219,762
Vocational	293,653	0	0	293,653
Adult/Continuing	0	0	39,473	39,473
Support Services:				
Pupil	1,987,714	0	79,708	2,067,422
Instructional Staff	1,856,066	0	90,864	1,946,930
Board of Education	27,143	0	600	27,743
Administration	2,147,134	4,090	115,844	2,267,068
Fiscal	1,059,205	0	0	1,059,205
Business	279,895	0	0	279,895
Operation and Maintenance of Plant	3,161,481	0	3,794	3,165,275
Pupil Transportation	2,649,378	0	0	2,649,378
Central	104,182	0	31,008	135,190
Operation of Non-Instructional Services	0	0	701,145	701,145
Extracurricular Activities	700,225	0	662,539	1,362,764
Operation of Food Services	22,801	0	790,499	813,300
Capital Outlay	0	0	518,067	518,067
Debt Service:				
Principal Retirement	75,472	1,685,000	0	1,760,472
Interest and Fiscal Charges	24,602	1,669,923	0	1,694,525
<i>Total Expenditures</i>	<u>35,443,499</u>	<u>3,359,013</u>	<u>3,463,755</u>	<u>42,266,267</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,528,146</u>	<u>561,161</u>	<u>(580,392)</u>	<u>5,508,915</u>
Other Financing Sources (Uses)				
Proceeds from the Sale of Capital Assets	426	0	0	426
Transfers In	0	0	631,997	631,997
Transfers Out	(631,997)	0	0	(631,997)
<i>Total Other Financing Sources (Uses)</i>	<u>(631,571)</u>	<u>0</u>	<u>631,997</u>	<u>426</u>
<i>Net Change in Fund Balances</i>	4,896,575	561,161	51,605	5,509,341
<i>Fund Balances Beginning of Year</i>	<u>3,125,107</u>	<u>2,097,364</u>	<u>2,079,997</u>	<u>7,302,468</u>
<i>Fund Balances End of Year</i>	<u><u>\$8,021,682</u></u>	<u><u>\$2,658,525</u></u>	<u><u>\$2,131,602</u></u>	<u><u>\$12,811,809</u></u>

Westlake 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, 2002*

Net Change in Fund Balances - Total Governmental Funds		\$5,509,341
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>		
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.		
Capital Asset Additions	1,498,357	
Current Year Depreciation	<u>(1,583,001)</u>	
Total		(84,644)
Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal		
		(80,465)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	615,850	
Grants	<u>1,440</u>	
Total		617,290
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		1,760,472
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		
		7,114
Some expenses reported in the statement of activities, payable which represent contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences	(416,857)	
Pension Obligation	<u>67,852</u>	
Total		(349,005)
The internal service fund used by management to charge the costs of insurance to individual funds are not reported in the district- wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The allocated among the governmental activities.		
		<u>(64,865)</u>
<i>Change in Net Assets of Governmental Activities</i>		<u><u>\$7,315,238</u></u>

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$29,345,338	\$29,114,372	\$30,317,723	\$1,203,351
Intergovernmental	6,504,260	6,502,674	6,502,674	0
Interest	366,364	393,244	393,244	0
Tuition and Fees	40,996	50,595	50,595	0
Rentals	47,907	52,491	52,491	0
Charges for Services	19,813	20,165	20,165	0
Miscellaneous	13,331	13,230	13,230	0
<i>Total Revenues</i>	<u>36,338,009</u>	<u>36,146,771</u>	<u>37,350,122</u>	<u>1,203,351</u>
Expenditures				
Current				
Instruction				
Regular	18,084,685	18,943,282	18,850,791	92,491
Special	2,753,270	2,883,986	2,880,965	3,021
Vocational	274,971	288,026	286,055	1,971
Support Services				
Pupils	2,131,959	2,233,177	2,190,075	43,102
Instructional Staff	1,818,952	1,905,309	1,904,996	313
Board of Education	18,647	19,532	16,792	2,740
Administration	2,324,565	2,434,927	2,279,745	155,182
Fiscal	896,077	938,620	935,725	2,895
Business	376,333	394,200	374,065	20,135
Operation and Maintenance of Plant	3,220,485	3,373,382	3,315,736	57,646
Pupil Transportation	2,689,813	2,817,516	2,686,136	131,380
Central	105,224	110,220	109,373	847
Extracurricular Activities	644,029	674,605	674,605	0
Capital Outlay	23,088	24,184	22,802	1,382
<i>Total Expenditures</i>	<u>35,362,098</u>	<u>37,040,966</u>	<u>36,527,861</u>	<u>513,105</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>975,911</u>	<u>(894,195)</u>	<u>822,261</u>	<u>1,716,456</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	427	426	426	0
Advances Out	(17,185)	(18,000)	(7,500)	10,500
Transfers Out	(603,352)	(631,997)	(631,997)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(620,110)</u>	<u>(649,571)</u>	<u>(639,071)</u>	<u>10,500</u>
<i>Net Change in Fund Balance</i>	355,801	(1,543,766)	183,190	1,726,956
<i>Fund Balance Beginning of Year</i>	3,030,580	3,030,580	3,030,580	0
Prior Year Encumbrances Appropriated	1,534,849	1,534,849	1,534,849	0
<i>Fund Balance End of Year</i>	<u>\$4,921,230</u>	<u>\$3,021,663</u>	<u>\$4,748,619</u>	<u>\$1,726,956</u>

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Fund Net Assets
Internal Service Fund
June 30, 2002

	<u>Insurance</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$746,619</u>
Liabilities	
Claims Payable	<u>482,120</u>
Net Assets	
Unrestricted	<u><u>\$264,499</u></u>

See accompanying notes to the basic financial statements

Westlake City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2002*

	Insurance
Operating Revenues	
Charges for Services	\$3,455,547
Operating Expenses	
Purchased Services	327,931
Claims	3,192,481
<i>Total Operating Expenses</i>	3,520,412
<i>Operating Loss</i>	(64,865)
<i>Net Assets Beginning of Year</i>	329,364
<i>Net Assets End of Year</i>	\$264,499

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2002

	Insurance
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
Cash Flows from Operating Activities	
Cash Received from Interfund Services	\$3,455,547
Cash Payments for Goods and Services	(327,931)
Cash Payments for Claims	(3,087,062)
<i>Net Increase in Cash and Cash Equivalents</i>	40,554
<i>Cash and Cash Equivalents Beginning of Year</i>	706,065
<i>Cash and Cash Equivalents End of Year</i>	\$746,619
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating Loss	(\$64,865)
Increase in Liabilities:	
Claims Payable	105,419
<i>Net Cash Provided by Operating Activities</i>	\$40,554

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2002

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$26,689	\$147,480
Accounts Receivable	0	345
<i>Total Assets</i>	26,689	\$147,825
Liabilities		
Accounts Payable	0	\$2,877
Due to Students	0	144,948
<i>Total Liabilities</i>	0	\$147,825
Net Assets		
Held in Trust for Scholarships	\$26,689	

See accompanying notes to the basic financial statements

Westlake City School District
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2002

	Scholarship
Additions	
Interest	\$667
Deductions	88
<i>Change in Net Assets</i>	579
<i>Net Assets Beginning of Year</i>	26,110
<i>Net Assets End of Year</i>	\$26,689

See accompanying notes to the basic financial statements

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 1 - Description of the School District and Reporting Entity

Westlake City School District (the School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District operates under a locally-elected five-member Board form of government and provides educational services as authorized by its charter and further mandated by state and federal agencies.

The School District is located in Westlake, Ohio, Cuyahoga County. The Board of Education controls the School District's seven instructional/support facilities staffed by 234 classified employees, 262 certificated full-time teaching personnel and 19 administrators who provide services to 3,743 students and other community members.

Reporting Entity

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

Nonpublic Schools Within the School District boundaries, there are various nonpublic schools. Current State legislation provides funding to this non-public school. These monies are received and disbursed by the School District on behalf of the non-public school by the Treasurer of the School District, as directed by the non-public school. These transactions are reported as a governmental activity of the School District.

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

The School District participates in the Lake Erie Educational Computer Association (LEECA) and Ohio Schools Council Association, jointly governed organizations, and is associated with the Porter Public Library, a related organization. These organizations are discussed in Notes 17 and 18 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB)

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

statements and interpretations issued on or before November 30, 1989, to its governmental activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

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

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

B. Fund Accounting

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

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

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

Bond Retirement Fund The bond retirement fund receives property taxes for the payment of general obligation bonds issued for various school improvements, additions to the High School and Basset School and for improvements to the Porter Public Library.

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

Proprietary Fund Type Proprietary funds focus on the determination changes in net assets, financial position and cash flows and are classified as enterprise or internal service. The School District's only proprietary fund is an internal service fund.

Internal Service Fund The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for revenue received from other funds and the settlement expenses for medical, surgical, prescription drug, and dental claims of School District employees.

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

C. Measurement Focus

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

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

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activity.

The private purpose trust fund is reported using the economic resources measurement focus.

D. Basis of Accounting

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

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

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

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2002, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

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

E. Budgetary Data

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

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

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

F. Cash and Cash Equivalents

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

During fiscal year 2002, the School District's investments were limited to STAROhio, repurchase agreements, Federal National Mortgage Association Bonds and Federal Home Loan Mortgage Corporation Notes and Bonds. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating contracts such as certificates of deposit and repurchase agreements are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2002.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2002 amounted to \$328,434, which includes \$97,602 assigned from other School District funds.

Investments of the cash management pool and investments with maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents.

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2002, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

H. Inventory

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expended/expensed when used.

Inventories consist of donated food, purchased food, and school supplies held for resale and material and supplies for consumption.

I. Capital Assets

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

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

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

Description	Governmental Activities Estimated Lives
Buildings and Improvements	30 - 50 years
Furniture and Equipment	5 -10 years
Vehicles	10 years
Land Improvements	30 years
Textbooks	5 years

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

J. Interfund Balances

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

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

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

L. Accrued Liabilities and Long-term Obligations

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

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

M. Interfund Activity

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

N. Fund Balance Reserves

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

O. Net Assets

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

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

P. Operating Revenues and Expenses

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

Q. Extraordinary and Special Items

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

R. Estimates

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

Note 3 - Accountability and Legal Compliance

A. Accountability

Fund balances at June 30, 2002 included the following individuals fund deficits:

Special Revenue Funds:	
Food Service	\$44,388
Community Education	31,416
Drug Free Schools	186
Class Size Reduction Grant	360

The fund deficits are due to adjustments for accrued liabilities. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

B. Legal Compliance

Contrary to Section 5705.39, Revised Code, the auxiliary services special revenue fund had total appropriations in excess of estimated resources plus carryover balances of \$589. Although this budgetary violation was not corrected by fiscal year end, management has indicated that appropriations will be closely monitored to ensure no future violations.

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$4,896,575
Net Adjustment for Revenue Accruals	(3,624,157)
Unrecorded Cash	2,634
Net Adjustment for Expenditure Accruals	503,409
Advance Out	(7,500)
Encumbrances	<u>(1,587,771)</u>
Budget Basis	<u><u>\$183,190</u></u>

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 5 - Deposits and Investments

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

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

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

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

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

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

1. United States Treasury Notes, Bill, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No.3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements".

Deposits At fiscal year end, the carrying amount of the School District's deposits was \$847,436 and the bank balance was \$1,736,948. Of the bank balance:

1. \$131,844 was covered by depository insurance; and
2. \$1,605,104 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution the pledging institution's name and all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Investments GASB Statement No. 3 requires the School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the

School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. STAROhio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$5,315,524	\$5,315,524	\$5,315,524
Federal National Mortgage Association Bonds	566,236	566,236	566,236
Federal Home Loan Mortgage Corporation Bonds	1,001,250	1,001,250	1,001,250
Federal Home Loan Mortgage Corporation Notes	2,220,556	2,220,556	2,220,556
STAROhio	0	1,674,511	1,674,511
Total	\$9,103,566	\$10,778,077	\$10,778,077

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

	Cash and Cash Equivalents/ Deposits	Investments
GASB Statement No. 9	\$11,625,513	\$0
Investments of the Cash Management Pool:		
Repurchase Agreements	(5,315,524)	5,315,524
Federal National Mortgage Association Bonds	(566,236)	566,236
Federal Home Loan Mortgage Corporation Bonds	(1,001,250)	1,001,250
Federal Home Loan Mortgage Corporation Notes	(2,220,556)	2,220,556
STAROhio	(1,674,511)	1,674,511
GASB Statement No. 3	\$847,436	\$10,778,077

Note 6 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2002 for real and public utility property taxes represents collections of calendar 2001 taxes. Property tax payments received during calendar 2002 for tangible personal property (other than public utility property) is for calendar 2002 taxes.

2002 real property taxes are levied after April 1, 2002, on the assessed value listed as of the prior January 1, 2002, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value: public utility real property is assessed at thirty-five percent of true value. 2002 public utility property taxes became a lien December 31, 2001, are levied after April 1, 2002, and are collected in 2003 with real property taxes.

2002 tangible personal property taxes are levied after April 1, 2001, on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are twenty-five percent of true value.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

The assessed values upon which the fiscal year 2002 taxes were collected are:

	2001 Second Half Collections		2002 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$1,028,659,760	90.74%	\$1,072,485,940	91.43%
Public Utility Personal	30,491,100	2.69	23,522,370	2.00
Tangible Personal Property	74,494,491	6.57	77,021,986	6.57
Total	<u>\$1,133,645,351</u>	<u>100.00%</u>	<u>\$1,173,030,296</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$60.70		\$62.60	

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

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30 and are intended to finance the fiscal year in which they are paid.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically remits to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2002, are available to finance fiscal year 2003 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, personal property and public utility taxes which are measurable as of June 30, 2002 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current fiscal year operations.

The amount available as an advance at June 30 is recognized as revenue. For fiscal year 2002, \$6,111,610 was available as an advance to the general fund and \$707,317 was available to the bond retirement debt service fund. At June 30, 2001, \$2,107,306 was available as an advance to the general fund and \$315,797 was available to the bond retirement debt service fund. The increase in revenue was primarily due to the Cuyahoga County Treasurer sending the semi-annual tax bills out earlier in the month of June than in past years resulting in more payments reaching the County Treasurer before fiscal year end. The Treasurer also held the collection period open for an additional eight days.

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

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 7 - Receivables

Receivables at June 30, 2002, consisted of taxes, accounts (rent, student fees and tuition), intergovernmental grants, and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

A summary of principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
General	\$4,630
Food Service	8,714
Title I	1,805
Title VI-B	1,440
Building	15,000
 Total	 \$31,589

Note 8 – Interfund Balances and Transfers

On the fund financial statements, the general fund reported an interfund receivable at June 30, 2002 of \$25,500. The food service special revenue fund had an interfund payable in the amount of \$18,000 and the community education special revenue fund reported an interfund payable of \$7,500. The loans were made to support programs and projects in the food service and community education special revenue funds.

Transfers made during fiscal year 2002 were \$60,000 to the athletics and music special revenue fund and \$571,997 to the permanent improvement capital projects fund from the general fund.

Fund	Transfer In	Transfer Out
General	\$0	\$631,997
All Other Governmental Funds	631,997	0
Totals	\$631,997	\$631,997

These transfers are made to move unrestricted balances to support programs and projects accounted for in other funds.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	Balance 06/30/01	Additions	Deductions	Balance 06/30/02
Governmental Activities				
Nondepreciable Capital Assets				
Land	\$2,468,751	\$0	\$0	\$2,468,751
Depreciable Capital Assets				
Building and Improvements	43,593,228	326,962	0	43,920,190
Furniture and Equipment	5,039,536	356,628	(96,403)	5,299,761
Vehicles	3,527,673	297,387	(277,340)	3,547,720
Land Improvements	0	73,051	0	73,051
Textbooks	753,415	444,329	0	1,197,744
<i>Total Capital Assets Being Depreciated</i>	<u>52,913,852</u>	<u>1,498,357</u>	<u>(373,743)</u>	<u>54,038,466</u>
Less Accumulated Depreciation				
Building and Improvements	(9,824,651)	(701,602)	0	(10,526,253)
Furniture and Equipment	(2,897,149)	(458,577)	60,129	(3,295,597)
Vehicles	(1,820,637)	(212,529)	233,149	(1,800,017)
Land Improvements	0	(2,017)	0	(2,017)
Textbooks	(558,438)	(208,276)	0	(766,714)
<i>Total Accumulated Depreciation</i>	<u>(15,100,875)</u>	<u>(1,583,001) **</u>	<u>293,278</u>	<u>(16,390,598)</u>
<i>Depreciable Capital Assets, Net of Accumulated Depreciation</i>	<u>37,812,977</u>	<u>(84,644)</u>	<u>(80,465)</u>	<u>37,647,868</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$40,281,728</u>	<u>(\$84,644)</u>	<u>(80,465)</u>	<u>\$40,116,619</u>

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

Instruction:	
Regular	\$819,772
Special	85,005
Vocational	7,778
Support Services:	
Pupils	85,477
Instructional Services	45,042
Administration	57,756
Fiscal	6,849
Business	87,162
Operation and Maintenance of Plant	63,120
Pupil Transportation	225,588
Central	3,536
Operation of Non Instructional Services	27,958
Extracurricular Activities	27,043
Capital Outlay	40,915
	<hr/>
Total Depreciation Expense	<u>\$1,583,001</u>

Note 10 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2002, the School District contracted through the Ohio Schools Council for property and general liability insurance, as well as boiler and machinery coverage. There is a \$1,000 deductible with a one hundred percent co-insurance.

Professional liability is protected by Great American Alliance Insurance Company with a \$1,000,000 single occurrence limit, a \$5,000,000 aggregate and a \$5,000 deductible. Vehicles are covered by Indiana Insurance Agency and have a \$1,000 deductible for comprehensive and a \$5,000 deductible for collision. Automobile liability has a \$2,000,000 combined single limit of liability.

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from last year.

B. Worker's Compensation

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

C. Employee Medical Benefits

The School District has elected to provide employee medical, surgical, prescription drug and dental benefits through a minimum premium program. The School District maintains a self-insurance internal service fund to account for and finance this program. Employees may choose between two comprehensive major medical plans for medical/surgical insurance. One plan does not restrict the

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

employee's choice of physician or hospital. Claims are subject to a \$200 single and \$400 family first dollar deductible and an 80/20 percent co-pay for the next \$2,000 single/\$4,000 family total of eligible expenses. The other plan is a Preferred Provider Organization for both physicians and hospitals. Claims are subject to a \$100 single and \$200 family first dollar deductible. The dental/vision benefits are subject to certain deductibles, co-pays and maximum benefits as are outlined in the plan. The prescription drug plan utilizes a \$2 deductible per prescription for generic drug and a \$5 deductible per prescription for brand name drugs for the classified staff. The certified staff is afforded a \$5 deductible for generic and \$10 deductible for brand name.

Medical Mutual Insurance administers the plan and reviews all claims which are paid by the School District. The School District pays into the self-insurance internal service fund \$632.53 for family coverage and \$323.28 for single coverage per month which represents the entire premium required. The premium is paid by the fund that pays the salary of the employee and is based on historical cost information.

The School District maintains stop-loss coverage for its medical insurance program. Aggregate stop loss is maintained at 110 percent of expected claims. The aggregate stop-loss was not met in 2002. Medical Mutual Insurance provides claim review and processing for the medical insurance program as well.

The claims liability of \$482,120 reported in the fund at June 30, 2002, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount in 2001 and 2002 were:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2001	\$373,457	\$2,709,473	\$2,706,229	\$376,701
2002	376,701	3,192,481	3,087,062	482,120

Note 11 – Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service and hours worked. Teachers and administrators who are not on a twelve month contract do not earn vacation time. Administrators employed to work 260 days per year earn 20 days of vacation annually. Classified employees and administrators who earn vacation are paid for accumulated unused vacation time upon termination of employment. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 325 days for classified employees. The certified employees' sick leave accrual is continuous, without limit. Upon retirement, all employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 224 days.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

B. Insurance Benefits

The School District provides term life insurance and accidental death and dismemberment insurance to most employees through Anthem Life Insurance, in the amount of \$40,000 or \$25,000 for all certified employees depending upon full and part time teaching, \$40,000 or \$25,000 for all noncertified employees depending upon the number of years each employee worked, and \$60,000 for each administrator except the superintendent and treasurer which are \$100,000.

Note 12 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees System of Ohio (SERS), a cost-sharing multiple employer defined pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2001, 4.2 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$229,239, \$199,292, and \$243,557, respectively; 46.06 percent has been contributed for fiscal year 2002 and 100 percent for the fiscal years 2001 and 2000. \$160,739 representing the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

B. State Teachers Retirement System

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

For the fiscal year ended June 30, 2002, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 9.5 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$1,646,470,

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

\$1,492,775 and \$881,434 respectively; 79.67 percent has been contributed for fiscal year 2002 and 100 percent for the fiscal years 2001 and 2000. \$334,722 representing the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

Note 13- Postemployment Benefits

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

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2002, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District this amount equaled \$779,907 for fiscal year 2002.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2001, (the latest information available) the balance in the Fund was \$3,256 billion. For the year ended June 30, 2001, net health care costs paid by STRS were \$300,772,000 and STRS had 102,132 eligible benefit recipients.

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

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2002, employer contributions to fund health care benefits were 8.54 percent of covered payroll, a decrease of 1.26 percent from fiscal year 2001. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2002, the minimum pay has been established as \$12,400. For the School District, the amount to fund health care benefits, including surcharge, during the 2002 fiscal year equaled \$543,854.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2001, (the latest information available), were \$161,439,934 and the target level was \$242.2 million. At June 30, 2001, SERS had net assets available for payment of health care benefits of \$315.7 million. SERS has approximately 50,000 participants currently receiving health care benefits.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Note 14 - Long Term Obligations

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

	Principal Outstanding 6/30/01	Additions	Reductions	Principal Outstanding 6/30/02	Amounts Due in One Year
Governmental Activities					
General Obligation Bonds:					
1986 7.25% Additions Facilities	\$1,120,000	\$0	(\$280,000)	\$840,000	\$280,000
1997 5.08% School Improvements	2,200,000	0	(100,000)	2,100,000	100,000
1997 5.51% School Improvements	21,275,000	0	(1,015,000)	20,260,000	1,135,000
1998 5.51% Library Improvements	<u>6,590,000</u>	<u>0</u>	<u>(290,000)</u>	<u>6,300,000</u>	<u>320,000</u>
Total General Obligation Bonds	31,185,000	0	(1,685,000)	29,500,000	1,835,000
Capital Leases	341,595	0	(75,472)	266,123	81,738
Compensated Absences	<u>2,259,791</u>	<u>519,626</u>	<u>(102,769)</u>	<u>2,676,648</u>	<u>643,238</u>
Total Governmental Activities Long-Term Liabilities	<u>\$33,786,386</u>	<u>\$519,626</u>	<u>(\$1,863,241)</u>	<u>\$32,442,771</u>	<u>\$2,559,976</u>

In 1986, the School District issued bonds for school facilities improvements to the High School and Basset School in the amount of \$5,050,000 which matures on December 1, 2004. In 1997, the School District issued bonds for various technology and building improvements in the amount of \$2,500,000 which matures on December 1, 2016. In 1997, the School District issued bonds for various technology and building improvements in the amount of \$24,450,000 which matures on December 1, 2017. All bonds are general obligation bonds for which the full faith and credit of the School District is pledged. These bonds will be paid from property taxes in the bond retirement fund.

In 1998, the School District issued bonds for renovations at the Porter Public Library in the amount of \$7,250,000 which matures on December 1, 2016. According to the Ohio Revised Code, the School District is allowed to issue tax related debt for the Library. This debt is not included in the School District's investments in capital assets, net of related debt since the capital assets are not part of the District.

Compensated absences will be paid from the general fund and the auxiliary services and food services special revenue funds. Capital lease obligations will be paid from the general fund.

The overall debt margin of the School District as of June 30, 2002, was \$78,731,252 with an unvoted debt margin of \$1,173,030. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2002, are as follows:

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

Fiscal Year Ending June 30	Principal	Interest	Total
2003	\$1,835,000	\$1,579,355	\$3,414,355
2004	2,005,000	1,479,717	3,484,717
2005	2,180,000	1,368,180	3,548,180
2006	2,095,000	1,245,739	3,340,739
2007	2,315,000	1,113,513	3,428,513
2008-2012	7,180,000	4,352,976	11,532,976
2013-2017	11,315,000	1,846,968	13,161,968
2018	575,000	14,519	589,519
Total	<u>\$29,500,000</u>	<u>\$13,000,967</u>	<u>\$42,500,967</u>

Note 15 - Capitalized Leases

During fiscal year 2002, the School District entered into several lease agreements for copiers. These lease obligations met the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," have been recorded on the government-wide statements.

Capital assets acquired by a lease have been originally capitalized in the amount of \$411,282. Accumulated depreciation on these leases was \$82,256, leaving a current book value of \$329,026.

The agreements provide for minimum annual rental payments as follows:

<u>Year</u>	<u>Amount</u>
2003	\$100,074
2004	100,069
2005	<u>100,071</u>
Total Minimum Lease Payments	300,214
Less: Amount Representing Interest	<u>(34,091)</u>
Present Value of Minimum Lease Payments	<u>\$266,123</u>

Note 16 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2002.

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

B. Litigation

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

Note 17 - Jointly Governed Organizations

A. Lake Erie Educational Computer Association

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization among thirty School Districts. The jointly governed 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. Each of the governments of these schools supports LEECA based upon a per pupil charge dependent upon the software package utilized. The LEECA assembly consists of a superintendent or designated representative from each participating school district and a representative from the fiscal agent. LEECA is governed by a Board of Directors chosen from the general membership of the LEECA assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each of the operating committees, and at least one Assembly member from each county in which participating school districts are located. In fiscal year 2002, the School District paid \$33,870 to LEECA. Financial information can be obtained by contacting the Treasurer at the Lorain County Educational Service Center, who serves as the fiscal agent, at 1885 Lake Avenue, Elyria, Ohio 44035.

B. Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among ninety-one school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2002, the School District paid \$750 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

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

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

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

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

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

Note 18 - Related Organization

The Porter Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Westlake City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority and did issue tax related debt on behalf of the Library in 1998, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Porter Public Library, Ms. Judy Dobbs, Clerk/Treasurer, at 27333 Center Ridge Road, Westlake, Ohio 44145.

Note 19 – State School Funding Decision

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "... the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...".

The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

Note 20 - Set Asides

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

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

Westlake City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2002

	<u>Capital Improvements Reserve</u>	<u>Textbooks Instructional Materials Reserve</u>
Set-Aside Reserve Balance as of June 30, 2001	\$0	(\$77,294)
Current Year Set-aside Requirement	455,236	455,236
Qualifying Disbursements	<u>(455,236)</u>	<u>(987,620)</u>
Total	<u>0</u>	<u>(609,678)</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>0</u>	<u>(609,678)</u>
Set-Aside Reserve Balance as of June 30, 2002	<u>\$0</u>	<u>\$0</u>

The School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the textbook set-asides. The extra amount in the textbook set-aside may be used to reduce the set-aside requirement of future fiscal years.

Note 21 – Subsequent Event

In November, 2002, the voters passed a levy to construct, furnish and equip an auditorium at the High School as well as fund School District technology improvements. Bonds will be issued in the maximum aggregate amount of \$8.7 million for a period not to exceed 25 years. The estimated interest rate on this debt is 5.15%.

Combining Statements and Individual Fund Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

Professional Development Grant Fund – This fund accounts for State monies that provide a limitation on the number of professional development subsidy grants.

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

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

Career Education Program Fund - This fund accounts for State monies provided to make special education students aware of career opportunities.

Local Professional Development Grant Fund - This fund accounts for State monies used to provide seminars and workshops for staff development.

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

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

School Building Incentive Fund - This fund accounts for State grant money that provides incentive to individual school building teams for improving performance.

Data Communications Support Fund - This fund accounts for State monies received to provide Ohio Educational Computer Network Connections.

School Net Professional Development Fund - This fund accounts for State monies that provide a limitation on the number of professional development subsidy grants.

Ohio Reads Grant Fund - This fund accounts for monies that improve reading outcomes on the reading proficiency test and for volunteer coordinators in public school buildings.

Safe School Help Line Fund - This fund accounts for State monies provided to educate students on proper social behavior.

Entry Year Planning Fund - This fund accounts for State monies used to mentor new teachers into the School District.

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

Eisenhower Math and Science Fund - This fund accounts for monies used to improve the skills of teachers and the quality of instruction in mathematics, science, foreign languages and computer learning, and to increase the access of all students to that instruction.

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

Energy Audit Fund - This fund accounts for State monies used for energy efficient studies to make the School District more energy efficient.

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

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

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

Early Childhood Education Development Fund – This fund accounts for State monies which partially support the preschool program focusing on the early education of handicapped children.

(continued)

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

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

State Improvement Grant Fund - This fund accounts for federal funds to improve the maintenance to the school buildings.

Nonmajor Capital Projects Funds

Capital Projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds.

Permanent Improvement Fund - This fund accounts for monies to be used for various improvements to the buildings within the School District.

Building Fund - This fund accounts for property taxes levied to be used for various capital improvements within the School District.

School Net Plus Fund - This fund accounts for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

Power Up Capacity Fund - This fund accounts for State grant money to be spent on electrical upgrades.

Westlake School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2002

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$775,107	\$1,628,291	\$2,403,398
Receivables:			
Accounts	2,627	0	2,627
Intergovernmental	11,959	15,000	26,959
Inventory Held for Resale	3,612	0	3,612
Materials and Supplies Inventory	1,469	0	1,469
<i>Total Assets</i>	<u>\$794,774</u>	<u>\$1,643,291</u>	<u>\$2,438,065</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$24,736	\$0	\$24,736
Contracts Payable	0	96,770	96,770
Accrued Wages and Benefits	62,452	0	62,452
Interfund Payable	25,500	0	25,500
Intergovernmental Payable	63,141	32,424	95,565
Deferred Revenue	1,440	0	1,440
<i>Total Liabilities</i>	<u>177,269</u>	<u>129,194</u>	<u>306,463</u>
Fund Balances			
Reserved for Encumbrances	22,565	339,721	362,286
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	594,940	0	594,940
Capital Projects Funds	0	1,174,376	1,174,376
<i>Total Fund Balances</i>	<u>617,505</u>	<u>1,514,097</u>	<u>2,131,602</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$794,774</u>	<u>\$1,643,291</u>	<u>\$2,438,065</u>

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2002

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$1,228,337	\$0	\$1,228,337
Interest	3,714	33,398	37,112
Tuition and Fees	566,838	0	566,838
Extracurricular Activities	253,931	0	253,931
Charges for Services	693,866	0	693,866
Contributions and Donations	65,591	1,100	66,691
Miscellaneous	20,988	15,600	36,588
<i>Total Revenues</i>	<u>2,833,265</u>	<u>50,098</u>	<u>2,883,363</u>
Expenditures			
Current:			
Instruction:			
Regular	130,245	0	130,245
Special	299,969	0	299,969
Adult/Continuing	39,473	0	39,473
Support Services:			
Pupil	79,708	0	79,708
Instructional Staff	90,864	0	90,864
Board of Education	600	0	600
Administration	115,844	0	115,844
Operation and Maintenance of Plant	3,794	0	3,794
Central	31,008	0	31,008
Operation of Non-Instructional Services	701,145	0	701,145
Extracurricular Activities	662,539	0	662,539
Operation of Food Services	790,499	0	790,499
Capital Outlay	0	518,067	518,067
<i>Total Expenditures</i>	<u>2,945,688</u>	<u>518,067</u>	<u>3,463,755</u>
<i>Excess of Revenues Under Expenditures</i>	(112,423)	(467,969)	(580,392)
Other Financing Sources			
Transfers In	60,000	571,997	631,997
<i>Net Change in Fund Balances</i>	(52,423)	104,028	51,605
<i>Fund Balances Beginning of Year</i>	<u>669,928</u>	<u>1,410,069</u>	<u>2,079,997</u>
<i>Fund Balances End of Year</i>	<u><u>\$617,505</u></u>	<u><u>\$1,514,097</u></u>	<u><u>\$2,131,602</u></u>

Westlake City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2002

	Food Service	Local Grants	Uniform School Supplies	Interdistrict Summer School
Assets				
Equity in Pooled Cash and Cash Equivalents	\$10,082	\$31,256	\$1,312	\$128,560
Receivables:				
Accounts	1,127	0	0	0
Intergovernmental	8,714	0	0	0
Inventory Held for Resale	3,612	0	0	0
Materials and Supplies Inventory	1,469	0	0	0
<i>Total Assets</i>	<u>\$25,004</u>	<u>\$31,256</u>	<u>\$1,312</u>	<u>\$128,560</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$110	\$1,000	\$196	\$5,866
Accrued Wages and Benefits	34,032	0	0	0
Interfund Payable	18,000	0	0	0
Intergovernmental Payable	17,250	500	0	8,260
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>69,392</u>	<u>1,500</u>	<u>196</u>	<u>14,126</u>
Fund Balances				
Reserved for Encumbrances	0	0	834	0
Unreserved, Undesignated (Deficit)	(44,388)	29,756	282	114,434
<i>Total Fund Balances(Deficit)</i>	<u>(44,388)</u>	<u>29,756</u>	<u>1,116</u>	<u>114,434</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$25,004</u>	<u>\$31,256</u>	<u>\$1,312</u>	<u>\$128,560</u>

(continued)

Westlake City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2002

	Community Education	Public School Support	Professional Development Grant	Athletic and Music
Assets				
Equity in Pooled Cash and Cash Equivalents	\$12,135	\$125,767	\$3,385	\$122,238
Receivables:				
Accounts	0	0	1,500	0
Intergovernmental	0	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$12,135</u>	<u>\$125,767</u>	<u>\$4,885</u>	<u>\$122,238</u>
 Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$2,580
Accrued Wages and Benefits	10,782	0	0	0
Interfund Payable	7,500	0	0	0
Intergovernmental Payable	25,269	1,185	0	1,355
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>43,551</u>	<u>1,185</u>	<u>0</u>	<u>3,935</u>
 Fund Balances				
Reserved for Encumbrances	2,323	3,586	0	193
Unreserved, Undesignated (Deficit)	<u>(33,739)</u>	<u>120,996</u>	<u>4,885</u>	<u>118,110</u>
<i>Total Fund Balances(Deficit)</i>	<u>(31,416)</u>	<u>124,582</u>	<u>4,885</u>	<u>118,303</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$12,135</u>	<u>\$125,767</u>	<u>\$4,885</u>	<u>\$122,238</u>

Auxiliary Services	Career Education Program	Local Professional Development Grant	Educational Management Information Systems	School Building Incentive	Data Communications Support
\$97,915	\$1,017	\$805	\$19,050	\$129	\$47,647
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$97,915</u>	<u>\$1,017</u>	<u>\$805</u>	<u>\$19,050</u>	<u>\$129</u>	<u>\$47,647</u>
\$10,732	\$0	\$0	\$0	\$0	\$0
15,111	0	0	489	0	0
0	0	0	0	0	0
2,412	0	45	207	0	2,148
0	0	0	0	0	0
<u>28,255</u>	<u>0</u>	<u>45</u>	<u>696</u>	<u>0</u>	<u>2,148</u>
0	0	806	0	0	450
<u>69,660</u>	<u>1,017</u>	<u>(46)</u>	<u>18,354</u>	<u>129</u>	<u>45,049</u>
<u>69,660</u>	<u>1,017</u>	<u>760</u>	<u>18,354</u>	<u>129</u>	<u>45,499</u>
<u>\$97,915</u>	<u>\$1,017</u>	<u>\$805</u>	<u>\$19,050</u>	<u>\$129</u>	<u>\$47,647</u>

(continued)

Westlake City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2002

	School Net Professional Development	Safe School Help Line	Adult Basic Education	Eisenhower Math and Science
Assets				
Equity in Pooled Cash and Cash Equivalents	\$7,592	\$150	\$32,800	\$20,571
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$7,592</u>	<u>\$150</u>	<u>\$32,800</u>	<u>\$20,571</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$171	\$0
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	224	0	201	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>224</u>	<u>0</u>	<u>372</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	0	79	4,864
Unreserved, Undesignated (Deficit)	7,368	150	32,349	15,707
<i>Total Fund Balances(Deficit)</i>	<u>7,368</u>	<u>150</u>	<u>32,428</u>	<u>20,571</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$7,592</u>	<u>\$150</u>	<u>\$32,800</u>	<u>\$20,571</u>

<u>Title VI-B</u>	<u>Energy Audit</u>	<u>Title I</u>	<u>Title VI</u>	<u>Drug Free Schools Grant</u>	<u>Early Childhood Education Development</u>
\$72,367	\$786	\$295	\$29,613	\$2	\$5,135
0	0	0	0	0	0
1,440	0	1,805	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$73,807</u>	<u>\$786</u>	<u>\$2,100</u>	<u>\$29,613</u>	<u>\$2</u>	<u>\$5,135</u>
\$0	\$0	\$0	\$2,644	\$0	\$140
0	0	0	0	0	2,038
0	0	0	0	0	0
2,077	0	974	0	188	321
1,440	0	0	0	0	0
<u>3,517</u>	<u>0</u>	<u>974</u>	<u>2,644</u>	<u>188</u>	<u>2,499</u>
597	0	0	5,034	0	1,092
<u>69,693</u>	<u>786</u>	<u>1,126</u>	<u>21,935</u>	<u>(186)</u>	<u>1,544</u>
<u>70,290</u>	<u>786</u>	<u>1,126</u>	<u>26,969</u>	<u>(186)</u>	<u>2,636</u>
<u>\$73,807</u>	<u>\$786</u>	<u>\$2,100</u>	<u>\$29,613</u>	<u>\$2</u>	<u>\$5,135</u>

(continued)

Westlake City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2002

	Class Size Reduction Grant	State Improvement Grant	Total Nonmajor Special Revenue Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$90	\$4,408	\$775,107
Receivables:			
Accounts	0	0	2,627
Intergovernmental	0	0	11,959
Inventory Held for Resale	0	0	3,612
Materials and Supplies Inventory	0	0	1,469
<i>Total Assets</i>	<u>\$90</u>	<u>\$4,408</u>	<u>\$794,774</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$0	\$1,297	\$24,736
Accrued Wages and Benefits	0	0	62,452
Interfund Payable	0	0	25,500
Intergovernmental Payable	450	75	63,141
Deferred Revenue	0	0	1,440
<i>Total Liabilities</i>	<u>450</u>	<u>1,372</u>	<u>177,269</u>
Fund Balances			
Reserved for Encumbrances	0	2,707	22,565
Unreserved, Undesignated (Deficit)	(360)	329	594,940
<i>Total Fund Balances(Deficit)</i>	<u>(360)</u>	<u>3,036</u>	<u>617,505</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$90</u>	<u>\$4,408</u>	<u>\$794,774</u>

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2002

	Food Service	Local Grants	Uniform School Supplies	Interdistrict Summer School
Revenues				
Intergovernmental	\$77,157	\$0	\$0	\$290
Interest	886	612	0	0
Tuition and Fees	0	0	0	79,839
Extracurricular Activities	0	0	0	0
Charges for Services	676,691	0	17,175	0
Contributions and Donations	0	5,881	0	0
Miscellaneous	277	0	0	0
<i>Total Revenues</i>	<u>755,011</u>	<u>6,493</u>	<u>17,175</u>	<u>80,129</u>
Expenditures				
Current:				
Instruction:				
Regular	0	42	16,845	27,242
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	0
Board of Education	0	0	0	0
Administration	0	0	0	8,595
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	4,832	0	0
Operation of Food Services	790,499	0	0	0
<i>Total Expenditures</i>	<u>790,499</u>	<u>4,874</u>	<u>16,845</u>	<u>35,837</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(35,488)	1,619	330	44,292
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	(35,488)	1,619	330	44,292
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(8,900)</u>	<u>28,137</u>	<u>786</u>	<u>70,142</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$44,388)</u>	<u>\$29,756</u>	<u>\$1,116</u>	<u>\$114,434</u>

(continued)

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2002

	Community Education	Public School Support	Professional Development Grant	Athletic and Music
Revenues				
Intergovernmental	\$0	\$0	\$0	\$0
Interest	0	0	0	0
Tuition and Fees	301,067	185,932	0	0
Extracurricular Activities	0	110,687	0	143,244
Charges for Services	0	0	0	0
Contributions and Donations	0	21,876	0	37,834
Miscellaneous	0	1,967	5,768	12,976
<i>Total Revenues</i>	<u>301,067</u>	<u>320,462</u>	<u>5,768</u>	<u>194,054</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	2,253	0
Board of Education	0	600	0	0
Administration	102,332	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	232,480	1,801	0	0
Extracurricular Activities	0	309,893	0	347,814
Operation of Food Services	0	0	0	0
<i>Total Expenditures</i>	<u>334,812</u>	<u>312,294</u>	<u>2,253</u>	<u>347,814</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(33,745)	8,168	3,515	(153,760)
Other Financing Sources				
Transfers In	0	0	0	60,000
<i>Net Change in Fund Balances</i>	(33,745)	8,168	3,515	(93,760)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,329</u>	<u>116,414</u>	<u>1,370</u>	<u>212,063</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$31,416)</u>	<u>\$124,582</u>	<u>\$4,885</u>	<u>\$118,303</u>

Auxiliary Services	Career Education Program	Local Professional Development Grant	Educational Management Information Systems	School Building Incentive	Data Communications Support
\$466,331	\$0	\$0	\$13,637	\$0	\$24,500
2,216	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
468,547	0	0	13,637	0	24,500
0	0	8,839	0	2,446	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	14,451	0	16,557
436,965	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
436,965	0	8,839	14,451	2,446	16,557
31,582	0	(8,839)	(814)	(2,446)	7,943
0	0	0	0	0	0
31,582	0	(8,839)	(814)	(2,446)	7,943
38,078	1,017	9,599	19,168	2,575	37,556
\$69,660	\$1,017	\$760	\$18,354	\$129	\$45,499

(continued)

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2002

	School Net Professional Development	Ohio Reads Grant	Safe School Help Line	Entry Year Planning
Revenues				
Intergovernmental	\$7,592	\$8,000	\$3,666	\$0
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>7,592</u>	<u>8,000</u>	<u>3,666</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular	4,076	225	0	0
Special	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	8,000	0	3,000
Board of Education	0	0	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	3,794	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Operation of Food Services	0	0	0	0
<i>Total Expenditures</i>	<u>4,076</u>	<u>8,225</u>	<u>3,794</u>	<u>3,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	3,516	(225)	(128)	(3,000)
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	3,516	(225)	(128)	(3,000)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>3,852</u>	<u>225</u>	<u>278</u>	<u>3,000</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$7,368</u></u>	<u><u>\$0</u></u>	<u><u>\$150</u></u>	<u><u>\$0</u></u>

Adult Basic Education	Eisenhower Math and Science	Title VI-B	Energy Audit	Title I	Title VI	Drug Free Schools Grant
\$95,183	\$13,869	\$289,909	\$0	\$101,974	\$23,446	\$15,679
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>95,183</u>	<u>13,869</u>	<u>289,909</u>	<u>0</u>	<u>101,974</u>	<u>23,446</u>	<u>15,679</u>
0	3,844	0	0	0	23,857	0
0	0	199,987	0	99,982	0	0
39,473	0	0	0	0	0	0
0	0	41,360	0	0	0	14,353
45,378	821	0	0	0	0	0
0	0	0	0	0	0	0
0	0	230	0	90	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,090	21,801	0	0	5,774	1,234
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>84,851</u>	<u>5,755</u>	<u>263,378</u>	<u>0</u>	<u>100,072</u>	<u>29,631</u>	<u>15,587</u>
10,332	8,114	26,531	0	1,902	(6,185)	92
0	0	0	0	0	0	0
10,332	8,114	26,531	0	1,902	(6,185)	92
<u>22,096</u>	<u>12,457</u>	<u>43,759</u>	<u>786</u>	<u>(776)</u>	<u>33,154</u>	<u>(278)</u>
<u>\$32,428</u>	<u>\$20,571</u>	<u>\$70,290</u>	<u>\$786</u>	<u>\$1,126</u>	<u>\$26,969</u>	<u>(\$186)</u>

(continued)

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2002

	Early Childhood Education Development	Class Size Reduction Grant	State Improvement Grant	Total Nonmajor Special Revenue Funds
Revenues				
Intergovernmental	\$17,558	\$44,546	\$25,000	\$1,228,337
Interest	0	0	0	3,714
Tuition and Fees	0	0	0	566,838
Extracurricular Activities	0	0	0	253,931
Charges for Services	0	0	0	693,866
Contributions and Donations	0	0	0	65,591
Miscellaneous	0	0	0	20,988
<i>Total Revenues</i>	<u>17,558</u>	<u>44,546</u>	<u>25,000</u>	<u>2,833,265</u>
Expenditures				
Current:				
Instruction:				
Regular	0	42,829	0	130,245
Special	0	0	0	299,969
Adult/Continuing	0	0	0	39,473
Support Services:				
Pupil	15,979	0	8,016	79,708
Instructional Staff	0	0	31,412	90,864
Board of Education	0	0	0	600
Administration	0	1,336	3,261	115,844
Operation and Maintenance of Plant	0	0	0	3,794
Central	0	0	0	31,008
Operation of Non-Instructional Services	0	0	0	701,145
Extracurricular Activities	0	0	0	662,539
Operation of Food Services	0	0	0	790,499
<i>Total Expenditures</i>	<u>15,979</u>	<u>44,165</u>	<u>42,689</u>	<u>2,945,688</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,579	381	(17,689)	(112,423)
Other Financing Sources				
Transfers In	0	0	0	60,000
<i>Net Change in Fund Balances</i>	1,579	381	(17,689)	(52,423)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,057</u>	<u>(741)</u>	<u>20,725</u>	<u>669,928</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$2,636</u></u>	<u><u>(\$360)</u></u>	<u><u>\$3,036</u></u>	<u><u>\$617,505</u></u>

Westlake City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2002

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$459,382	\$1,168,909	\$1,628,291
Intergovernmental Receivable	0	15,000	15,000
<i>Total Assets</i>	<u>\$459,382</u>	<u>\$1,183,909</u>	<u>\$1,643,291</u>
Liabilities			
Contracts Payable	\$96,770	\$0	\$96,770
Intergovernmental Payable	32,424	0	32,424
<i>Total Liabilities</i>	<u>129,194</u>	<u>0</u>	<u>129,194</u>
Fund Balances			
Reserved for Encumbrances	327,344	12,377	339,721
Unreserved, Undesignated	2,844	1,171,532	1,174,376
<i>Total Fund Balances</i>	<u>330,188</u>	<u>1,183,909</u>	<u>1,514,097</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$459,382</u>	<u>\$1,183,909</u>	<u>\$1,643,291</u>

Westlake City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2002

	Permanent Improvement	Building	School Net Plus
Revenues			
Interest	\$3,487	\$29,911	\$0
Contributions and Donations	1,100	0	0
Miscellaneous	600	15,000	0
<i>Total Revenues</i>	5,187	44,911	0
Expenditures			
Capital Outlay	478,549	28,591	8,911
<i>Excess of Revenues Over (Under) Expenditures</i>	(473,362)	16,320	(8,911)
Other Financing Sources			
Transfers In	571,997	0	0
<i>Net Change in Fund Balances</i>	98,635	16,320	(8,911)
<i>Fund Balances Beginning of Year</i>	231,553	1,167,589	8,911
<i>Fund Balances End of Year</i>	<u>\$330,188</u>	<u>\$1,183,909</u>	<u>\$0</u>

Power Up Capacity	Total Nonmajor Capital Projects Funds
\$0	\$33,398
0	1,100
0	15,600
0	50,098
2,016	518,067
(2,016)	(467,969)
0	571,997
(2,016)	104,028
2,016	1,410,069
\$0	\$1,514,097

Westlake City School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2002

	Beginning Balance June 30, 2001	Additions	Reductions	Ending Balance June 30, 2002
Student Activities				
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$114,963	\$32,517	\$0	\$147,480
Accounts Receivable	<u>0</u>	<u>345</u>	<u>0</u>	<u>345</u>
<i>Total Assets</i>	<u><u>\$114,963</u></u>	<u><u>\$32,862</u></u>	<u><u>\$0</u></u>	<u><u>\$147,825</u></u>
Liabilities				
Accounts Payable	\$3,352	\$2,877	\$3,352	\$2,877
Due to Students	<u>111,611</u>	<u>33,337</u>	<u>0</u>	<u>144,948</u>
<i>Total Liabilities</i>	<u><u>\$114,963</u></u>	<u><u>\$36,214</u></u>	<u><u>\$3,352</u></u>	<u><u>\$147,825</u></u>

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

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$29,345,338	\$29,114,372	\$30,317,723	\$1,203,351
Intergovernmental	6,504,260	6,502,674	6,502,674	0
Interest	366,364	393,244	393,244	0
Tuition and Fees	40,996	50,595	50,595	0
Rentals	47,907	52,491	52,491	0
Charges for Services	19,813	20,165	20,165	0
Miscellaneous	13,331	13,230	13,230	0
<i>Total Revenues</i>	<u>36,338,009</u>	<u>36,146,771</u>	<u>37,350,122</u>	<u>1,203,351</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	11,427,341	11,969,871	11,956,004	13,867
Fringe Benefits	3,762,724	3,941,365	3,941,365	0
Purchased Services	1,425,524	1,493,203	1,476,593	16,610
Materials and Supplies	1,011,554	1,059,579	1,003,193	56,386
Capital Outlay - New	441,582	462,547	456,919	5,628
Capital Outlay - Replacement	15,959	16,717	16,717	0
Total Regular	<u>18,084,684</u>	<u>18,943,282</u>	<u>18,850,791</u>	<u>92,491</u>
Special:				
Salaries and Wages	1,962,866	2,056,056	2,056,056	0
Fringe Benefits	730,570	765,255	765,255	0
Purchased Services	5,304	5,556	3,370	2,186
Materials and Supplies	19,532	20,459	19,827	632
Capital Outlay - New	3,007	3,150	2,947	203
Other	31,991	33,510	33,510	0
Total Special	<u>2,753,270</u>	<u>2,883,986</u>	<u>2,880,965</u>	<u>3,021</u>
Vocational:				
Salaries and Wages	188,937	197,907	197,907	0
Fringe Benefits	56,385	59,062	59,062	0
Purchased Services	22,388	23,451	22,204	1,247
Materials and Supplies	7,261	7,606	6,882	724
Total Vocational	<u>274,971</u>	<u>288,026</u>	<u>286,055</u>	<u>1,971</u>
Total Instruction	<u>\$21,112,925</u>	<u>\$22,115,294</u>	<u>\$22,017,811</u>	<u>\$97,483</u>

(continued)

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Support Services:				
Pupils:				
Salaries and Wages	\$1,219,973	\$1,277,893	\$1,277,893	\$0
Fringe Benefits	397,162	416,018	416,018	0
Purchased Services	360,080	377,175	372,131	5,044
Materials and Supplies	154,744	162,091	124,033	38,058
Total Pupils	<u>2,131,959</u>	<u>2,233,177</u>	<u>2,190,075</u>	<u>43,102</u>
Instructional Staff:				
Salaries and Wages	1,128,045	1,181,601	1,181,601	0
Fringe Benefits	435,636	456,318	456,318	0
Purchased Services	81,794	85,677	85,449	228
Materials and Supplies	169,246	177,281	177,281	0
Capital Outlay - New	2,899	3,037	3,037	0
Capital Outlay - Replacement	955	1,000	915	85
Other	377	395	395	0
Total Instructional Staff	<u>1,818,952</u>	<u>1,905,309</u>	<u>1,904,996</u>	<u>313</u>
Board of Education:				
Salaries and Wages	10,158	10,640	10,640	0
Purchased Services	1,127	1,180	720	460
Materials and Supplies	3,033	3,177	1,285	1,892
Other	4,329	4,535	4,147	388
Total Board of Education	<u>18,647</u>	<u>19,532</u>	<u>16,792</u>	<u>2,740</u>
Administration:				
Salaries and Wages	1,385,643	1,451,428	1,362,625	88,803
Fringe Benefits	512,773	537,118	537,118	0
Purchased Services	342,068	358,308	294,753	63,555
Materials and Supplies	34,663	36,309	33,517	2,792
Capital Outlay - New	5,050	5,290	5,258	32
Other	44,368	46,474	46,474	0
Total Administration	<u>2,324,565</u>	<u>2,434,927</u>	<u>2,279,745</u>	<u>155,182</u>
Fiscal:				
Salaries and Wages	231,522	242,514	242,514	0
Fringe Benefits	93,533	97,974	97,974	0
Purchased Services	44,511	46,624	45,378	1,246
Materials and Supplies	7,896	8,271	7,174	1,097
Capital Outlay - New	1,050	1,100	548	552
Other	517,565	542,137	542,137	0
Total Fiscal	<u>\$896,077</u>	<u>\$938,620</u>	<u>\$935,725</u>	<u>\$2,895</u>

(continued)

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Business:				
Salaries and Wages	\$194,724	\$203,969	\$203,969	\$0
Fringe Benefits	57,914	60,664	60,664	0
Purchased Services	120,603	126,329	106,339	19,990
Materials and Supplies	2,948	3,088	3,088	0
Other	143	150	5	145
Total Business	<u>376,332</u>	<u>394,200</u>	<u>374,065</u>	<u>20,135</u>
Operation and Maintenance of Plant:				
Salaries and Wages	1,266,319	1,326,439	1,326,439	0
Fringe Benefits	431,587	452,077	452,077	0
Purchased Services	1,230,367	1,288,781	1,279,601	9,180
Materials and Supplies	282,378	295,784	247,509	48,275
Capital Outlay - New	2,148	2,250	2,059	191
Capital Outlay - Replacement	7,686	8,051	8,051	0
Total Operation and Maintenance of Plant	<u>3,220,485</u>	<u>3,373,382</u>	<u>3,315,736</u>	<u>57,646</u>
Pupil Transportation:				
Salaries and Wages	1,367,236	1,432,148	1,432,148	0
Fringe Benefits	598,341	626,748	626,748	0
Purchased Services	196,570	205,902	161,843	44,059
Materials and Supplies	333,481	349,313	281,238	68,075
Capital Outlay - New	1,780	1,865	1,865	0
Capital Outlay - Replacement	192,405	201,540	182,294	19,246
Total Pupil Transportation	<u>2,689,813</u>	<u>2,817,516</u>	<u>2,686,136</u>	<u>131,380</u>
Central:				
Salaries and Wages	38,934	40,782	40,782	0
Fringe Benefits	18,755	19,645	19,645	0
Purchased Services	40,393	42,311	42,311	0
Materials and Supplies	3,818	3,999	3,152	847
Capital Outlay - New	3,325	3,483	3,483	0
Total Central	<u>105,225</u>	<u>110,220</u>	<u>109,373</u>	<u>847</u>
Total Support Services	<u>13,582,055</u>	<u>14,226,883</u>	<u>13,812,643</u>	<u>414,240</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	93,916	98,375	98,375	0
Fringe Benefits	14,331	15,011	15,011	0
Total Academic and Subject Oriented Activities	<u>\$108,247</u>	<u>\$113,386</u>	<u>\$113,386</u>	<u>\$0</u>

(continued)

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Sports Oriented Activities:				
Salaries and Wages	\$431,865	\$452,368	\$452,368	\$0
Fringe Benefits	90,266	94,551	94,551	0
Purchased Services	13,652	14,300	14,300	0
Total Sports Oriented Activities	<u>535,783</u>	<u>561,219</u>	<u>561,219</u>	<u>0</u>
Total Extracurricular Activities	<u>644,030</u>	<u>674,605</u>	<u>674,605</u>	<u>0</u>
Capital Outlay:				
Architecture and Engineering Services:				
Purchased Services	21,003	22,000	20,618	1,382
Building Acquisition and Construction Services:				
Other	2,085	2,184	2,184	0
Total Capital Outlay	<u>23,088</u>	<u>24,184</u>	<u>22,802</u>	<u>1,382</u>
<i>Total Expenditures</i>	<u>35,362,098</u>	<u>37,040,966</u>	<u>36,527,861</u>	<u>513,105</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>975,911</u>	<u>(894,195)</u>	<u>822,261</u>	<u>1,716,456</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	427	426	426	0
Advances Out	(17,185)	(18,000)	(7,500)	10,500
Transfers Out	(603,352)	(631,997)	(631,997)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(620,110)</u>	<u>(649,571)</u>	<u>(639,071)</u>	<u>10,500</u>
<i>Net Change in Fund Balance</i>	355,801	(1,543,766)	183,190	1,726,956
<i>Fund Balance Beginning of Year</i>	3,030,580	3,030,580	3,030,580	0
Prior Year Encumbrances Appropriated	<u>1,534,849</u>	<u>1,534,849</u>	<u>1,534,849</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,921,230</u>	<u>\$3,021,663</u>	<u>\$4,748,619</u>	<u>\$1,726,956</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$3,159,193	\$3,082,495	\$3,144,149	\$61,654
Intergovernmental	379,725	391,386	399,214	7,828
<i>Total Revenues</i>	<u>3,538,918</u>	<u>3,473,881</u>	<u>3,543,363</u>	<u>69,482</u>
Expenditures				
Purchased Services	3,654	4,090	4,090	0
Debt Service:				
Principal Retirement	1,685,720	1,685,000	1,685,000	0
Interest and Fiscal Charges	1,669,204	1,670,676	1,670,676	0
Total Debt Service	<u>3,354,924</u>	<u>3,355,676</u>	<u>3,355,676</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,358,578</u>	<u>3,359,766</u>	<u>3,359,766</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	180,340	114,115	183,597	69,482
<i>Fund Balance Beginning of Year</i>	1,760,645	1,760,645	1,760,645	0
Prior Year Encumbrances Appropriated	<u>753</u>	<u>753</u>	<u>753</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,941,738</u></u>	<u><u>\$1,875,513</u></u>	<u><u>\$1,944,995</u></u>	<u><u>\$69,482</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$58,998	\$56,936	\$56,936	\$0
Interest	1,177	1,136	1,136	0
Charges for Services	699,825	675,361	675,855	494
Miscellaneous	3,162	3,051	3,051	0
<i>Total Revenues</i>	<u>763,162</u>	<u>736,484</u>	<u>736,978</u>	<u>494</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Operation of Food Services:				
Salaries and Wages	303,186	289,553	289,553	0
Fringe Benefits	123,157	117,619	117,619	0
Purchased Services	1,518	1,450	1,450	0
Materials and Supplies	357,384	341,314	341,314	0
<i>Total Expenditures</i>	<u>785,245</u>	<u>749,936</u>	<u>749,936</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(22,083)	(13,452)	(12,958)	494
<i>Net Change in Fund Balance</i>	(22,083)	(13,452)	(12,958)	494
<i>Fund Balance Beginning of Year</i>	22,084	22,084	22,084	0
Prior Year Encumbrances Appropriated	956	956	956	0
<i>Fund Balance End of Year</i>	<u>\$957</u>	<u>\$9,588</u>	<u>\$10,082</u>	<u>\$494</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$681	\$537	\$537	\$0
Contributions and Donations	2,319	2,936	5,880	2,944
<i>Total Revenues</i>	<u>3,000</u>	<u>3,473</u>	<u>6,417</u>	<u>2,944</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	70	42	42	0
Extracurricular Activities:				
School and Public Service				
Co-Curricular Activities:				
Purchased Services	3,588	2,162	2,162	0
<i>Total Expenditures</i>	<u>3,658</u>	<u>2,204</u>	<u>2,204</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(658)	1,269	4,213	2,944
<i>Fund Balance Beginning of Year</i>	26,501	26,501	26,501	0
Prior Year Encumbrances Appropriated	41	41	41	0
<i>Fund Balance End of Year</i>	<u>\$25,884</u>	<u>\$27,811</u>	<u>\$30,755</u>	<u>\$2,944</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$15,000	\$17,175	\$17,175	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	14,500	17,678	17,678	0
<i>Excess of Revenues Under Expenditures</i>	500	(503)	(503)	0
<i>Net Change in Fund Balance</i>	500	(503)	(503)	0
<i>Fund Balance Beginning of Year</i>	786	786	786	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$1,286</u>	<u>\$283</u>	<u>\$283</u>	<u>\$0</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Interdistrict Summer School Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$500	\$290	\$290	\$0
Tuition and Fees	77,500	73,246	79,839	6,593
<i>Total Revenues</i>	<u>78,000</u>	<u>73,536</u>	<u>80,129</u>	<u>6,593</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	25,708	43,584	43,584	0
Fringe Benefits	3,823	6,481	6,481	0
Materials and Supplies	96	162	162	0
Capital Outlay - New	25,498	43,227	43,227	0
Total Instruction	<u>55,125</u>	<u>93,454</u>	<u>93,454</u>	<u>0</u>
Support Services:				
Administration:				
Salaries and Wages	7,098	12,034	12,034	0
Fringe Benefits	1,322	2,242	2,242	0
Purchased Services	131	222	222	0
Capital Outlay - New	1,925	3,264	3,264	0
Total Support Services	<u>10,476</u>	<u>17,762</u>	<u>17,762</u>	<u>0</u>
<i>Total Expenditures</i>	<u>65,601</u>	<u>111,216</u>	<u>111,216</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	12,399	(37,680)	(31,087)	6,593
<i>Fund Balance Beginning of Year</i>	123,105	123,105	123,105	0
Prior Year Encumbrances Appropriated	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$136,004</u>	<u>\$85,925</u>	<u>\$92,518</u>	<u>\$6,593</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Community Education Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$281,000	\$308,507	\$301,066	(\$7,441)
Expenditures				
Current:				
Support Services:				
Administration:				
Salaries and Wages	43,445	53,046	53,046	0
Fringe Benefits	34,934	42,934	42,934	0
Total Support Services	78,379	95,980	95,980	0
Community Services:				
Salaries and Wages	163,500	168,256	167,255	1,001
Fringe Benefits	20,849	27,293	27,293	0
Purchased Services	19,560	22,313	22,252	61
Materials and Supplies	13,000	24,227	24,227	0
Capital Outlay - New	500	548	548	0
Total Community Services	217,409	242,637	241,575	1,062
<i>Total Expenditures</i>	295,788	338,617	337,555	1,062
<i>Excess of Revenues Under Expenditures</i>	(14,788)	(30,110)	(36,489)	(6,379)
Other Financing Sources				
Advances In	7,500	7,500	7,500	0
<i>Net Change in Fund Balance</i>	(7,288)	(22,610)	(28,989)	(6,379)
<i>Fund Balance Beginning of Year</i>	34,226	34,226	34,226	0
Prior Year Encumbrances Appropriated	4,575	4,575	4,575	0
<i>Fund Balance End of Year</i>	\$31,513	\$16,191	\$9,812	(\$6,379)

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Tuition and Fees	\$188,566	\$185,932	\$185,932	\$0
Extracurricular Activities	112,253	110,685	110,687	2
Contributions and Donations	22,186	21,876	21,876	0
Miscellaneous	1,995	1,967	1,967	0
<i>Total Revenues</i>	<u>325,000</u>	<u>320,460</u>	<u>320,462</u>	<u>2</u>
Expenditures				
Current:				
Support Services:				
Board of Education:				
Purchased Services	568	600	600	0
Operation of Non-Instructional Services:				
Other Operation of Non-Instructional Services:				
Materials and Supplies	2,108	2,228	2,228	0
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Capital Outlay - New	1,964	2,076	2,076	0
School and Public Service				
Co-Curricular Activities:				
Materials and Supplies	288,705	305,104	305,103	1
Capital Outlay - New	7,606	8,038	8,038	0
Capital Outlay - Replacement	2,839	3,000	3,000	0
Total School and Public Service Co-Curricular Activities	<u>299,150</u>	<u>316,142</u>	<u>316,141</u>	<u>1</u>
Total Extracurricular Activities	<u>301,114</u>	<u>318,218</u>	<u>318,217</u>	<u>1</u>
<i>Total Expenditures</i>	<u>303,790</u>	<u>321,046</u>	<u>321,045</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	21,210	(586)	(583)	3
<i>Fund Balance Beginning of Year</i>	112,774	112,774	112,774	0
Prior Year Encumbrances Appropriated	8,925	8,925	8,925	0
<i>Fund Balance End of Year</i>	<u>\$142,909</u>	<u>\$121,113</u>	<u>\$121,116</u>	<u>\$3</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Professional Development Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Miscellaneous	\$750	\$2,750	\$2,750	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	25	53	0	53
Capital Outlay - New	22	47	0	47
Total Instruction	47	100	0	100
Support Services:				
Instructional Staff:				
Purchased Services	1,494	3,200	1,578	1,622
Materials and Supplies	789	1,690	675	1,015
Total Support Services	2,283	4,890	2,253	2,637
<i>Total Expenditures</i>	2,330	4,990	2,253	2,737
<i>Net Change in Fund Balance</i>	(1,580)	(2,240)	497	2,737
<i>Fund Balance Beginning of Year</i>	2,227	2,227	2,227	0
Prior Year Encumbrances Appropriated	661	661	661	0
<i>Fund Balance End of Year</i>	<u>\$1,308</u>	<u>\$648</u>	<u>\$3,385</u>	<u>\$2,737</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Athletic and Music Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Extracurricular Activities	\$140,000	\$143,244	\$143,244	\$0
Contributions and Donations	25,000	37,834	37,834	0
Miscellaneous	7,500	12,976	12,976	0
<i>Total Revenues</i>	172,500	194,054	194,054	0
Expenditures				
Current:				
Sports Oriented Activities:				
Salaries and Wages	104,000	105,994	105,994	0
Fringe Benefits	12,000	12,901	12,901	0
Purchased Services	50,000	63,550	63,550	0
Materials and Supplies	93,000	123,746	123,746	0
Capital Outlay - New	10,000	11,249	11,249	0
Capital Outlay - Replacement	5,000	7,728	7,728	0
Other	10,000	27,152	27,152	0
Total Sports Oriented Activities	284,000	352,320	352,320	0
School and Public Service				
Co-Curricular Activities:				
Salaries and Wages				0
Fringe Benefits	2,500	2,615	2,615	0
Total School and Public Service Co-Curricular Activities	2,500	2,615	2,615	0
<i>Total Expenditures</i>	286,500	354,935	354,935	0
<i>Excess of Revenues Under Expenditures</i>	(114,000)	(160,881)	(160,881)	0
Other Financing Sources				
Transfers In	40,000	60,000	60,000	0
<i>Net Change in Fund Balance</i>	(74,000)	(100,881)	(100,881)	0
<i>Fund Balance Beginning of Year</i>	215,889	215,889	215,889	0
Prior Year Encumbrances Appropriated	4,457	4,457	4,457	0
<i>Fund Balance End of Year</i>	\$146,346	\$119,465	\$119,465	\$0

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$491,635	\$466,331	\$466,331	\$0
Interest	2,030	2,333	2,533	200
<i>Total Revenues</i>	<u>493,665</u>	<u>468,664</u>	<u>468,864</u>	<u>200</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	73,357	86,155	73,224	12,931
Fringe Benefits	37,820	44,418	38,899	5,519
Purchased Services	172,344	202,410	199,678	2,732
Materials and Supplies	196,082	230,805	182,476	48,329
Capital Outlay - New	13,634	16,000	14,000	2,000
<i>Total Expenditures</i>	<u>493,237</u>	<u>579,788</u>	<u>508,277</u>	<u>71,511</u>
<i>Net Change in Fund Balance</i>	428	(111,124)	(39,413)	71,711
<i>Fund Balance Beginning of Year</i>	34,650	34,650	34,650	0
Prior Year Encumbrances Appropriated	75,885	75,885	75,885	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$110,963</u>	<u>(\$589)</u>	<u>\$71,122</u>	<u>\$71,711</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Career Education Program Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	1,017	1,017	1,017	0
<i>Fund Balance End of Year</i>	\$1,017	\$1,017	\$1,017	\$0

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Local Professional Development Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	5,210	5,404	5,404	0
Fringe Benefits	1,267	1,314	1,314	0
Purchased Services	1,309	1,358	1,358	0
Materials and Supplies	1,598	1,658	1,658	0
<i>Total Expenditures</i>	<u>9,384</u>	<u>9,734</u>	<u>9,734</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,384)	(9,734)	(9,734)	0
<i>Fund Balance Beginning of Year</i>	9,429	9,429	9,429	0
Prior Year Encumbrances Appropriated	<u>305</u>	<u>305</u>	<u>305</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$350</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Educational Management Information Systems Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$14,500	\$13,637	\$13,637	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Salaries and Wages	14,232	14,232	10,000	4,232
Fringe Benefits	5,677	5,677	4,496	1,181
<i>Total Expenditures</i>	<u>19,909</u>	<u>19,909</u>	<u>14,496</u>	<u>5,413</u>
<i>Net Change in Fund Balance</i>	(5,409)	(6,272)	(859)	5,413
<i>Fund Balance Beginning of Year</i>	<u>19,909</u>	<u>19,909</u>	<u>19,909</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,500</u></u>	<u><u>\$13,637</u></u>	<u><u>\$19,050</u></u>	<u><u>\$5,413</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
School Building Incentive Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$25,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	338	450	412	38
Fringe Benefits	52	69	63	6
Materials and Supplies	1,149	1,529	1,444	85
Capital Outlay - New	396	527	527	0
<i>Total Expenditures</i>	1,935	2,575	2,446	129
<i>Net Change in Fund Balance</i>	23,065	(2,575)	(2,446)	129
<i>Fund Balance Beginning of Year</i>	1,935	1,935	1,935	0
Prior Year Encumbrances Appropriated	640	640	640	0
<i>Fund Balance End of Year</i>	\$25,640	\$0	\$129	\$129

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Data Communications Support Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$24,500	\$24,500	\$24,500	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	<u>37,556</u>	<u>62,056</u>	<u>14,858</u>	<u>47,198</u>
<i>Net Change in Fund Balance</i>	(13,056)	(37,556)	9,642	47,198
<i>Fund Balance Beginning of Year</i>	<u>37,556</u>	<u>37,556</u>	<u>37,556</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$24,500</u></u>	<u><u>\$0</u></u>	<u><u>\$47,198</u></u>	<u><u>\$47,198</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
School Net Professional Development Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$4,142	\$4,142	\$7,592	\$3,450
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	3,465	3,465	3,465	0
Fringe Benefits	535	535	535	0
<i>Total Expenditures</i>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	142	142	3,592	3,450
<i>Fund Balance Beginning of Year</i>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,142</u>	<u>\$4,142</u>	<u>\$7,592</u>	<u>\$3,450</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Ohio Reads Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$8,000	\$8,000	\$8,000	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	219	225	225	0
Support Services:				
Instructional Staff:				
Purchased Services	7,781	8,000	8,000	0
<i>Total Expenditures</i>	<u>8,000</u>	<u>8,225</u>	<u>8,225</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(225)	(225)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>225</u>	<u>225</u>	<u>225</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$225</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Safe Schools Help Line Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$3,666	\$3,666	\$3,666	\$0
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	<u>278</u>	<u>3,944</u>	<u>3,794</u>	<u>150</u>
<i>Net Change in Fund Balance</i>	3,388	(278)	(128)	150
<i>Fund Balance Beginning of Year</i>	<u>278</u>	<u>278</u>	<u>278</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,666</u></u>	<u><u>\$0</u></u>	<u><u>\$150</u></u>	<u><u>\$150</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Entry Year Planning Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$3,000	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	216	216	216	0
Fringe Benefits	33	33	33	0
Purchased Services	928	928	928	0
Materials and Supplies	1,823	1,823	1,823	0
<i>Total Expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(3,000)	(3,000)	0
<i>Fund Balance Beginning of Year</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Adult Basic Education Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$77,375	\$95,183	\$95,183	\$0
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	9,887	52,050	31,532	20,518
Fringe Benefits	1,623	8,546	5,249	3,297
Purchased Services	76	400	400	0
Materials and Supplies	419	2,208	1,967	241
Capital Outlay - New	171	900	900	0
Total Instruction	12,176	64,104	40,048	24,056
Support Services:				
Instructional Staff:				
Salaries and Wages	8,662	45,600	38,350	7,250
Fringe Benefits	1,433	7,543	6,307	1,236
Purchased Services	190	1,000	1,000	0
Capital Outlay - New	133	700	692	8
Total Support Services	10,418	54,843	46,349	8,494
<i>Total Expenditures</i>	<i>22,594</i>	<i>118,947</i>	<i>86,397</i>	<i>32,550</i>
<i>Net Change in Fund Balance</i>	<i>54,781</i>	<i>(23,764)</i>	<i>8,786</i>	<i>32,550</i>
<i>Fund Balance Beginning of Year</i>	<i>22,593</i>	<i>22,593</i>	<i>22,593</i>	<i>0</i>
Prior Year Encumbrances Appropriated	1,171	1,171	1,171	0
<i>Fund Balance End of Year</i>	<i>\$78,545</i>	<i>\$0</i>	<i>\$32,550</i>	<i>\$32,550</i>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Eisenhower Math and Science Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$11,303	\$13,869	\$13,869	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	297	637	637	0
Fringe Benefits	41	89	89	0
Purchased Services	1,164	2,500	2,500	0
Materials and Supplies	388	833	618	215
Total Instruction	1,890	4,059	3,844	215
Support Services:				
Instructional Staff:				
Salaries and Wages	2,972	6,383	0	6,383
Fringe Benefits	428	920	0	920
Purchased Services	5,452	11,711	5,414	6,297
Materials and Supplies	634	1,362	271	1,091
Total Support Services	9,486	20,376	5,685	14,691
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	136	292	292	0
Materials and Supplies	744	1,599	798	801
Total Operation of Non-Instructional Services:	880	1,891	1,090	801
<i>Total Expenditures</i>	12,256	26,326	10,619	15,707
<i>Net Change in Fund Balance</i>	(953)	(12,457)	3,250	15,707
<i>Fund Balance Beginning of Year</i>	12,257	12,257	12,257	0
Prior Year Encumbrances Appropriated	200	200	200	0
<i>Fund Balance End of Year</i>	\$11,504	\$0	\$15,707	\$15,707

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$247,080	\$289,912	\$289,912	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	61,471	296,031	227,200	68,831
Materials and Supplies	1,036	4,987	4,964	23
Total Instruction	62,507	301,018	232,164	68,854
Support Services:				
Pupil:				
Purchased Services	8,514	41,000	40,054	946
Capital Outlay - New	389	1,872	1,872	0
Total Pupil	8,903	42,872	41,926	946
Administration:				
Capital Outlay - New	457	2,200	230	1,970
Total Support Services	9,360	45,072	42,156	2,916
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	4,527	21,801	21,801	0
<i>Total Expenditures</i>	76,394	367,891	296,121	71,770
<i>Net Change in Fund Balance</i>	170,686	(77,979)	(6,209)	71,770
<i>Fund Balance Beginning of Year</i>	76,393	76,393	76,393	0
Prior Year Encumbrances Appropriated	1,586	1,586	1,586	0
<i>Fund Balance End of Year</i>	<u>\$248,665</u>	<u>\$0</u>	<u>\$71,770</u>	<u>\$71,770</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Energy Audit Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>786</u>	<u>786</u>	<u>786</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$786</u></u>	<u><u>\$786</u></u>	<u><u>\$786</u></u>	<u><u>\$0</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$102,300	\$100,169	\$100,169	\$0
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	83,000	83,257	83,257	0
Fringe Benefits	14,000	14,052	13,761	291
Purchased Services	2,100	2,175	2,175	0
Materials and Supplies	1,019	1,175	1,171	4
Total Instruction	100,119	100,659	100,364	295
Support Services:				
Administration:				
Capital Outlay - New	50	90	90	0
<i>Total Expenditures</i>	100,169	100,749	100,454	295
<i>Net Change in Fund Balance</i>	2,131	(580)	(285)	295
<i>Fund Balance Beginning of Year</i>	580	580	580	0
<i>Fund Balance End of Year</i>	\$2,711	\$0	\$295	\$295

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Title VI Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$22,340	\$23,446	\$23,446	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	24,459	46,694	27,658	19,036
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	5,897	11,257	8,423	2,834
<i>Total Expenditures</i>	<u>30,356</u>	<u>57,951</u>	<u>36,081</u>	<u>21,870</u>
<i>Net Change in Fund Balance</i>	(8,016)	(34,505)	(12,635)	21,870
<i>Fund Balance Beginning of Year</i>	30,421	30,421	30,421	0
Prior Year Encumbrances Appropriated	4,149	4,149	4,149	0
<i>Fund Balance End of Year</i>	<u>\$26,554</u>	<u>\$65</u>	<u>\$21,935</u>	<u>\$21,870</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Drug Free Schools Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$16,477	\$15,679	\$15,679	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	14,446	14,445	14,445	0
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	1,233	1,234	1,234	0
<i>Total Expenditures</i>	<u>15,679</u>	<u>15,679</u>	<u>15,679</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	798	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$800</u></u>	<u><u>\$2</u></u>	<u><u>\$2</u></u>	<u><u>\$0</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Early Childhood Education Development Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$17,558</u>	<u>\$17,558</u>	<u>\$17,558</u>	<u>\$0</u>
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	1,560	11,475	9,807	1,668
Fringe Benefits	580	4,269	3,755	514
Purchased Services	128	945	0	945
Materials and Supplies	<u>494</u>	<u>3,632</u>	<u>2,855</u>	<u>777</u>
<i>Total Expenditures</i>	<u>2,762</u>	<u>20,321</u>	<u>16,417</u>	<u>3,904</u>
<i>Net Change in Fund Balance</i>	14,796	(2,763)	1,141	3,904
<i>Fund Balance Beginning of Year</i>	<u>2,763</u>	<u>2,763</u>	<u>2,763</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$17,559</u>	<u>\$0</u>	<u>\$3,904</u>	<u>\$3,904</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Class Size Reduction Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$44,546	\$44,546	\$44,546	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	34,707	34,707	34,617	90
Fringe Benefits	8,503	8,503	8,503	0
Total Instruction	43,210	43,210	43,120	90
Support Services:				
Administration:				
Other	1,336	1,336	1,336	0
<i>Total Expenditures</i>	44,546	44,546	44,456	90
<i>Net Change in Fund Balance</i>	0	0	90	90
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$90</u>	<u>\$90</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
State Improvement Grant Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$25,000	\$25,000	\$25,000	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Materials and Supplies	9,482	11,591	11,188	403
Instructional Staff:				
Salaries and Wages	6,532	7,985	7,985	0
Fringe Benefits	1,007	1,231	1,231	0
Purchased Services	18,400	22,492	22,492	0
Total Instructional Staff	25,939	31,708	31,708	0
Administration:				
Capital Outlay - New	2,738	3,261	3,261	0
<i>Total Expenditures</i>	38,159	46,560	46,157	403
<i>Net Change in Fund Balance</i>	(13,159)	(21,560)	(21,157)	403
<i>Fund Balance Beginning of Year</i>	16,089	16,089	16,089	0
Prior Year Encumbrances Appropriated	5,471	5,471	5,471	0
<i>Fund Balance End of Year</i>	<u>\$8,401</u>	<u>\$0</u>	<u>\$403</u>	<u>\$403</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Interest	\$3,500	\$4,163	\$4,529	\$366
Contributions and Donations	1,000	1,100	1,100	0
Miscellaneous	500	600	600	0
<i>Total Revenues</i>	<u>5,000</u>	<u>5,863</u>	<u>6,229</u>	<u>366</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	<u>7,652</u>	<u>25,941</u>	<u>25,941</u>	<u>0</u>
Extracurricular Activities:				
Sports Oriented Activities:				
Capital Outlay - New	<u>3,842</u>	<u>13,025</u>	<u>13,025</u>	<u>0</u>
Capital Outlay:				
Site Improvement Services:				
Purchased Services	121,655	412,418	412,418	0
Capital Outlay - New	<u>121,850</u>	<u>413,079</u>	<u>413,079</u>	<u>0</u>
Total Capital Outlay	<u>243,505</u>	<u>825,497</u>	<u>825,497</u>	<u>0</u>
<i>Total Expenditures</i>	<u>254,999</u>	<u>864,463</u>	<u>864,463</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(249,999)	(858,600)	(858,234)	366
Other Financing Sources				
Transfers In	<u>395,000</u>	<u>571,997</u>	<u>571,997</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	145,001	(286,603)	(286,237)	366
<i>Fund Balance Beginning of Year</i>	4,841	4,841	4,841	0
Prior Year Encumbrances Appropriated	<u>284,240</u>	<u>284,240</u>	<u>284,240</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$434,082</u></u>	<u><u>\$2,478</u></u>	<u><u>\$2,844</u></u>	<u><u>\$366</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$18,000	\$28,085	\$29,911	\$1,826
Expenditures				
Capital Outlay:				
Architecture and Engineering Services:				
Services:				
Purchased Services	10,438	6,000	6,000	0
Capital Outlay - New	34,862	20,039	20,039	0
Total Architecture and Engineering Services	45,300	26,039	26,039	0
Building Improvement Services:				
Capital Outlay - Replacement	55,239	31,752	31,752	0
Other	1,461	840	840	0
Total Building Improvement Services	56,700	32,592	32,592	0
Total Capital Outlay	102,000	58,631	58,631	0
<i>Net Change in Fund Balance</i>	(84,000)	(30,546)	(28,720)	1,826
<i>Fund Balance Beginning of Year</i>	1,136,341	1,136,341	1,136,341	0
Prior Year Encumbrances Appropriated	48,911	48,911	48,911	0
<i>Fund Balance End of Year</i>	<u>\$1,101,252</u>	<u>\$1,154,706</u>	<u>\$1,156,532</u>	<u>\$1,826</u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
School Net Plus Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>8,911</u>	<u>8,911</u>	<u>8,911</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,911)	(8,911)	(8,911)	0
<i>Fund Balance Beginning of Year</i>	<u>8,911</u>	<u>8,911</u>	<u>8,911</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Westlake City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP) and Actual
Power Up Capacity Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	0	2,016	2,016	0
<i>Net Change in Fund Balance</i>	0	(2,016)	(2,016)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	2,016	2,016	2,016	0
<i>Fund Balance End of Year</i>	<u>\$2,016</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Westlake City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2002

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$2,600,000	\$3,112,000	\$3,455,547	\$343,547
Expenses				
Purchased Services	100,000	327,391	327,391	0
Claims	3,000,000	3,089,913	3,089,913	0
<i>Total Expenses</i>	<u>3,100,000</u>	<u>3,417,304</u>	<u>3,417,304</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	<u>(500,000)</u>	<u>(305,304)</u>	<u>38,243</u>	<u>343,547</u>
<i>Fund Equity Beginning of Year</i>	704,715	704,715	704,715	0
Prior Year Encumbrances Appropriated	<u>1,351</u>	<u>1,351</u>	<u>1,351</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$206,066</u></u>	<u><u>\$400,762</u></u>	<u><u>\$744,309</u></u>	<u><u>\$343,547</u></u>

Westlake City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP) and Actual
Scholarship Fund
For the Fiscal Year Ended June 30, 2002

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest	\$1,000	\$585	\$667	\$82
Expenses	0	0	0	0
<i>Net Change in Fund Equity</i>	1,000	585	667	82
<i>Fund Equity Beginning of Year</i>	26,022	26,022	26,022	0
<i>Fund Equity End of Year</i>	\$27,022	\$26,607	\$26,689	\$82

Westlake City School District
Governmental Activities Revenues by Source and Expenses by Function
Last Two Fiscal Years

	2002	2001
Program Revenues		
Charges for Services	\$1,653,881	\$1,797,390
Operating Grants, Interest and Contributions	1,276,282	1,213,814
Capital Grants and Contributions	47,257	243,121
General Revenues		
Taxes	38,126,305	32,131,952
Intergovernmental	6,865,844	6,222,333
Interest	370,873	773,708
Miscellaneous	52,456	1,124
<i>Total</i>	<u>\$48,392,898</u>	<u>\$42,383,442</u>
Expenses		
Current:		
Instruction:		
Regular	\$18,561,778	\$17,899,511
Special	3,320,191	3,096,309
Vocational	308,959	985,007
Adult/Continuing	39,473	28,445
Support Services:		
Pupils	2,187,073	2,052,453
Instructional Staff	1,987,734	1,830,028
Board of Education	27,743	15,090
Administration	2,505,538	2,352,216
Fiscal	1,072,157	785,636
Business	402,168	336,837
Operation and Maintenance of Plant	3,185,520	3,496,070
Pupil Transportation	2,766,196	3,046,466
Central	145,174	91,221
Operation of Non-Instructional Services	711,847	758,908
Extracurricular Activities	1,382,233	1,134,802
Operation of Food Service	786,465	827,579
Debt Service	1,687,411	1,778,329
<i>Total</i>	<u>\$41,077,660</u>	<u>\$40,514,907</u>

Source: School District Financial Records

Westlake City School District
General Governmental Revenues by Source and Expenditures by Function (1)
Last Ten Fiscal Years

	2002	2001	2000	1999
General Revenues				
Taxes	\$37,510,455	\$31,726,503	\$26,644,336	\$28,845,535
Intergovernmental	8,120,366	7,646,141	7,003,162	6,382,395
Interest	371,759	784,102	689,686	810,284
Tuition and Fees	628,830	808,238	328,287	273,435
Extracurricular Activities	253,931	142,395	240,896	239,022
Rentals	55,842	65,484	87,456	76,975
Charges for Services	715,278	743,805	20,198	28,019
Contributions and Donations	66,691	31,639	296,116	50,678
Miscellaneous	52,456	49,335	119,658	73,652
<i>Total</i>	<u>\$47,775,608</u>	<u>\$41,997,642</u>	<u>\$35,429,795</u>	<u>\$36,779,995</u>
Expenditures				
Current:				
Instruction:				
Regular	\$18,265,000	\$16,551,332	\$15,188,012	\$14,656,987
Special	3,219,762	2,988,533	3,094,834	2,896,480
Vocational	293,653	986,123	675,150	666,356
Adult/Continuing	39,473	28,445	34,635	24,722
Support Services:				
Pupils	2,067,422	1,956,645	1,781,213	1,683,317
Instructional Staff	1,946,930	1,725,845	1,497,594	1,368,801
Board of Education	27,743	15,090	14,909	17,398
Administration	2,262,978	2,261,432	2,400,178	2,064,575
Fiscal	1,063,295	784,050	613,969	805,242
Business	279,895	662,980	362,224	301,283
Operation and Maintenance of Plant	3,165,275	3,183,416	2,810,122	2,890,879
Pupil Transportation	2,649,378	3,040,499	2,682,571	2,108,723
Central	135,190	84,832	102,784	105,006
Operation of Non-Instructional Services	701,145	727,858	400,655	419,219
Extracurricular Activities	1,362,764	1,137,003	1,135,474	1,052,473
Operation of Food Service	813,300	741,087	N/A	N/A
Intergovernmental	0	0	0	0
Capital Outlay	518,067	1,712,087	1,770,882	8,969,779
Debt Service	3,454,997	3,401,128	3,257,634	3,142,116
<i>Total</i>	<u>\$42,266,267</u>	<u>\$41,988,385</u>	<u>\$37,822,840</u>	<u>\$43,173,356</u>

(continued)

Source: School District Financial Records

1998	1997	1996	1995	1994	1993
\$26,967,789	\$24,988,210	\$22,013,092	\$21,318,820	\$19,127,044	\$19,443,366
5,870,793	5,555,534	5,544,007	4,482,081	3,674,780	4,237,343
1,840,532	1,172,142	202,793	187,024	131,740	145,502
290,702	560,992	478,753	368,852	152,155	439,880
219,330	165,036	192,361	205,486		172,799
104,055	52,751	29,826	25,675	4,155	8,651
25,896	23,699	16,244	16,533	16,236	29,390
42,913	17,268	39,038	13,794	8,843	56,057
243,689	213,407	8,865	6,892	23,425	20,392
<u>\$35,605,699</u>	<u>\$32,749,039</u>	<u>\$28,524,979</u>	<u>\$26,625,157</u>	<u>\$23,138,378</u>	<u>\$24,553,380</u>
\$14,265,601	\$13,686,849	\$13,478,484	\$12,602,190	\$12,501,390	\$11,736,597
2,341,403	1,951,485	1,962,593	2,069,250	1,744,352	1,518,273
596,283	698,736	508,791	344,792	292,527	448,848
22,481	18,267	16,614	23,166	0	17,735
1,472,696	1,361,314	1,292,277	1,143,222	1,068,575	1,261,086
1,474,157	1,724,691	1,462,585	1,376,642	1,139,282	1,172,933
19,872	14,010	20,416	10,619	14,374	29,805
1,969,681	1,768,986	1,719,492	1,507,430	1,701,087	1,708,475
700,679	662,472	624,936	595,478	429,089	723,187
290,009	315,293	268,166	246,102	274,283	268,261
2,798,599	2,814,017	2,581,797	2,538,904	2,692,007	2,538,103
2,079,761	2,327,391	1,787,887	1,605,365	1,639,300	1,560,875
57,543	39,082	41,051	36,962	43,594	14,750
367,160	328,377	310,553	0	1,014	1,143
1,073,022	1,061,086	978,195	908,869	445,001	791,464
N/A	N/A	N/A	N/A	N/A	N/A
7,250,000	0	0	0	0	0
14,888,368	2,833,150	274,108	47,103	120,357	0
3,083,384	976,831	516,023	515,530	27,655	614,429
<u>\$54,750,699</u>	<u>\$32,582,037</u>	<u>\$27,843,968</u>	<u>\$25,571,624</u>	<u>\$24,133,887</u>	<u>\$24,405,964</u>

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

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection
2001	\$37,912,913	\$1,892,060	\$39,804,973	\$35,401,042
2000	32,458,538	889,270	33,347,808	31,019,381
1999	31,265,984	1,225,249	32,491,233	29,927,991
1998	30,350,117	1,415,407	31,765,524	29,635,427
1997	29,222,512	1,299,228	30,521,740	28,732,644
1996	26,713,386	786,524	27,499,910	26,054,909
1995	23,524,540	889,663	24,414,203	23,215,155
1994	22,410,483	921,142	23,331,625	22,034,810
1993	21,949,020	1,307,945	23,256,965	21,459,988
1992	21,035,176	1,080,658	22,115,834	20,519,725

(continued)

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2002 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
93.4%	\$1,219,689	\$36,620,731	96.6%
95.6	628,880	31,648,261	97.5
95.7	709,894	30,637,885	98.0
97.6	746,844	30,382,271	100.1
98.3	534,241	29,266,885	100.2
97.5	463,584	26,518,493	99.3
98.7	454,310	23,669,465	100.6
98.3	405,719	22,440,529	100.1
97.8	862,667	22,322,655	101.7
97.5	522,846	21,042,571	100.0

Westlake City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2002	\$1,072,485,940	\$3,064,245,543	\$23,522,370	\$26,729,966
2001	1,028,659,760	2,939,027,886	30,491,100	34,648,977
2000	893,396,390	2,552,561,114	30,889,430	35,101,625
1999	852,394,210	2,435,412,029	33,579,300	38,158,295
1998	829,261,960	2,369,318,457	34,326,270	39,007,125
1997	761,751,550	2,176,433,000	35,417,680	40,247,364
1996	738,781,830	2,110,805,229	35,226,690	40,030,330
1995	704,416,260	2,012,617,886	36,652,930	41,651,057
1994	630,571,180	1,801,631,943	35,396,530	40,223,330
1993	608,671,160	1,739,060,457	34,365,670	39,051,898

(continued)

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

- (1) This amount is calculated based on the following percentages:
 Real estate is assessed at 35 percent of actual value.
 Public utility personal is assessed at 88 percent of actual value.
 Tangible personal property is assessed at 25 percent of actual value for 2002.

Tangible Personal Property		Total		Ratio
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	
\$77,021,986	\$308,087,944	\$1,173,030,296	\$3,399,063,453	34.51%
74,494,491	297,973,008	1,133,645,351	3,271,649,871	34.65
69,493,252	277,973,008	993,779,072	2,865,635,747	34.68
63,939,231	255,756,924	949,912,741	2,729,327,248	34.80
64,750,544	259,002,176	928,338,774	2,667,327,758	34.80
65,660,169	262,640,676	862,829,399	2,479,321,040	34.80
57,920,927	231,683,708	831,929,447	2,382,519,267	34.92
56,067,638	224,270,552	797,136,828	2,278,539,495	34.98
57,067,959	228,271,836	723,035,669	2,070,127,109	34.93
49,632,336	198,529,344	692,669,166	1,976,641,699	35.04

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

Year	School Levy	Library	County Levy	City Levy	Total Levy	Debt Service Included in Total Levy			
						School	County	City	Total
2002	\$62.60	\$2.00	\$16.20	\$10.30	\$91.10	\$3.10	\$0.86	\$1.30	\$5.26
2001	60.70	2.00	16.20	10.30	89.20	3.20	0.27	1.30	4.77
2000	63.10	2.00	15.30	10.50	90.90	3.60	0.27	1.62	5.49
1999	61.10	2.00	15.30	10.50	88.90	3.60	0.72	1.62	5.94
1998	61.00	2.00	16.60	10.20	89.80	3.50	0.60	1.32	5.42
1997	60.70	2.00	16.60	10.80	90.10	3.20	0.90	2.06	6.16
1996	58.30	2.00	16.60	10.90	87.80	0.80	0.87	2.22	3.89
1995	55.90	2.00	16.80	11.00	85.70	1.30	0.76	2.35	4.41
1994	55.90	2.00	16.80	11.20	85.90	1.30	0.68	2.45	4.43
1993	56.00	1.00	16.80	14.10	87.90	1.40	0.80	1.98	4.18

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

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

Year	Net General Obligation Bonded Debt (1)	Assessed Value (2)	Population (3)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2002	\$26,841,475	\$1,173,030,296	31,719	2.29%	\$846.23
2001	29,087,636	1,133,645,351	31,719	2.57	917.04
2000	31,065,456	993,779,072	27,018	3.13	1,149.81
1999	32,592,830	949,912,741	27,018	3.43	1,206.34
1998	34,270,064	928,338,774	27,018	3.69	1,268.42
1997	27,553,761	862,829,399	27,018	3.19	1,019.83
1996	1,953,504	831,929,447	27,018	0.23	72.30
1995	2,138,510	797,136,828	27,018	0.27	79.15
1994	2,522,078	723,035,669	27,018	0.35	93.35
1993	2,807,896	692,669,166	27,018	0.41	103.93

Source:

(1) School District Financial Records

(2) Cuyahoga County Auditor

(3) U.S. Census of Population, 2001 Federal Census, 2000 Federal Census

Westlake City School District
Computation of Legal Debt Margin
 June 30, 2002

Assessed Valuation	<u>\$1,173,030,296</u>
Debt Limit - 9% of Assessed Value (1)	\$105,572,727
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonds	29,500,000
Less: Amount Available in Debt Service Fund	<u>(2,658,525)</u>
Amount of Debt Subject to the Limit	<u>26,841,475</u>
Overall Debt Margin	<u><u>\$78,731,252</u></u>
Debt Limit - .10% of Assessed Value (1)	\$1,173,030
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u><u>\$1,173,030</u></u>

Source: Cuyahoga County Auditor and School District Financial Records

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

Westlake City School District
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2001

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
Direct:			
Westlake City School District	<u>\$29,500,000</u>	<u>100.00%</u>	<u>\$29,500,000</u>
Overlapping:			
Cuyahoga County	216,544,636	4.09	8,856,676
Regional Transit Authority	123,915,000	4.09	5,068,124
Westlake City	<u>29,714,174</u>	100.00	<u>29,714,174</u>
Total Overlapping	<u>370,173,810</u>		<u>43,638,974</u>
Total	<u><u>\$399,673,810</u></u>		<u><u>\$73,138,974</u></u>

Source: Cuyahoga County Auditor

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

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

Year	Principal	Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to Governmental Expenditures (Percentage)
2002	\$1,685,000	\$1,669,923	\$3,354,923	\$42,266,267	7.94%
2001	1,545,000	1,754,290	3,299,290	41,988,385	9.67
2000	1,420,000	1,826,424	3,246,424	37,822,840	8.58
1999	1,240,000	1,890,841	3,130,841	43,173,356	7.25
1998	1,050,000	1,790,341	2,840,341	54,750,699	5.19
1997	280,000	230,314	510,314	32,582,037	1.57
1996	280,000	196,687	476,687	27,843,968	1.71
1995	280,000	218,071	498,071	25,571,624	1.95
1994	280,000	234,085	514,085	24,133,887	2.13
1993	280,000	253,750	533,750	24,405,964	2.19

Source: School District Financial Records

Westlake City School District
Demographic Statistics
Last Ten Years

Year	Cuyahoga County Population (1)	Westlake City Population (1)	School Enrollment (2)	Unemployment Rate (3)
2002	1,393,978	31,719	3,743	4.6%
2001	1,380,421	31,719	3,754	4.5
2000	1,386,096	27,018	3,751	4.5
1999	1,386,096	27,018	3,670	4.6
1998	1,397,694	27,018	3,643	4.4
1997	1,398,169	27,018	3,751	5.8
1996	1,403,217	27,018	3,745	5.2
1995	1,403,239	27,018	3,763	4.8
1994	1,414,141	27,018	3,772	5.8
1993	1,411,209	27,018	3,765	6.8

(1) U.S. Census of Population, 2001 Federal Census, 2000 Federal Census

(2) School District Financial Records

(3) Represents Cuyahoga County

Westlake City School District
Property Value,
Financial Institution Deposits and Building Permits
Last Ten Years

Year	Property Value (1) (Real Estate Only)	Financial Institution Deposits (000's) Banks	Value of Residential Building Permits Issued	Value of Commercial Building Permits Issued
2001	\$1,028,659,760	\$88,346,368	\$52,105,345	\$41,894,175
2000	893,396,390	61,942,764	52,991,580	30,588,215
1999	852,394,210	57,021,360	80,928,725	31,395,240
1998	829,261,960	56,770,353	62,927,295	121,084,840
1997	761,751,550	53,941,971	37,638,725	42,835,925
1996	738,781,830	27,068,211	43,690,510	12,431,385
1995	704,416,260	22,458,573	38,704,215	17,720,195
1994	630,571,180	20,885,453	37,057,210	10,934,095
1993	608,671,160	21,009,421	40,236,882	18,731,377
1992	586,475,120	19,379,280	46,885,845	14,345,140

Sources: City of Westlake Building Department reports
and Federal Reserve Bank of Cleveland

(1) Represents assessed value.

Westlake City School District

Principal Taxpayers

Real Estate Tax

December 31, 2001

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Property Assessed Value</u>
UHHS/CSAAHS Cuyahoga, Inc	\$12,418,140	1.16%
Westlake Center Associates	8,853,880	0.83
University Hospitals	8,246,840	0.77
Eveready Battery Company	7,381,185	0.69
Cleveland Retirement Properties	6,037,500	0.56
JG Westlake Hotel	5,887,385	0.55
KIPF - Newton Venture I	5,728,905	0.53
Remington Inc.	5,713,120	0.53
Sturbridge Square Apartments	5,381,145	0.50
Oakwood Garden Apartments	5,190,465	0.48
Village in the Park	<u>5,171,180</u>	<u>0.48</u>
Total	<u>\$76,009,745</u>	<u>7.08%</u>

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2002 collection year.

Westlake City School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2001

Name of Taxpayer	Assessed Value (1)	Percent of Real Property Assessed Value
USG Interiors Inc	\$7,862,790	10.21%
Eveready Battery Company	3,738,630	4.85
Truserv Corporation	2,689,350	3.49
Bonnie Bell	2,632,950	3.42
Aluminum Line Products	2,391,920	3.11
Nordson Corp.	2,077,850	2.70
Uniroyal Chemical Co Inc	1,820,580	2.36
EDS Information Services LLC	1,796,410	2.33
John M Lance Ford Inc	1,790,410	2.32
Pines Manufacturing Inc	<u>1,738,950</u>	<u>2.26</u>
Total	<u><u>\$28,539,840</u></u>	<u><u>37.05%</u></u>

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2002 collection year.

Westlake City School District

Principal Taxpayers

Public Utilities Tax

December 31, 2001

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utilities Assessed Value</u>
Cleveland Electric Illuminating Company	\$13,415,115	57.03%
Ohio Bell Telephone Company	5,633,110	23.95
Columbia Gas of Ohio, Incorporated	<u>1,898,750</u>	<u>8.07</u>
Total	<u>\$20,946,975</u>	<u>89.05%</u>

Source: Cuyahoga County Auditor

(1) Assessed values are for the 2002 collection year.

Westlake City School District
Per Pupil Cost
Last Ten Fiscal Years

Year	General Fund Expenditures	Average Daily Student Enrollment	Per Pupil Cost
2002	\$37,201,906	3,743	\$9,939
2001	34,070,826	3,754	9,076
2000	31,289,762	3,751	8,342
1999	29,686,458	3,670	8,089
1998	28,160,691	3,643	7,730
1997	27,376,821	3,751	7,299
1996	26,185,377	3,745	6,992
1995	24,035,571	3,763	6,387
1994	24,133,887	3,772	6,398
1993	23,206,575	3,765	6,164

Source: School District Financial Records.

Westlake City School District
Teacher Education and Experience
 June 30, 2002

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	11	4.20 %
Bachelor + 10	10	3.82
Bachelor + 20	13	4.96
Bachelor + 30	49	18.70
Master's Degree	63	24.05
Master's + 10	38	14.50
Master's + 20	26	9.92
Master's + 30	<u>52</u>	<u>19.85</u>
Total	<u><u>262</u></u>	<u><u>100.00 %</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	51	19.47 %
6 - 10	51	19.47
11 and Over	<u>160</u>	<u>61.06</u>
	<u><u>262</u></u>	<u><u>100.00 %</u></u>

Source: School District Personnel Records

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STATE OF OHIO
OFFICE OF THE AUDITOR

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WESTLAKE CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 9, 2003**