

**LAKWOOD LOCAL
SCHOOL DISTRICT
LICKING COUNTY, OHIO**

*SUPPLEMENTAL REPORTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2007*

GLENN A PLAISTED, TREASURER/CFO



Mary Taylor, CPA
Auditor of State

Board of Education
Lakewood Local School District
525 East Main Street
P.O. Box 70
Hebron, Ohio 43025

We have reviewed the *Independent Auditor's Report* of the Lakewood Local School District, Licking County, prepared by Julian & Grube, Inc., for the audit period July 1, 2006 through June 30, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Lakewood Local School District is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

November 27, 2007

This Page is Intentionally Left Blank.

**LAKWOOD LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

TABLE OF CONTENTS

Independent Auditor’s Report on Supplementary Schedule of Receipts and Expenditures of Federal Awards.....	1
Schedule of Receipts and Expenditures of Federal Awards	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3 - 4
Report on Compliance With Requirements Applicable to Its Major Program and on Internal Control Over Compliance in Accordance With <i>OMB Circular A-133</i>	5 - 6
Schedule of Findings <i>OMB Circular A-133</i> §505	7 - 8

This Page is Intentionally Left Blank.



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report on Supplementary Schedule of Receipts and Expenditures of Federal Awards

Board of Education
Lakewood Local School District
525 East Main Street, P.O. Box 70
Hebron, Ohio 43025

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Lakewood Local School District (the "District") as of and for the fiscal year ended June 30, 2007, and have issued our report thereon dated October 17, 2007. The accompanying Schedule of Receipts and Expenditures of Federal Awards does not include the operations of the Lakewood Digital Academy, a component unit of Lakewood Local School District. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Lakewood Local School District's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards 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 whole.

Julian & Grube, Inc.

Julian & Grube, Inc.
October 17, 2007

**LAKWOOD LOCAL SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	PASS-THROUGH GRANT NUMBER	(H) CASH FEDERAL RECEIPTS	OTHER FEDERAL RECEIPTS	(H) CASH FEDERAL DISBURSEMENTS	OTHER FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION:						
(A) Food Donation	10.550	N/A	\$ -	\$ 73,299	\$ -	\$ 73,299
Total Food Donation			<u>-</u>	<u>73,299</u>	<u>-</u>	<u>73,299</u>
Nutrition Cluster:						
(B) (C) School Breakfast Program	10.553	047993-05PU-2006	6,723		6,723	
(B) (C) School Breakfast Program	10.553	047993-05PU-2007	38,525		38,525	
Total School Breakfast Program			<u>45,248</u>		<u>45,248</u>	
(B) (C) National School Lunch Program	10.555	047993-LLP4-2006	40,079		40,079	
(B) (C) National School Lunch Program	10.555	047993-LLP4-2007	188,465		188,465	
Total National School Lunch Program			<u>228,544</u>		<u>228,544</u>	
Total Nutrition Cluster			<u>273,792</u>		<u>273,792</u>	
Total U.S. Department of Agriculture			<u>273,792</u>	<u>73,299</u>	<u>273,792</u>	<u>73,299</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION						
(D) Title I Grants to Local Educational Agencies	84.010	047993-C1S1-2006	13,413		27,373	
Title I Grants to Local Educational Agencies	84.010	047993-C1S1-2007	281,051		264,523	
Total Title I Grants to Local Educational Agencies			<u>294,464</u>		<u>291,896</u>	
Special Education Grants to States	84.027	047993-6BSF-2006	51,887		74,419	
Special Education Grants to States	84.027	047993-6BSF-2007	434,862		414,347	
Total Special Education Grants to States			<u>486,749</u>		<u>488,766</u>	
(E) Safe and Drug-Free Schools and Communities State Grants	84.186	047993-DRS1-2006	(1,227)		-	
Safe and Drug-Free Schools and Communities State Grants	84.186	047993-DRS1-2007	8,470		7,357	
Total Safe and Drug-Free Schools and Communities State Grants			<u>7,243</u>		<u>7,357</u>	
State Grants for Innovative Programs	84.298	047993-C2S1-2006	502		810	
State Grants for Innovative Programs	84.298	047993-C2S1-2007	3,206		3,206	
Total State Grants for Innovative Programs			<u>3,708</u>		<u>4,016</u>	
(F) Education Technology State Grants	84.318	047993-TJS1-2006	(30)		510	
Education Technology State Grants	84.318	047993-TJS1-2007	4,246		3,477	
Total Educational Technology State Grants			<u>4,216</u>		<u>3,987</u>	
(G) Improving Teacher Quality State Grants	84.367	047993-TRS1-2006	9,747		12,433	
Improving Teacher Quality State Grants	84.367	047993-TRS1-2007	107,159		105,676	
Total Improving Teacher Quality State Grants			<u>116,906</u>		<u>118,109</u>	
Total U.S. Department of Education			<u>913,286</u>		<u>914,131</u>	
Total Federal Financial Assistance			<u>\$ 1,187,078</u>	<u>\$ 73,299</u>	<u>\$ 1,187,923</u>	<u>\$ 73,299</u>

- (A) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are valued at fair market prices.
 (B) Included as part of "Nutrition Grant Cluster" in determining major programs.
 (C) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.
 (D) Amount of \$2,577 transferred to the next grant year based on Ohio Department of Education administrative action.
 (E) Amount of \$2,358 transferred to the next grant year based on Ohio Department of Education administrative action.
 (F) Amount of \$634 transferred to the next grant year based on Ohio Department of Education administrative action.
 (G) Amount of \$90 transferred to the next grant year based on Ohio Department of Education administrative action.
 (H) This schedule was prepared on the cash basis of accounting.

Note 1: The Lakewood Local School District has excluded federal financial assistance reported for the Lakewood Digital Academy.



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Education
Lakewood Local School District
525 East Main Street, P.O. Box 70
Hebron, Ohio 43025

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Lakewood Local School District as of and for the fiscal year ended June 30, 2007, which collectively comprise Lakewood Local School District's basic financial statements and have issued our report thereon dated October 17, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Lakewood Local School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lakewood Local School District's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of the Lakewood Local School District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Lakewood Local School District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Lakewood Local School District's financial statements that is more than inconsequential will not be prevented or detected by the Lakewood Local School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Lakewood Local School District's internal control.

Board of Education
Lakewood Local School District

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Lakewood Local School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management and the Board of Education of the Lakewood Local School District 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 cursive script that reads "Julian & Grube, Inc." with a stylized flourish at the end.

Julian & Grube, Inc.
October 17, 2007



Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Report on Compliance with Requirements Applicable to Its Major Program and on Internal Control Over Compliance in Accordance With *OMB Circular A-133*

Board of Education
Lakewood Local School District
525 East Main Street, P.O. Box 70
Hebron, Ohio 43025

Compliance

We have audited the compliance of the Lakewood Local School 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 its major federal program for the fiscal year ended June 30, 2007. The Lakewood Local School District's major federal program is 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 its major federal program is the responsibility of the Lakewood Local School District's management. Our responsibility is to express an opinion on the Lakewood Local School District's compliance based on our audit.

The Lakewood Local School District's basic financial statements include the operations of the Lakewood Digital Academy, a component unit of Lakewood Local School District. Lakewood Digital Academy received \$166,656 and expended \$196,299 in federal awards during fiscal year 2007 that are not included in the Schedule of Receipts and Expenditures of Federal Awards for Lakewood Local School District for the fiscal year ended June 30, 2007. Our audit of federal awards, described below, did not include the operations of Lakewood Digital Academy. This component unit expended less than \$500,000 for the fiscal year ended June 30, 2007 and thus was not required to have an audit of its Federal Award Program in accordance with OMB Circular A-133.

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, *Audit 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Lakewood Local School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

Board of Education
Lakewood Local School District

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Lakewood Local School District's compliance with those requirements.

In our opinion, the Lakewood Local School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the fiscal year ended June 30, 2007.

Internal Control Over Compliance

The management of the Lakewood Local School 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 Lakewood Local School District's internal control over compliance with the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Lakewood Local School District's internal control over compliance.

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Lakewood Local School District's internal control.

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

This report is intended for the information and use of management and Board of Education of the Lakewood Local School District 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.



Julian & Grube, Inc.
October 17, 2007

**LAKEWOOD LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

**LAKEWOOD LOCAL SCHOOL DISTRICT
LICKING COUNTY, OHIO**

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

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

LAKWOOD LOCAL SCHOOL DISTRICT



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
June 30, 2007**



This Page is Intentionally Left Blank.

LAKWOOD LOCAL SCHOOL DISTRICT

HEBRON, OHIO

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
June 30, 2007**

Prepared by:

**Ms. Glenna Plaisted
Treasurer/CFO**



LAKWOOD LOCAL SCHOOL DISTRICT

TABLE OF CONTENTS

I INTRODUCTORY SECTION

A Letter of Transmittalv
B Members of the Board of Education and Administration xii
C School District Organizational Chart..... xiii
D Certificate of Achievement (GFOA)xiv

II FINANCIAL SECTION

A Independent Auditor’s Report.....1
B Management’s Discussion and Analysis3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Assets 13
 Statement of Activities 14
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 16
 Reconciliation of Total Governmental Fund Balances to Net Assets of
 Governmental Activities 17
 Statement of Revenues, Expenditures and Changes in Fund Balances 18
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of
 Activities 19
 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund 20
 Proprietary Funds:
 Statement of Net Assets 21
 Statement of Revenues, Expenses and Changes in Fund Net Assets 22
 Statement of Cash Flows 23
 Fiduciary Funds:
 Statement of Net Assets 24
 Statement of Changes in Net Assets 25
 Notes to the Basic Financial Statements 26

LAKWOOD LOCAL SCHOOL DISTRICT

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Funds Statements:

Combining Balance Sheet – Nonmajor Governmental Funds.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	64

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

Major Governmental Funds:

<i>General Fund</i>	68
<i>Debt Service Fund:</i>	
Debt Service Fund	73

Nonmajor Governmental Funds:

Special Revenue Funds:

Public School Support Fund	74
Other Grant Fund	75
Student Activity Fund	76
Auxiliary Services Fund.....	77
Management Information System Fund.....	78
Data Communications Fund.....	79
SchoolNet Professional Development Fund	80
OhioReads Fund.....	81
Poverty Aid Fund.....	82
Miscellaneous State Grants Fund.....	83
Special Education Part B-IDEA Fund.....	84
Title I Fund	86
Title V Fund.....	87
Drug Free School Grant Fund.....	88
Telecommunications Act Grant Fund.....	89
Title II-A Fund.....	90
Miscellaneous Federal Grants Fund.....	91

LAKWOOD LOCAL SCHOOL DISTRICT

Capital Projects Funds:

Permanent Improvement Fund.....	92
E Fiduciary Fund – Agency Fund:	
Statement of Changes in Assets and Liabilities.....	95
F Capital Assets Used in the Operation of Governmental Funds:	
Schedule by Source	97
Schedule by Function and Activity.....	98
Schedule of Changes by Function and Activity	100

III

STATISTICAL SECTION

Net Assets by Component - Last Six Years	S 2
Changes in Net Assets - Last Six Years	S 4
Fund Balances, Governmental Funds - Last Ten Years	S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years	S 10
Assessed Valuations and Estimated True Values of Taxable Property - Last Ten Calendar Years	S 14
Property Tax Rates of Direct and Overlapping Governments - Last Ten Calendar Years	S 16
Principal Taxpayers - Tangible Personal Property Tax - Current Year and Four Years Ago.....	S 18
Principal Taxpayers - Real Estate Tax - Current Year and Four Years Ago.....	S 19
Principal Taxpayers - Public Utilities Property Tax - Current Year and Four Years Ago	S 21
Property Tax Levies and Collections - Last Ten Years.....	S 22
Ratio of Outstanding Debt By Type - Last Ten Years	S 24
Ratios of General Bonded Debt Outstanding - Last Ten Years	S 26
Computation of Direct and Overlapping Debt Attributable to Governmental Activities - Current Year	S 29
Debt Limitations - Last Ten Years	S 30
Demographic and Economic Statistics - Last Ten Years	S 32
Principal Employers - Current Year and Eight Years Ago	S 35
School District Employees by Type - Last Eight Years.....	S 36
Operating Indicators - Cost per Pupil - Last Eight Years.....	S 38
Operating Indicators by Function - Last Five Years	S 40
Operating Indicators - Teacher Base Salaries - Last Eight Years	S 42
Capital Asset Statistics by Building - Last Seven Years.....	S 44
Educational and Operating Statistics - Last Ten Years	S 46

LAKWOOD LOCAL SCHOOL DISTRICT



INTRODUCTORY SECTION





Lakewood Local Schools • 525 East Main Street • P.O. Box 70 • Hebron, Ohio 43025 • 740-928-5878 • Fax 740-928-3152

October 17, 2007

To the Citizens and Board of Education of the Lakewood Local School District:

The Comprehensive Annual Financial Report (CAFR) of the Lakewood Local School District (District) for the fiscal year ended June 30, 2007 is hereby submitted. This report was prepared by the Treasurer's Office and includes the unqualified opinion of our auditors.

The CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Generally Accepted Accounting Principals (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Lakewood Local School District's MD&A can be found immediately following the independent auditor's report.

The District offers a full range of educational programs and services. These include elementary and secondary general studies, advanced placement courses, gifted education, college preparatory and Tech Prep, special education services, and a broad range of co-curricular and extracurricular activities.

THE DISTRICT AND ITS FACILITIES

The Lakewood Local School District is located in southern Licking County approximately 25 miles from Columbus, the state capital. The District encompasses approximately 115 square miles. The principle communities are the Village of Hebron, the Village of Buckeye Lake, Jacksontown and the surrounding farming townships. The District has a diversified industrial base as well as residential and agricultural communities. Interstate 70 and State Routes 79, 40 and 13 serve as the major transportation arteries. The District serves approximately 2,234 students.

LAKWOOD LOCAL SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

The District's facilities include 2 elementary schools (grades K-3), 1 intermediate school (grades 4-5), 1 middle school (grades 6-8), 1 high school (grades 9-12), a bus garage, the administrative building and an athletic complex. The high school is the District's newest facility built in 2000, Jackson Elementary built in 1972, Intermediate School built in 1967, Middle School built in 1959 and Hebron Elementary built in 1914.

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

Good schools are important to the quality of life in the Villages of Hebron, Buckeye Lake and the Jacksontown area and help maintain the property values in the District. But beyond these considerations, the educational program itself is of primary importance. The Lakewood Local School District continuously strives toward providing students with a quality education. It is therefore appropriate to review the foundation on which the District's programs are built.

CURRICULUM DEVELOPMENT

The Lakewood Local School District provides a comprehensive K-12 program: instruction, assessment, intervention and special needs programming. The curriculum supports the Ohio Achievement and Diagnostic Tests (K-8), as well as the Ohio Graduation Tests at the high school level (OGT). The curriculum is on a five year revision cycle that involves K-12 staff and community members.

INSTRUCTION MATERIALS

The administration, staff, board members, and community have identified that keeping current with today's educational methodology and utilizing updated student textbooks and materials are critical components necessary to provide students with a quality education.

STAFF DEVELOPMENT

Locally provided staff development is an extremely important part of professional growth. The Superintendent, with the input from staff and building administrators, assess staff needs and plan after school sessions, in-service days, and summer sessions for certified staff consistent with the District goals. The emphasis on these professional development activities is to provide professional staff with the knowledge base required for implementation of effective teaching strategies and personal curriculum delivery. In addition to locally provided staff development, the Lakewood Local School District supports staff members who attend conferences outside of the District and continually encourages staff to examine, understand, and implement best practices used in educational settings.

LAKWOOD LOCAL SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

INTERVENTION AND SPECIAL PROGRAMS

Lakewood Local School District recognizes its responsibility to offer academic instruction that is appropriate for every child. Student abilities and performance levels are measured and used to determine appropriate instruction. For those students requiring supplemental help or varied instructional methods, plans are developed and monitored by intervention assistance teams that include teachers, administrators and intervention specialists. Parental involvement is critical in the process of student needs and intervention plans.

GIFTED AND TALENTED PROGRAMMING AND ADVANCED PLACEMENT COURSES

Opportunities for more challenging work are available through the Gifted and Talented Program. This program serves identified students in grades four through eight. The curriculum includes enrichment activities, independent research and project based learning with an emphasis on higher level thinking skills.

Additionally, advanced placement courses in English and American History are offered at the high school level.

SPECIAL EDUCATION

Currently there are approximately 347 students on Individualized Educational Programs representing approximately 16% of the total student population. These students are served in the following programs: speech/language, multi handicapped, cognitively disabled handicapped, severe emotionally disturbed, specific learning disabled, other health impaired and hearing impaired.

Program options and related services for students on Individualized Educational Plans are structured to provide a continuum of services based on individual needs. These options insure that all students are educated in the least restrictive environment possible. The Lakewood Local School District is committed to providing educational excellence for all students with disabilities, expanding their skills and aptitudes to be successful in the educational setting, in the community, and as adult contributors in society.

CONTINUOUS IMPROVEMENT PLANNING

The District's Continuous Improvement Plan includes these goals:

Goal #1

Improve student achievement in all areas of the State Report Card by:

- A) Focusing on literacy across the curriculum.
- B) Improving collaboration amongst staff.
- C) Using Quality Tools, technology, and research based practices.

Goal #2

Improve the quality of family and community involvement in student achievement by:

- A) Improving collaboration amongst staff, families and community.
- B) Using Quality Tools, technology, and research based practices.

LAKWOOD LOCAL SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2007***

STATE REPORT CARD PERFORMANCE

The District received an Effective rating on the State of Ohio Report Card for the 2006-2007 school year. The individual buildings received the following ratings:

High School	Excellent
Middle School	Effective
Intermediate	Effective
Jackson	Excellent
Hebron	Effective

ECONOMIC CONDITION AND OUTLOOK

The District is located approximately 25 miles from the metropolitan city of Columbus providing a wealth of opportunity for cultural, social and economic resources for its residents. Central Ohio Technical College and The Ohio State University of Newark share facilities and are located in the nearby City of Newark. Denison University is located in the adjoining Village of Granville. These colleges provide excellent educational opportunities for the Lakewood community.

The Villages of Hebron and Buckeye Lake offer excellent opportunities for business growth and expansion. The District has an Industrial Park which stimulates the economy through a diverse group of employers, from the small family operated business to major commercial/industrial and service corporations. The five largest employers in the District in terms of numbers of employees are: THK, Bear Creek, Poma Glass & Specialty (AFG), Ecolab and Heritage Sportswear.

The District passed a five year emergency levy on May 6, 2003. The total amount of additional revenue from this emergency operating levy is \$2,058,646 per year. The current revenue, along with the District's cash balance, will provide the District with necessary funds to meet its operating expenses in fiscal years 2008 and 2009. Beyond 2009, the District will face some decisions on obtaining additional funding sources or reducing expenses it currently has in maintaining its educational programs.

RECENT SIGNIFICANT ACCOMPLISHMENTS

Financial

The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the fourth consecutive year.

Community

The Lakewood Service Initiative (LSI) formed by a group of staff members, administrators, school board members, and parents came together to develop a vision for Lakewood that was built on creating a culture of excellence. *“Lakewood Community-Wide Learning, Service and Pride”* became their theme. Building on this theme, 18 service standards were crafted. The goal of the LSI is to create a culture in the school and community that daily meets the needs of our stakeholders. This ongoing initiative is striving to create the culture that, *“great customer service is smart business”*.

LAKEWOOD LOCAL SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2007

MAJOR INITIATIVES FOR THE FUTURE

Financial

To receive the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the District's 2007 CAFR.

The District will have 2 issues on the November 6, 2007 ballot that require the community's attention and support. The first is a renewal of an existing emergency levy and the second is a one percent (1%) income tax assessed only on earned income.

Instruction

The District continues to seek improvement in the areas measured by the Local Report Card. An "Excellent" rating (30 out of 30 state indicators) on the Report Card is the goal.

Commencing with the 2007-2008 school year all grades K-5 were realigned district wide. All K-2 students will now be in the same building, Hebron Elementary. Grades 3, 4, and 5 are housed at the Jackson Intermediate campus. This realignment brought all students and staff of the same grades together under one roof. This will further ensure that Lakewood Local Schools will be able to offer the best academic opportunities to all children of the district.

FINANCIAL INFORMATION

ACCOUNTING SYSTEM – The District's accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. The 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.

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

SINGLE AUDIT – As a recipient of federal and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

As part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2007, as of this writing, revealed no instances of material weaknesses in internal control structure or significant violations of applicable laws and regulations.

LAKEWOOD LOCAL SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

BUDGETARY CONTROLS – The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the broad object level (first level) for the general fund and at the fund level for all other funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

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

Investments are made with the primary objectives:

- Preservation of capital and protection of principal.
- Maintenance of liquidity to meet cash flow requirements.
- Diversification of assets to avoid undue credit and liquidity risks.
- Optimization of portfolio returns within objectives outlined above.
- Use of good judgment and care to provide safety to the District's assets.

Administrative guidelines and investment policies apply to all financial assets of the District contained in the Comprehensive Annual Financial Report (CAFR). The investment portfolio shall consist of investment securities, permissible by law, recognizing that all participants involved in the process shall act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the District's ability to govern effectively.

RISK MANAGEMENT – The District is adequately insured in all areas including buildings, contents, vehicles, equipment and general liability. The District is also covered under the State Workers' Compensation Fund. The District makes every effort to monitor insurance costs and related risk of accident to ensure proper fiscal management in this area. Detailed information regarding the risk management activities of the District can be found in the Notes to Financial Statements section of this report.

INDEPENDENT AUDIT – This report includes an unqualified audit report regarding the District's financial statements. The audit was conducted by Julian & Grube, Inc. The Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

LAKWOOD LOCAL SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2007

AWARDS – The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the Lakewood Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006. This was the fourth year that the District has applied for and achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

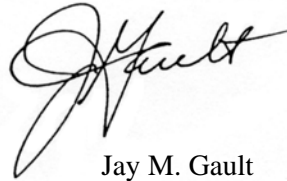
ACKNOWLEDGMENTS – The preparation of the Comprehensive Annual Financial Report was made possible with the support and efforts of the staff in the Treasurer's Office and many other dedicated employees of the District. We also would like to recognize Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report.

In closing, without the continued support of the Board of Education, who values quality financial information, the preparation of this report would not have been possible.

Respectfully submitted,



Glenna J. Plaisted, CPA
Treasurer/CFO



Jay M. Gault
Superintendent

LAKEWOOD LOCAL SCHOOL DISTRICT

***Members of the Board of Education and Administration
For the Fiscal Year Ended June 30, 2007***

Members of the Board of Education

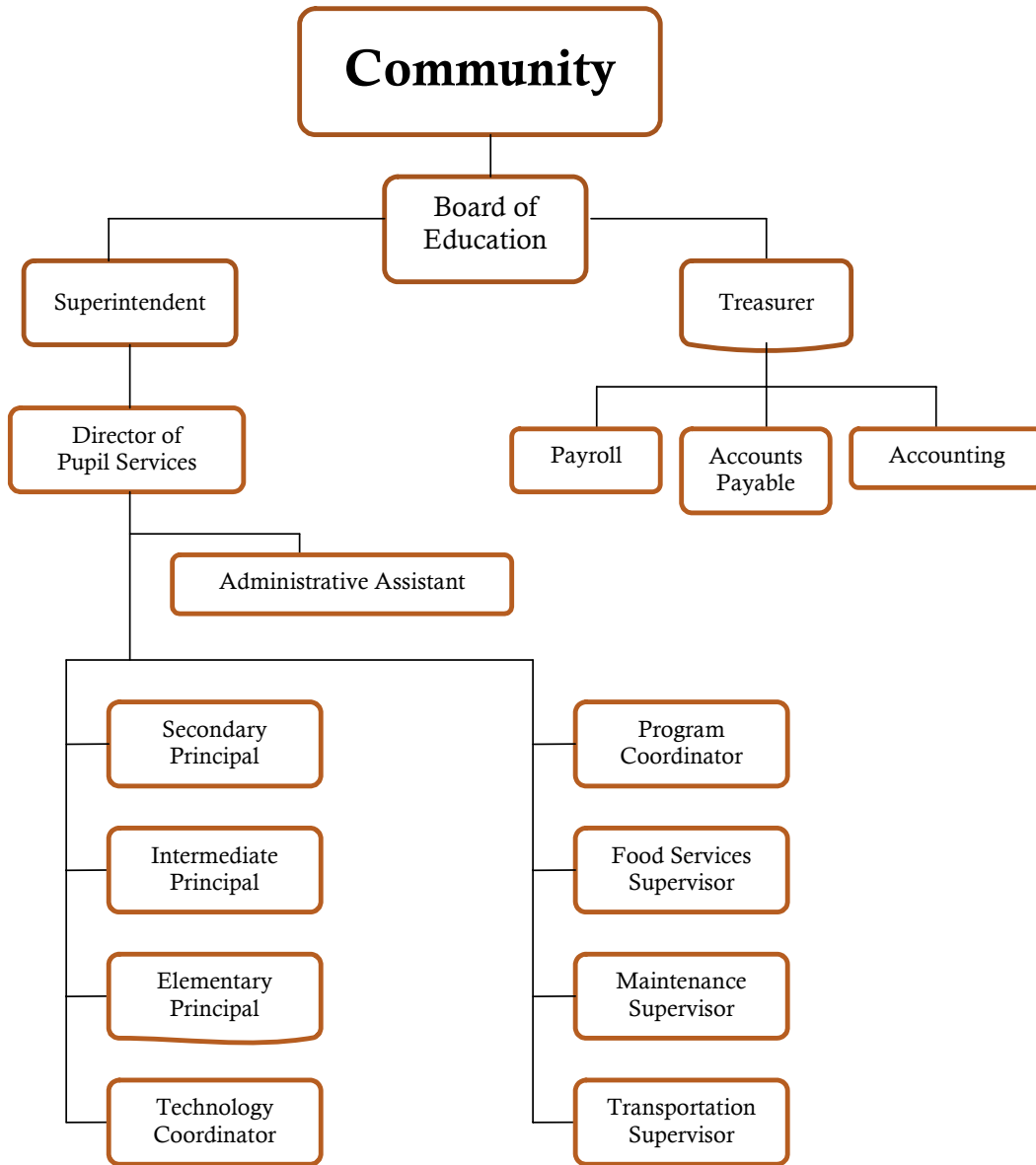
	<u>Began Service as A Board Member</u>	<u>Present Term Expires</u>
Tim Spitzer, President	January 1, 2004	December 31, 2007
Connie Fought, Vice President	January 1, 2006	December 31, 2009
Joe Bowman	January 1, 2006	December 31, 2009
Forrest Cooperrider	January 1, 2004	December 31, 2007
Judy White	January 1, 2006	December 31, 2009

Administration

	<u>Position</u>	<u>Date of Hire</u>
Jay M. Gault	Superintendent	August 1, 2005
Glenna J. Plaisted	Treasurer/CFO	May 15, 2000

LAKEWOOD LOCAL SCHOOL DISTRICT

Organizational Chart For the Fiscal Year Ended June 30, 2007



LAKWOOD LOCAL SCHOOL DISTRICT

*Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting*

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Lakewood Local School
District, Ohio**

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

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



President

Executive Director

FINANCIAL SECTION





Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Board of Education
Lakewood Local School District
525 East Main Street, P.O. Box 70
Hebron, Ohio 43025

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to 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 the 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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Lakewood Local School District, as of June 30, 2007, and the respective changes in financial position and 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 October 17, 2007, on our consideration of the Lakewood Local School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Board of Education
Lakewood Local School District

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lakewood Local School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements of Lakewood Local School District. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected 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 cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
October 17, 2007

LAKEWOOD LOCAL SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2007

Unaudited

The management's discussion and analysis of Lakewood Local School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2007 are as follows:

- ❑ In total, net assets increased \$1,339,297. Net assets of governmental activities increased \$1,410,013, which represents a 21.3% increase from 2006. Net assets of business-type activities decreased \$70,716 or 76.8% from 2006.
- ❑ General revenues accounted for \$20,119,039 in revenue or 88.6% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$2,579,986 or 11.4% of total revenues of \$22,699,025.
- ❑ The District had \$20,464,834 in expenses related to governmental activities; only \$1,755,808 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$20,119,039 were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$19,084,619 in revenues and \$17,854,484 in expenditures. During fiscal year 2007, the general fund's fund balance increased from \$3,801,631 to \$5,044,276.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis and the basic financial statements and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. The Government-Wide Financial Statements – These statements provide both long-term and short-term information about the District's overall financial status.
2. The Fund Financial Statements – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

LAKEWOOD LOCAL SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007***

Unaudited

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The government-wide financial statements of the District are divided into two categories:

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

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

LAKEWOOD LOCAL SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007**

Unaudited

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

Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The Statement of Net Assets provides a perspective of the District as a whole. The following table provides a summary of the District's net assets for 2007 compared to 2006:

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$19,495,208	\$18,290,372	\$39,509	\$80,177	\$19,534,717	\$18,370,549
Capital assets, Net	16,491,534	16,432,532	90,694	100,086	16,582,228	16,532,618
Total assets	<u>35,986,742</u>	<u>34,722,904</u>	<u>130,203</u>	<u>180,263</u>	<u>36,116,945</u>	<u>34,903,167</u>
Long-term debt outstanding	15,282,780	15,017,755	20,816	9,232	15,303,596	15,026,987
Other liabilities	12,672,668	13,083,868	88,037	78,965	12,760,705	13,162,833
Total liabilities	<u>27,955,448</u>	<u>28,101,623</u>	<u>108,853</u>	<u>88,197</u>	<u>28,064,301</u>	<u>28,189,820</u>
Net assets						
Invested in capital assets, net of related debt	2,965,032	3,351,649	90,694	100,086	3,055,726	3,451,735
Restricted	561,041	545,280	0	0	561,041	545,280
Unrestricted	4,505,221	2,724,352	(69,344)	(8,020)	4,435,877	2,716,332
Total net assets	<u>\$8,031,294</u>	<u>\$6,621,281</u>	<u>\$21,350</u>	<u>\$92,066</u>	<u>\$8,052,644</u>	<u>\$6,713,347</u>

At year-end for governmental activities, capital assets represented 46% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2007 was \$2,965,032. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$561,041, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets of \$4,505,221 may be used to meet the District's ongoing obligations to the students and creditors.

LAKWOOD LOCAL SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007**

Unaudited

Changes in Net Assets – The following table shows the changes in net assets for fiscal years 2007 and 2006:

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues:						
Charges for Services	\$651,184	\$601,754	\$409,431	\$408,569	\$1,060,615	\$1,010,323
Operating Grants	1,104,624	1,130,065	414,747	372,586	1,519,371	1,502,651
Capital Grants	0	0	0	1,141	0	1,141
Total Program Revenues	<u>1,755,808</u>	<u>1,731,819</u>	<u>824,178</u>	<u>782,296</u>	<u>2,579,986</u>	<u>2,514,115</u>
General Revenues:						
Property Taxes	12,494,355	12,140,470	0	0	12,494,355	12,140,470
Grants and Entitlements	6,992,396	6,050,575	0	0	6,992,396	6,050,575
Other	632,288	472,707	0	0	632,288	472,707
Total General Revenues	<u>20,119,039</u>	<u>18,663,752</u>	<u>0</u>	<u>0</u>	<u>20,119,039</u>	<u>18,663,752</u>
Total Revenues	<u>21,874,847</u>	<u>20,395,571</u>	<u>824,178</u>	<u>782,296</u>	<u>22,699,025</u>	<u>21,177,867</u>
Program Expenses						
Instruction	11,924,997	11,550,480	0	0	11,924,997	11,550,480
Support Services:						
Pupils	1,203,075	1,101,372	0	0	1,203,075	1,101,372
Instructional Staff	437,342	515,859	0	0	437,342	515,859
Board of Education	55,443	35,171	0	0	55,443	35,171
Administration	1,550,432	1,576,704	0	0	1,550,432	1,576,704
Fiscal Services	618,603	551,205	0	0	618,603	551,205
Business	14,176	15,040	0	0	14,176	15,040
Operation and Maintenance of Plant	1,640,741	1,491,143	0	0	1,640,741	1,491,143
Pupil Transportation	1,446,278	1,347,349	0	0	1,446,278	1,347,349
Central	189,380	192,719	0	0	189,380	192,719
Operation of Non-Instructional Services	56,084	41,860	0	0	56,084	41,860
Extracurricular Activities	616,900	550,597	0	0	616,900	550,597
Interest and Fiscal Charges	711,383	572,388	0	0	711,383	572,388
Food Service	0	0	892,610	807,895	892,610	807,895
Uniform School Supplies	0	0	2,284	7,801	2,284	7,801
Total Expenses	<u>20,464,834</u>	<u>19,541,887</u>	<u>894,894</u>	<u>815,696</u>	<u>21,359,728</u>	<u>20,357,583</u>
Change in Net Assets before transfers	1,410,013	853,684	(70,716)	(33,400)	1,339,297	820,284
Transfers	0	(30,000)	0	30,000	0	0
Total Change in Net Assets	1,410,013	823,684	(70,716)	(3,400)	1,339,297	820,284
Beginning Net Assets	<u>6,621,281</u>	<u>5,797,597</u>	<u>92,066</u>	<u>95,466</u>	<u>6,713,347</u>	<u>5,893,063</u>
Ending Net Assets	<u><u>\$8,031,294</u></u>	<u><u>\$6,621,281</u></u>	<u><u>\$21,350</u></u>	<u><u>\$92,066</u></u>	<u><u>\$8,052,644</u></u>	<u><u>\$6,713,347</u></u>

LAKEWOOD LOCAL SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007**

Unaudited

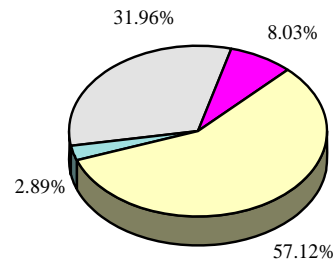
Governmental Activities

Net assets of the District's governmental activities increased by \$1,410,013. Total governmental expenses of \$20,464,834 were offset by program revenues of \$1,755,808 and general revenues of \$20,119,039. Program revenues supported 8.6% of the total governmental expenses.

The primary sources of revenues for governmental activities are derived from property taxes and grants and entitlements. The primary sources of general revenue sources total \$19,486,751 and represent 97% of total general governmental revenue. The District is operating at the 20 mill floor which is the state minimum required property tax funding for a school district's operations. Due to this, the District is able to receive full advantage of property tax valuation increases.

Voters approved a five year emergency operating levy on May 6, 2003. The collection of these taxes started in 2004. Fiscal year 2007 includes property tax revenues of \$2,058,646 from this levy. Property taxes made up 57% of revenues for governmental activities for Lakewood Local Schools in fiscal year 2007. The District's reliance upon tax revenues is demonstrated by the following graph:

Revenue Sources	2007	Percent of Total
General Grants	\$6,992,396	31.96%
Program Revenues	1,755,808	8.03%
General Tax Revenues	12,494,355	57.12%
General Other	632,288	2.89%
Total Revenue	<u>\$21,874,847</u>	<u>100.00%</u>



Business-Type Activities

Net assets of the business-type activities decreased by \$70,716. These programs had revenues of \$824,178 and expenses of \$894,894 for fiscal year 2007. The District had no significant changes in revenues or expenses. Business activities receive no support from tax revenues; however, they have received support from governmental activities.

LAKWOOD LOCAL SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007***

Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$5,846,462, which is above last year's total of \$4,549,364. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2007 and 2006.

	Fund Balance June 30, 2007	Fund Balance June 30, 2006	Increase (Decrease)
General	\$5,044,276	\$3,801,631	\$1,242,645
Debt Service	620,726	562,515	58,211
Other Governmental	181,460	185,218	(3,758)
Total	\$5,846,462	\$4,549,364	\$1,297,098

General Fund – The District's General Fund balance increase is due to several factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2007 Revenues	2006 Revenues	Increase (Decrease)
Taxes	\$11,190,813	\$11,176,725	\$14,088
Tuition	347,816	303,508	44,308
Investment Earnings	397,615	224,462	173,153
Class Materials and Fees	56,886	55,809	1,077
Intergovernmental - State	6,828,943	5,949,010	879,933
All Other Revenue	262,546	255,544	7,002
Total	\$19,084,619	\$17,965,058	\$1,119,561

This space intentionally left blank.

LAKWOOD LOCAL SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007***

Unaudited

General Fund revenues in 2007 increased approximately 6.2% compared to revenues in fiscal year 2006. The primary factors contributing to the increase in revenues included an increase in intergovernmental-state for the tangible personal property reimbursement increase from 2006 to 2007 of \$993,824 and a 77% increase in the districts investment earnings.

	2007	2006	Increase
	<u>Expenditures</u>	<u>Expenditures</u>	<u>(Decrease)</u>
Instruction	\$10,650,817	\$10,243,017	\$407,800
Supporting Services:			
Pupils	1,104,882	1,032,152	72,730
Instructional Staff	385,623	466,237	(80,614)
Board of Education	55,443	35,171	20,272
Administration	1,445,697	1,377,979	67,718
Fiscal Services	617,470	542,168	75,302
Business	14,176	15,040	(864)
Operation & Maintenance of Plant	1,542,063	1,478,350	63,713
Pupil Transportation	1,572,993	1,327,560	245,433
Central	156,064	153,255	2,809
Operation of Non-Instructional Services	9,451	7,824	1,627
Extracurricular Activities	211,462	198,985	12,477
Debt Service:			
Principal Retirement	61,601	100,425	(38,824)
Interest and Fiscal Charges	26,742	34,437	(7,695)
Total	<u>\$17,854,484</u>	<u>\$17,012,600</u>	<u>\$841,884</u>

This space intentionally left blank.

LAKEWOOD LOCAL SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007**

Unaudited

The expenditures increased by \$841,884 or 4.9% compared to the prior year. The District's budget is 80% personnel related. With the District's health insurance increasing 13.7% last year and a wage and salary adjustment averaging 3%, the increase can be primarily attributed to personnel costs. Fiscal year 2007 also includes the purchases of three busses for transportation.

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

During the course of fiscal year 2007 the District amended its General Fund budget several times, none significant.

For the General Fund, the budget basis revenue of \$19.2 million did not change significantly compared to the original budget estimates.

Actual expenditures compared to the final budget resulted in an overall positive variance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2007 the District had \$16,582,228 net of accumulated depreciation invested in land, buildings, equipment and vehicles. Of this total, \$16,491,534 was related to governmental activities and \$90,694 to the business-type activities. The following table shows fiscal year 2007 and 2006 balances:

	Governmental Activities		Increase (Decrease)
	2007	2006	
Land	\$275,555	\$275,555	\$0
Land Improvements	810,337	810,337	0
Buildings and Improvements	21,349,099	20,729,778	619,321
Furniture, Fixtures and Equipment	3,504,706	3,544,369	(39,663)
Vehicles	1,959,481	1,798,059	161,422
Construction in Progress	88,305	13,214	75,091
Less: Accumulated Depreciation	(11,495,949)	(10,738,780)	(757,169)
Totals	\$16,491,534	\$16,432,532	\$59,002

	Business-Type Activities		Increase (Decrease)
	2007	2006	
Furniture and Equipment	\$301,331	\$315,798	(\$14,467)
Less: Accumulated Depreciation	(210,637)	(215,712)	5,075
Totals	\$90,694	\$100,086	(\$9,392)

LAKEWOOD LOCAL SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007***

Unaudited

The increase in buildings and improvements is primarily due to improvements from the districts HB264 Energy Conservation Project. The increase in Vehicles is primarily due to the purchase of three busses.

Additional information on the District's capital assets can be found in Note 8.

Debt

At June 30, 2007, the District had \$15.3 million in bonds, notes, loans, and other long-term obligations outstanding, \$805,665 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2007:

	<u>2007</u>	<u>2006</u>
Governmental Activities:		
General Obligation Bonds:		
School Improvement	\$13,156,289	\$13,525,751
Long-Term Notes Payable	1,207,539	508,655
EPA Loan Payable	0	3,758
Capital Leases Payable	142,317	203,918
Compensated Absences	<u>776,635</u>	<u>775,673</u>
Total Governmental Activities	15,282,780	15,017,755
Business-Type Activities:		
Compensated Absences	<u>20,816</u>	<u>9,232</u>
Totals	<u><u>\$15,303,596</u></u>	<u><u>\$15,026,987</u></u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2007, the District's outstanding debt was below the legal limit. Additional information on the District's long-term debt can be found in Note 10.

ECONOMIC FACTORS

HB66 phased out the tax on tangible personal property of general business, telephone and railroads. The tax on general business and railroad property will be eliminated by 2009 and the tax on telephone by 2011. The tax is phased out by reducing the assessment rate on the property each year. The loss and replacement of the tangible personal property revenues has been calculated by the Ohio Department of Taxation using 2004 valuations as the base year. HB66 also provided a "hold harmless" period for taxing authorities for reimbursement of lost revenue based on the 2004 valuations in the first five years (fiscal year 2006 through fiscal year 2010); and a phase out of this reimbursement for the following seven years (fiscal years 2011 through 2017). Between fiscal year 2006 and 2012 the District will lose 1 million dollars in tangible personal property revenues which includes the "hold harmless" reimbursement by the State. The District will continue to see a decline in revenues subsequent to fiscal year 2012 as the phase out of the tangible personal property reimbursement continues.

LAKEWOOD LOCAL SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007***

Unaudited

As the preceding information shows, the District relies heavily upon property taxes and grants and entitlements to provide the funds necessary to maintain its educational programs. The District passed a five year emergency operating levy on May 6, 2003. The total amount of additional revenue from this emergency operating levy is \$2,058,646 per year. The current revenue, along with the District's cash balance, will provide the District with the necessary funds to meet its operating expenses in fiscal year 2008 through 2009. Beyond 2009 the District will face some decisions on obtaining additional funding sources or reducing expenses it currently has in maintaining its educational programs.

In conclusion, the Lakewood Local School District has committed itself to financial excellence for many years.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Glenna Plaisted, Treasurer/CFO of Lakewood Local School District.

LAKWOOD LOCAL SCHOOL DISTRICT

Statement of Net Assets ***June 30, 2007***

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Digital Academy
Assets:				
Cash and Cash Equivalents	\$ 4,867,850	\$ 0	\$ 4,867,850	\$ 41,159
Investments	1,250,000	0	1,250,000	0
Receivables:				
Taxes	12,562,062	0	12,562,062	0
Accounts	22,319	49	22,368	0
Intergovernmental	164,545	55,132	219,677	2,446
Interest	22,907	0	22,907	0
Internal Balances	46,481	(46,481)	0	
Inventory	51,400	15,737	67,137	0
Prepaid Items	167,527	15,072	182,599	0
Restricted Assets:				
Cash and Cash Equivalents	204,164	0	204,164	0
Deferred Charges	135,953	0	135,953	0
Capital Assets, Net	16,491,534	90,694	16,582,228	127,016
Total Assets	35,986,742	130,203	36,116,945	170,621
Liabilities:				
Accounts Payable	63,083	0	63,083	0
Accrued Wages and Benefits	1,470,361	57,998	1,528,359	0
Intergovernmental Payable	469,438	30,039	499,477	799
Unearned Revenue - Taxes	10,615,653	0	10,615,653	0
Accrued Interest Payable	54,133	0	54,133	0
Long Term Liabilities:				
Due Within One Year	797,765	7,900	805,665	0
Due in More Than One Year	14,485,015	12,916	14,497,931	0
Total Liabilities	27,955,448	108,853	28,064,301	799
Net Assets:				
Invested in Capital Assets, Net of Related Debt	2,965,032	90,694	3,055,726	127,016
Restricted For:				
Debt Service	561,041	0	561,041	0
Federally Funded Programs	0	0	0	2,674
Unrestricted (Deficit)	4,505,221	(69,344)	4,435,877	40,132
Total Net Assets	\$ 8,031,294	\$ 21,350	\$ 8,052,644	\$ 169,822

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Statement of Activities For the Fiscal Year Ended June 30, 2007

	Program Revenues		
Expenses	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities:			
Instruction	\$ 11,924,997	\$ 422,548	\$ 838,383
Support Services:			
Pupils	1,203,075	0	165,297
Instructional Staff	437,342	0	27,183
Board of Education	55,443	0	0
Administration	1,550,432	0	12,565
Fiscal Services	618,603	0	51
Business	14,176	0	0
Operation and Maintenance of Plant	1,640,741	0	0
Pupil Transportation	1,446,278	0	28,639
Central	189,380	0	22,515
Operation of Non-Instructional Services	56,084	7,247	3,670
Extracurricular Activities	616,900	221,389	6,321
Interest and Fiscal Charges	711,383	0	0
Total Governmental Activities	20,464,834	651,184	1,104,624
Business-Type Activities:			
Food Service	892,610	408,877	414,747
Uniform School Supplies	2,284	554	0
Total Business-Type Activities	894,894	409,431	414,747
Totals	\$ 21,359,728	\$ 1,060,615	\$ 1,519,371
Component Unit:			
Digital Academy	\$ 213,352	\$ 0	\$ 94,180

General Revenues:

Property Taxes Levied for:

 General Purposes

 Debt Service

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

LAKWOOD LOCAL SCHOOL DISTRICT

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Primary Government			
Governmental Activities	Business-Type Activities	Total	Digital Academy
\$ (10,664,066)	\$ 0	\$ (10,664,066)	
(1,037,778)	0	(1,037,778)	
(410,159)	0	(410,159)	
(55,443)	0	(55,443)	
(1,537,867)	0	(1,537,867)	
(618,552)	0	(618,552)	
(14,176)	0	(14,176)	
(1,640,741)	0	(1,640,741)	
(1,417,639)	0	(1,417,639)	
(166,865)	0	(166,865)	
(45,167)	0	(45,167)	
(389,190)	0	(389,190)	
(711,383)	0	(711,383)	
(18,709,026)	0	(18,709,026)	
0	(68,986)	(68,986)	
0	(1,730)	(1,730)	
0	(70,716)	(70,716)	
(18,709,026)	(70,716)	(18,779,742)	
			\$ (119,172)
11,475,144	0	11,475,144	0
1,019,211	0	1,019,211	0
6,992,396	0	6,992,396	209,842
390,834	0	390,834	343
241,454	0	241,454	0
20,119,039	0	20,119,039	210,185
1,410,013	(70,716)	1,339,297	91,013
6,621,281	92,066	6,713,347	78,809
\$ 8,031,294	\$ 21,350	\$ 8,052,644	\$ 169,822

LAKEWOOD LOCAL SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2007

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 4,126,333	\$ 546,099	\$ 195,418	\$ 4,867,850
Investments	1,250,000	0	0	1,250,000
Receivables:				
Taxes	11,610,558	951,504	0	12,562,062
Accounts	17,110	0	5,209	22,319
Intergovernmental	76,221	0	88,324	164,545
Interest	22,907	0	0	22,907
Interfund Loan Receivable	48,451	0	0	48,451
Inventory	51,400	0	0	51,400
Prepaid Items	161,736	0	5,791	167,527
Restricted Assets:				
Cash and Cash Equivalents	204,164	0	0	204,164
Total Assets	\$ 17,568,880	\$ 1,497,603	\$ 294,742	\$ 19,361,225
Liabilities:				
Accounts Payable	\$ 49,917	\$ 0	\$ 13,166	\$ 63,083
Accrued Wages and Benefits	1,390,490	0	79,871	1,470,361
Intergovernmental Payable	464,506	0	4,932	469,438
Interfund Loans Payable	0	0	1,970	1,970
Deferred Revenue - Taxes	10,563,317	876,877	0	11,440,194
Deferred Revenue	7,373	0	13,343	20,716
Compensated Absences Payable	49,001	0	0	49,001
Total Liabilities	12,524,604	876,877	113,282	13,514,763
Fund Balances:				
Reserved for Encumbrances	236,863	0	68,537	305,400
Reserved for Prepaid Items	161,736	0	5,791	167,527
Reserved for Supplies Inventory	51,400	0	0	51,400
Reserved for Debt Service	0	584,726	0	584,726
Reserved for Property Taxes	385,000	36,000	0	421,000
Unreserved, Designated for Maintenance and Renovation	204,164	0	0	204,164
Unreserved, Undesignated in:				
General Fund	4,005,113	0	0	4,005,113
Special Revenue Funds	0	0	107,132	107,132
Total Fund Balances	5,044,276	620,726	181,460	5,846,462
Total Liabilities and Fund Balances	\$ 17,568,880	\$ 1,497,603	\$ 294,742	\$ 19,361,225

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Reconciliation Of Total Governmental Fund Balances To Net Assets Of Governmental Activities June 30, 2007

Total Governmental Fund Balances	\$ 5,846,462
<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	16,491,534
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	845,257
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Long-Term Notes Payable	(1,207,539)
General Obligation Bonds Payable	(12,663,741)
Deferred loss on refunding (to be amortized as interest expense)	467,747
Issuance Premium (to be amortized against interest expense)	(603,899)
Interest Accretion (to be amortized as interest expense)	(356,396)
Deferred Charge for Issuance Costs	135,953
Capital Leases Payable	(142,317)
Compensated Absences Payable	(727,634)
Accrued Interest Payable	(54,133)
	<hr/>
	(15,151,959)
<i>Net Assets of Governmental Activities</i>	<hr/> \$ 8,031,294 <hr/>

See accompanying notes to the basic financial statements

LAKWOOD LOCAL SCHOOL DISTRICT

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

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local Sources:				
Taxes	\$ 11,190,813	\$ 1,019,211	\$ 0	\$ 12,210,024
Tuition	347,816	0	0	347,816
Investment Earnings	397,615	0	0	397,615
Extracurricular Activities	0	0	221,389	221,389
Class Materials and Fees	56,886	0	0	56,886
Intermediate Sources	0	0	6,025	6,025
Intergovernmental - State	6,828,943	211,137	128,051	7,168,131
Intergovernmental - Federal	0	0	897,102	897,102
All Other Revenue	262,546	0	27,785	290,331
Total Revenue	19,084,619	1,230,348	1,280,352	21,595,319
Expenditures:				
Current:				
Instruction	10,650,817	0	835,126	11,485,943
Supporting Services:				
Pupils	1,104,882	0	122,043	1,226,925
Instructional Staff	385,623	0	21,083	406,706
Board of Education	55,443	0	0	55,443
Administration	1,445,697	0	32,391	1,478,088
Fiscal Services	617,470	17,766	50	635,286
Business	14,176	0	0	14,176
Operation and Maintenance of Plant	1,542,063	0	753,904	2,295,967
Pupil Transportation	1,572,993	0	0	1,572,993
Central	156,064	0	33,316	189,380
Operation of Non-Instructional Services	9,451	0	3,610	13,061
Extracurricular Activities	211,462	0	277,544	489,006
Debt Service:				
Principal Retirement	61,601	602,858	0	664,459
Interest and Fiscal Charges	26,742	551,513	0	578,255
Total Expenditures	17,854,484	1,172,137	2,079,067	21,105,688
Excess (Deficiency) of Revenues Over Expenditures				
	1,230,135	58,211	(798,715)	489,631
Other Financing Sources (Uses):				
Sale of Capital Assets	833	0	0	833
Energy Conservation Notes Issued	0	0	802,984	802,984
Transfers In	8,027	0	0	8,027
Transfers Out	0	0	(8,027)	(8,027)
Total Other Financing Sources (Uses)	8,860	0	794,957	803,817
Net Change in Fund Balance	1,238,995	58,211	(3,758)	1,293,448
Fund Balances at Beginning of Year	3,801,631	562,515	185,218	4,549,364
Increase in Inventory Reserve	3,650	0	0	3,650
Fund Balances End of Year	\$ 5,044,276	\$ 620,726	\$ 181,460	\$ 5,846,462

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances Of Governmental Funds To The Statement Of Activities For The Fiscal Year Ended June 30, 2007

Net Change in Fund Balances - Total Governmental Funds \$ 1,293,448

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 81,685

The net effect of various miscellaneous transactions involving capital assets (i.e., sales) is to decrease net assets. (22,683)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 278,695

The issuance of long-term debt (e.g. notes, leases) provides current financial resources to government funds, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items. (138,525)

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditure is reported when due. (133,033)

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

Compensated Absences	46,871	
Amortization of Deferred Loss on Refunding	(24,724)	
Amortization of Deferred Charge for Bond Issuance Costs	(7,155)	
Amortization of Premium on Bond Issuance	31,784	
Change in Inventory	3,650	
	50,426	50,426

Change in Net Assets of Governmental Activities **\$ 1,410,013**

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2007**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 11,343,281	\$ 11,296,571	\$ 11,296,572	\$ 1
Tuition	376,900	372,363	372,364	1
Investment Earnings	200,000	372,800	372,773	(27)
Class Material and Fees	55,440	57,035	56,886	(149)
Intergovernmental - State	6,858,672	6,849,039	6,828,943	(20,096)
All Other Revenues	256,471	272,174	272,307	133
Total Revenues	19,090,764	19,219,982	19,199,845	(20,137)
Expenditures:				
Current:				
Instructional Services	10,643,470	10,782,763	10,608,527	174,236
Support Services:				
Pupils	1,151,310	1,137,938	1,110,882	27,056
Instructional Staff	570,851	489,662	465,897	23,765
Board of Education	46,973	57,954	55,881	2,073
Administration	1,466,858	1,480,222	1,448,092	32,130
Fiscal Services	596,916	624,421	616,528	7,893
Business	15,720	15,098	14,075	1,023
Operation and Maintenance of Plant	1,719,420	1,861,599	1,749,374	112,225
Pupil Transportation	1,580,749	1,604,747	1,578,714	26,033
Central	174,265	167,490	156,064	11,426
Operation of Non-Instructional Services	13,622	15,707	11,951	3,756
Extracurricular Activities	238,602	223,357	211,596	11,761
Total Expenditures	18,218,756	18,460,958	18,027,581	433,377
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	872,008	759,024	1,172,264	413,240
Other Financing Sources (Uses):				
Sale of Capital Assets	833	833	833	0
Transfers In	0	0	8,027	8,027
Advances In	0	25,000	25,000	0
Advances Out	(30,000)	(25,000)	(25,000)	0
Total Other Financing Sources (Uses):	(29,167)	833	8,860	8,027
Net Change in Fund Balance	842,841	759,857	1,181,124	421,267
Fund Balance at Beginning of Year	4,007,923	4,007,923	4,007,923	0
Prior Year Encumbrances	181,428	181,428	181,428	0
Fund Balance at End of Year	\$ 5,032,192	\$ 4,949,208	\$ 5,370,475	\$ 421,267

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Statement of Net Assets
Proprietary Funds
June 30, 2007

	Business-Type Activities	
	Enterprise Funds	
	Major	
	Food Service	Total
Assets:		
<i>Current Assets:</i>		
Receivables:		
Accounts	\$ 49	\$ 49
Intergovernmental	55,132	55,132
Inventory Held for Resale	15,737	15,737
Prepaid Items	15,072	15,072
<i>Total Current Assets</i>	85,990	85,990
<i>Non Current Assets:</i>		
Capital Assets, Net	90,694	90,694
Total Assets	176,684	176,684
Liabilities:		
<i>Current Liabilities:</i>		
Accrued Wages and Benefits	57,998	57,998
Intergovernmental Payable	30,039	30,039
Interfund Loans Payable	46,481	46,481
<i>Total Current Liabilities</i>	134,518	134,518
<i>Long Term Liabilities:</i>		
Compensated Absences Payable	20,816	20,816
Total Liabilities	155,334	155,334
Net Assets:		
Invested in Capital Assets	90,694	90,694
Unrestricted	(69,344)	(69,344)
Total Net Assets	\$ 21,350	\$ 21,350

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2007

	Business-Type Activities		
	Enterprise Funds		
	Major	Nonmajor	
	Food Service	Uniform School Supplies	Total
Operating Revenues:			
Sales	\$ 408,581	\$ 0	\$ 408,581
Tuition and Fees	0	554	554
Total Operating Revenues	408,581	554	409,135
Operating Expenses:			
Salaries and Wages	277,560	0	277,560
Fringe Benefits	214,907	0	214,907
Contractual Services	7,188	0	7,188
Supplies and Materials	377,148	2,284	379,432
Depreciation	14,454	0	14,454
Other Operating Expense	1,353	0	1,353
Total Operating Expenses	892,610	2,284	894,894
Operating Income (Loss)	(484,029)	(1,730)	(485,759)
Nonoperating Revenue (Expenses):			
Intergovernmental Grants	414,747	0	414,747
Investment Earnings	296	0	296
Total Nonoperating Revenues (Expenses)	415,043	0	415,043
Change in Net Assets	(68,986)	(1,730)	(70,716)
Net Assets Beginning of Year	90,336	1,730	92,066
Net Assets End of Year	<u>\$ 21,350</u>	<u>\$ 0</u>	<u>\$ 21,350</u>

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2007

	Business-Type Activities		
	Enterprise Funds		
	Major	Nonmajor	Total
Food Service	Uniform School Supply		
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$408,569	\$554	\$409,123
Cash Payments for Goods and Services	(305,353)	(2,284)	(307,637)
Cash Payments to Employees for Services and Benefits	(475,251)	0	(475,251)
Net Cash Used by Operating Activities	<u>(372,035)</u>	<u>(1,730)</u>	<u>(373,765)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Intergovernmental Grants Received	286,316	0	286,316
Advance Received from General Fund	71,481	0	71,481
Repayment of Advance from General Fund	(25,000)	0	(25,000)
Net Cash Provided by Noncapital Financing Activities	<u>332,797</u>	<u>0</u>	<u>332,797</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition of Capital Assets	(5,062)	0	(5,062)
Net Cash Used by Noncapital Financing Activities	<u>(5,062)</u>	<u>0</u>	<u>(5,062)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipt of Interest	296	0	296
Net Cash Provided by Investing Activities	<u>296</u>	<u>0</u>	<u>296</u>
Net Decrease in Cash and Cash Equivalents	(44,004)	(1,730)	(45,734)
Cash and Cash Equivalents at Beginning of Year	44,004	1,730	45,734
Cash and Cash Equivalents at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Used by Operating Activities:</u>			
Operating Loss	(\$484,029)	(\$1,730)	(\$485,759)
Adjustments to Reconcile Operating Loss to			
Net Cash Used by Operating Activities:			
Depreciation Expense	14,454	0	14,454
Donated Commodities Used During the Year	73,299	0	73,299
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(12)	0	(12)
Decrease in Inventory	7,037	0	7,037
Increase in Prepaid Items	(3,440)	0	(3,440)
Increase in Accrued Wages and Benefits	7,260	0	7,260
Increase in Intergovernmental Payables	1,812	0	1,812
Increase in Compensated Absences	11,584	0	11,584
Total Adjustments	<u>111,994</u>	<u>0</u>	<u>111,994</u>
Net Cash Used by Operating Activities	<u>(\$372,035)</u>	<u>(\$1,730)</u>	<u>(\$373,765)</u>

Schedule of Noncash Investing, Capital and Financing Activities:

During fiscal year 2007, the Food Service Fund received \$73,299 in donated commodities from the federal government.

See accompanying notes to the basic financial statements

LAKWOOD LOCAL SCHOOL DISTRICT

***Statement of Net Assets
Fiduciary Funds
June 30, 2007***

	Private Purpose Trust	
	Special Trust Fund	Agency
Assets:		
Cash and Cash Equivalents	\$ 600	\$ 8,002
Total Assets	<u>600</u>	<u>8,002</u>
Liabilities:		
Due to Students	0	8,002
Total Liabilities	<u>0</u>	<u>8,002</u>
Net Assets:		
Unrestricted	600	0
Total Net Assets	<u>\$ 600</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

LAKEWOOD LOCAL SCHOOL DISTRICT

***Statement of Changes in Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2007***

	Private Purpose Trust
	<u>Special Trust Fund</u>
Additions:	
Total Additions	\$ 0
Deductions:	
Community Gifts, Awards and Scholarships	<u> 150</u>
Total Deductions	<u> 150</u>
Change in Net Assets	(150)
Net Assets at Beginning of Year	<u> 750</u>
Net Assets End of Year	<u><u> 600</u></u>

See accompanying notes to the basic financial statements

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Lakewood Local School District, Ohio (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 107 non-certified and approximately 180 certified teaching personnel and administrative employees providing education to 2,234 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," as amended by GASB Statement No. 39 "*Determining Whether Certain Organizations Are Component Units*", in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. Based on the foregoing, the District has one component unit, the Lakewood Digital Academy (the "Academy"). The reporting entity of the District includes the following services: instructional (regular, special education), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

Lakewood Local School District participates in three jointly governed organizations and one insurance purchasing pools. These organizations are the Licking Area Computer Association (LACA), Metropolitan Educational Council, Central Ohio Special Education Regional Resource Center and the Ohio Association of School Business Officials Workers' Compensation Group Rating Program. Information regarding these organizations is presented in Notes 12 and 13.

Discreetly Presented Component Unit - The component unit column on the Financial Statements includes the financial data of the District's component unit. It is reported in a separate column to emphasize that it is legally separate from the District.

The Lakewood Digital Academy (the "Academy") is a legally separate not-for-profit served by an appointed five-member Board of Directors which consists of residents of the Lakewood Local School District. The Academy, under a contractual agreement with the Lakewood Local School District, provides comprehensive educational programs of high quality, tied to state and national standards, which can be delivered to students in the kindergarten through grade 12 population. It is operated in cooperation with the District to provide an innovative and cost-effective solution to the special problems of disabled students, students removed from school for disciplinary reasons, students needing advanced or specialized courses, which are not available locally, and others, including home-schooled students, who are not currently enrolled in any public school and who are not receiving a meaningful, comprehensive, and standards-based educational program.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

The Treasurer of Lakewood Local School District is the Chief Financial Officer. The Academy operates on a fiscal year ending June 30. Separately issued financial statements can be obtained from Lakewood Digital Academy, 525 East Main Street, Hebron, Ohio, 43025.

The accounting policies and financial reporting practices of the District, including the Academy conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses.

The following fund types are used by the District:

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is based upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary Funds – The proprietary funds are accounted for on an “economic resources” measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The District’s major enterprise fund is:

Food Services Fund – This fund accounts for the financial transactions related to the food service operations of the District.

The District has one other enterprise fund, the Uniform School Supplies Fund which is a nonmajor fund. This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Fiduciary Funds – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District’s own programs. The District’s only trust fund is a private purpose trust that accounts for scholarship programs for students. The District’s agency fund accounts for various student-managed activity programs. The agency fund is custodial in nature (assets equal liabilities) and does not involve the measurement of results of operation.

C. Basis of Presentation and Measurement Focus – Financial Statements

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

LAKEWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation and Measurement Focus – Financial Statements (Continued)

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

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

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

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

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

Private purpose trust funds are reported using the economic resources measurement focus.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2007, and which are not intended to finance fiscal 2007 operations, have been recorded as deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2007 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*," the District follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

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.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred revenue.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the fund level for all funds except the General Fund for which it is at the object level. Budgetary modifications may only be made by resolution of the Board of Education.

1. Estimated Resources

Prior to March 15, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2007.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund level except for the General Fund which is at the object level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual-General Fund" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

3. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

4. Component Unit

The contract between the Academy and the District requires a detailed school budget for each year of the contract; however, the budget does not have to follow the provisions of Ohio Revised Code Section 5705.

5. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund:

Net Change in Fund Balance	General Fund
GAAP Basis (as reported)	\$1,238,995
Increase (Decrease):	
Accrued Revenues at June 30, 2007, received during FY 2008	(1,156,656)
Accrued Revenues at June 30, 2006, received during FY 2007	1,288,055
Accrued Expenditures at June 30, 2007, paid during FY 2008	1,953,914
Accrued Expenditures at June 30, 2006, paid during FY 2007	(1,857,336)
FY 2006 Prepays for FY 2007	143,260
FY 2007 Prepays for FY 2008	(161,736)
Adjustment to Fair Value 2006	(10,449)
Encumbrances Outstanding	(256,923)
Budget Basis	<u>\$1,181,124</u>

F. Cash and Cash Equivalents

During fiscal year 2007, cash and cash equivalents included amounts in demand deposits and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 3, "Cash, Cash Equivalents and Investments."

LAKEWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the District records all its investments at fair value except for nonparticipating investment contracts (repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 3, "Cash, Cash Equivalents and Investments."

The District has invested funds in the State Treasury Asset Reserve of Ohio during 2007. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2007.

H. Inventory

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

I. Prepaid Items

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

J. Capital Assets and Depreciation

Capital assets are defined by the District as assets with an initial, individual cost of more than \$600.

1. Property, Plant and Equipment - Governmental Activities

Governmental activities capital assets are those not directly related to the business-type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets and Depreciation (Continued)

1. Property, Plant and Equipment - Governmental Activities (Continued)

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment - Business-Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost). Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

3. Depreciation

All capital assets are depreciated excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	10 - 15
Buildings and Improvements	15 - 30
Furniture, Fixtures and Equipment	5 - 15
Vehicles	5 - 10

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds Payable	Debt Service Fund
Long-Term Notes Payable	Debt Service Fund
EPA Loan Payable	Debt Service Fund
Compensated Absences	General Fund, Food Services Fund
Capital Leases	General Fund

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences

In accordance with GASB Statement No. 16, “*Accounting for Compensated Absences*,” vacation benefits are accrued as a liability when an employee’s right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 220 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave up to a maximum of 55 days.

Compensated absences accumulated by governmental fund type and proprietary fund type employees are reported as an expense when earned in the government-wide financial statements. For governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not recorded. For proprietary funds, the entire compensated absences amount is reported as a fund liability.

M. Net Assets

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

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

N. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred. Pension liabilities expected to be paid from current available financial resources are recorded as a fund liability.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Interfund Activity

The District has no exchange transactions between funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Short-term interfund loans between governmental and business-type activities have not been eliminated on the government-wide statements of net assets and are presented as internal balances.

P. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside for maintenance and renovation. A fund balance designation has also been established for this amount.

Q. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for debt service, prepaid items, supplies inventory, property taxes, and encumbered amounts which have not been accrued at year end. The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles, but not available for appropriation under State statute.

R. Estimates

The preparation of the 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 could differ from those estimates.

S. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and tuition and fees for uniform school supplies. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007***

**NOTE 2 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL
FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	\$1,011,748
Depreciation Expense	(930,063)
	<u>\$81,685</u>

Governmental revenues not reported in the funds:

Decrease in Investment Earnings	(\$6,781)
Increase in Grants Revenue	1,145
Increase in Delinquent Tax Revenue	284,331
	<u>\$278,695</u>

Net amount of long-term debt issuance and bond and lease principal payments:

Bond Principal Payment	\$495,000
Long-term Note Principal Payment	104,100
EPA Loan Principal Payment	3,758
Capital Lease Payment	61,601
Energy Conservation Notes Issued	(802,984)
	<u>(\$138,525)</u>

This space intentionally left blank.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. The District has adopted an Investment Policy that follows Ohio Revised Code Chapter 135 and applies the prudent person standard. The prudent person standard requires the Treasurer/CFO to exercise the care, skill and experience that a prudent person would use to manage his/her personal financial affairs and to seek investments that will preserve principal while maximizing income.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets 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, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

A. Deposits

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned. Protection of District cash and deposits is provided by the federal deposit insurance corporation as well as qualified securities pledged by the institution holding the assets. The District has no policy on custodial credit risk and is governed by Ohio Revised Code. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

At year end the carrying amount of the District's deposits was \$1,113,864 and the bank balance was \$1,669,860. Federal depository insurance covered \$100,000 of the bank balance and \$1,569,860 was uninsured. Of the remaining uninsured bank balance, the District was exposed to custodial risk as follows:

	<u>Balance</u>
Uninsured and collateralized with securities held by the pledging institution's trust department not in the District's name	<u>\$1,569,860</u>
Total Balance	<u><u>\$1,569,860</u></u>

Investment earnings of \$44,227 earned by other funds was credited to the General Fund as required by state statute.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

B. Investments

The District's investments at June 30, 2007 were as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities (in Years)</u> <u>less than 1</u>
Repurchase Agreements	\$506,231	N/A	\$506,231
STAR Ohio	<u>4,710,521</u>	AAAm ¹	<u>4,710,521</u>
Total Investments	<u><u>\$5,216,752</u></u>		<u><u>\$5,216,752</u></u>

¹ Standard & Poor's

Interest Rate Risk – The Ohio Revised Code generally limits security purchases to those that mature within five years of settlement date.

Investment Credit Risk – The District has no investment policy that limits its investment choices other than the limitation of State statute for “interim” funds described previously.

Concentration of Credit Risk – The District places no limit on the amount the District may invest in one issuer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the District's investment in repurchase agreements, the entire balance is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the District. The District has no policy on custodial credit risk and is governed by Ohio Revised Code as described under Deposits.

This space intentionally left blank.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 3 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Financial Statements	\$5,080,616	\$1,250,000
Certificates of Deposit (with maturities of more than 3 months)	1,250,000	(1,250,000)
Repurchase Agreements	(506,231)	506,231
STAR Ohio	(4,710,521)	4,710,521
Per GASB Statement No. 3	<u>\$1,113,864</u>	<u>\$5,216,752</u>

D. Component Unit

At year end the carrying amount of the Academy's deposits was \$41,159 and the bank balance was \$41,175. Federal depository insurance covered the entire bank balance. There are no significant statutory restrictions regarding the deposit and investment of funds by the Academy.

NOTE 4 - PROPERTY TAXES

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

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2007 were levied after April 1, 2006 on assessed values as of January 1, 2006, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last revaluation was completed in 2005. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 4 - PROPERTY TAXES (Continued)

Tangible personal property tax revenues received in 2007 (other than public utility property) represent the collection of 2007 taxes. Tangible personal property taxes received in 2007 were levied after April 1, 2006, on the true value as of January 1, 2006. In prior years, tangible personal property assessments were twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. Tangible personal property tax is being phased out. The assessment percentage for property, including inventory is 18.75% for 2006. This percentage will be reduced to 12.5% in 2007, 6.25% in 2008 and zero for 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, the first payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

House Bill No. 66 was signed into law on June 30, 2005. House Bill NO.66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Lakewood Local School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values upon which the fiscal year 2007 receipts were based are:

	2006 Second Half Collections	2007 First Half Collections
Agricultural/Residential and Other Real Estate	\$325,385,530	\$331,604,510
Public Utility Personal	15,701,530	15,792,870
Tangible Personal Property	<u>77,470,570</u>	<u>51,175,750</u>
Total Assessed Value	<u>\$418,557,630</u>	<u>\$398,573,130</u>
Tax rate per \$1,000 of assessed valuation	\$45.92	\$44.98

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 5 - RECEIVABLES

Receivables at June 30, 2007 consisted of taxes, accounts, interest and intergovernmental receivables.

NOTE 6 - TRANSFERS

Following is a summary of transfers for all funds at June 30, 2007:

Fund	Transfers In	Transfers Out
General Fund	\$8,027	\$0
Nonmajor Governmental Funds	0	8,027
Totals	<u>\$8,027</u>	<u>\$8,027</u>

The transfer is the result of closing the Telecommunications Act Grant Fund.

NOTE 7 - INTERFUND BALANCES

Following is a summary of interfund receivables/payables for all funds at June 30, 2007:

Fund	Interfund Loans Receivable	Interfund Loans Payable
General Fund	\$48,451	\$0
Nonmajor Governmental Funds	0	1,970
Enterprise Fund:		
Food Service Fund	0	46,481
Totals	<u>\$48,451</u>	<u>\$48,451</u>

The Interfund Loan is a short-term loan to cover temporary cash deficits.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 8 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2007:

<i>Historical Cost:</i>				
<u>Class</u>	<u>June 30, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2007</u>
<i>Capital Assets not being depreciated:</i>				
Land	\$275,555	\$0	\$0	\$275,555
Construction In Progress	13,214	88,305	(13,214)	88,305
Subtotal	<u>288,769</u>	<u>88,305</u>	<u>(13,214)</u>	<u>363,860</u>
<i>Capital Assets being depreciated:</i>				
Land Improvements	810,337	0	0	810,337
Buildings and Improvements	20,729,778	619,321	0	21,349,099
Furniture, Fixtures and Equipment	3,544,369	97,172	(136,835)	3,504,706
Vehicles	1,798,059	220,164	(58,742)	1,959,481
Subtotal	<u>26,882,543</u>	<u>936,657</u>	<u>(195,577)</u>	<u>27,623,623</u>
Total Cost	<u>\$27,171,312</u>	<u>\$1,024,962</u>	<u>(\$208,791)</u>	<u>\$27,987,483</u>
 <i>Accumulated Depreciation:</i>				
<u>Class</u>	<u>June 30, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2007</u>
Land Improvements	(\$516,869)	(\$42,151)	\$0	(\$559,020)
Buildings and Improvements	(6,695,570)	(517,001)	0	(7,212,571)
Furniture, Fixtures and Equipment	(2,050,952)	(274,359)	114,152	(2,211,159)
Vehicles	(1,475,389)	(96,552)	58,742	(1,513,199)
Total Depreciation	<u>(\$10,738,780)</u>	<u>(\$930,063) *</u>	<u>\$172,894</u>	<u>(\$11,495,949)</u>
<i>Net Value:</i>	<u>\$16,432,532</u>			<u>\$16,491,534</u>

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 8 - CAPITAL ASSETS (Continued)

A. Governmental Activities Capital Assets (Continued)

* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$531,045
Support Services:	
Instructional Staff	31,466
Administration	44,973
Operations and Maintenance of Plant	48,815
Pupil Transportation	95,784
Extracurricular Activities	132,635
Other Noninstructional Services	45,345
Total Depreciation Expense	\$930,063

B. Business-Type Activities Capital Assets

Summary by Category at June 30, 2007:

Class	June 30, 2006	Additions	Deletions	June 30, 2007
Furniture and Equipment	\$315,798	\$5,062	(\$19,529)	\$301,331
Accumulated Depreciation	(215,712)	(14,454)	19,529	(210,637)
Net Value:	\$100,086	(\$9,392)	\$0	\$90,694

C. Component Unit Capital Assets

Summary by Category at June 30, 2007:

Class	June 30, 2006	Additions	Deletions	June 30, 2007
Furniture and Equipment	\$97,165	\$69,291	\$0	\$166,456
Accumulated Depreciation	(\$12,379)	(\$27,061)	\$0	(\$39,440)
Net Value:	\$84,786	\$42,230	\$0	\$127,016

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 9 - DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

A. School Employees Retirement System of Ohio (SERS of Ohio)

All non-certified employees of the District, with minor exceptions, performing duties that do not require a certificate issued by the Ohio Department of Education are eligible to participate in the School Employees Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The SERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The SERS of Ohio issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for the SERS of Ohio. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (800) 878-5853. It is also posted on the SERS website, www.ohsers.org, under Forms and Publications.

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 10% respectively. The contribution rates are determined actuarially, and are established and may be amended, up to statutory amounts, by the School Employees Retirement Board (Retirement Board) within the rates allowed by State statute. The required employer contribution rate is allocated to basic retirement benefits and health care by the Retirement Board. At June 30, 2007, 10.68% was allocated to fund the pension benefit and 3.32% to fund health care. The District's contributions to the SERS of Ohio for the years ending June 30, 2007, 2006, and 2005 were \$349,260, \$349,092, and \$322,272, respectively, which were equal to the required contributions for each year.

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Effective January 1, 2004, all retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status. The portion of the 2007 employer contribution rate (latest information available) that was used to fund health care for the year 2007 was 3.32%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between minimum pay and the member's pay, prorated for partial service credit. For fiscal year 2007, the minimum pay has been established as \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate, provides for maintenance of the asset target level for the health care fund. The amount contributed to fund health care benefits, including the surcharge amounted to \$130,318.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 9- DEFINED BENEFIT PENSION PLANS (Continued)

A. School Employees Retirement System of Ohio (SERS of Ohio) (Continued)

Health care benefits are financed on a pay-as-you-go basis. Net health care costs for the year ended June 30, 2006 (latest information available) were \$158,751,207. The target level for the health care reserve is 150% of the projected claims less premium contributions for the next fiscal year. As of June 30, 2006, the value of the health care fund was \$295.6 million, which is about 221% of next year's projected net health care costs. The number of participants eligible to receive benefits is 59,492.

B. State Teachers Retirement System of Ohio (STRS of Ohio)

All certified employees of the District are eligible to participate in the State Teachers Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The STRS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits based on eligible service credit to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. The STRS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the STRS of Ohio. Interested parties may obtain a copy by making a written request to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371, or by calling (614) 227-7877 or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Benefits are established by Chapter 3307 of the Ohio Revised Code.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 9- DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System of Ohio (STRS of Ohio) (Continued)

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 10%, respectively. The contribution requirements of plan members and the District are established and may be amended by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. At June 30, 2006, (latest information available) 13% was allocated to fund the pension benefit and 1% to fund health care. The District's contributions to the STRS of Ohio for the years ending June 30, 2007, 2006, and 2005 were \$1,338,732, \$1,330,116, and \$1,239,204, respectively, which were equal to the required contributions for each year.

STRS provides postemployment health care benefits to retirees who participated in the DB or Combined Plans and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Revised Code, the State Teachers Retirement Board has discretionary authority over how much, if any, of the health care cost will be absorbed by STRS. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, health care benefits are not guaranteed.

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to the Health Care Stabilization Fund. For the fiscal year ended June 30, 2006, (latest information available) the board allocated employer contributions are equal to 1% of covered payroll to the Health Care Stabilization Fund, which amounted to \$95,624 for the District. The balance of the Health Care Stabilization Fund was \$3.5 billion at June 30, 2005. For the fiscal year ended June 30, 2006, the net health care costs paid by STRS were \$282,743,000. There were 119,184 eligible benefit recipients.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 10 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS

Details of the changes in long-term debt and other long-term obligations of the District for the year ended June 30, 2007 are as follows:

		Balance June 30, 2006	Issued	(Retired)	Balance June 30, 2007	Due Within One Year
Governmental Activities:						
(Long-Term Notes Payable)						
Energy Conservation Project	5.50%	\$508,655	\$0	(\$72,665)	\$435,990	\$72,665
Energy Conservation Project	5.00%	0	802,984	(31,435)	771,549	65,246
Total Long-Term Notes Payable		508,655	802,984	(104,100)	1,207,539	137,911
(EPA Loan Payable)						
Asbestos Federal EPA Loan	0.00%	3,758	0	(3,758)	0	0
(General Obligation Bonds Payable)						
School Improvement Bonds 1999a	3.0-5.0%	952,000	0	(46,863)	905,137	40,137
School Improvement Bonds 1999b	3.15-5.0%	2,059,870	0	(106,257)	1,953,613	93,612
School Improvement Refunding Bonds	2.75-4.1%	9,864,991	0	(60,000)	9,804,991	65,000
		12,876,861	0	(213,120)	12,663,741	198,749
Premium on Refunding Bonds		635,683	0	(31,784)	603,899	0
Deferred Loss on Refunding		(492,471)	0	24,724	(467,747)	0
Interest Accretion		505,678	132,598	(281,880)	356,396	301,251
Total General Obligation Bonds Payable		13,525,751	132,598	(502,060)	13,156,289	500,000
Capital Leases Payable		203,918	0	(61,601)	142,317	67,381
Compensated Absences		775,673	361,816	(360,854)	776,635	92,473
Total Governmental Activities		15,017,755	1,297,398	(1,032,373)	15,282,780	797,765
Business-Type Activities:						
Compensated Absences		9,232	13,211	(1,627)	20,816	7,900
Total Long Term Liabilities		\$15,026,987	\$1,310,609	(\$1,034,000)	\$15,303,596	\$805,665

The original amount of the Long-Term Notes Payable \$726,650 and \$802,987 were used to finance the cost of acquiring and installing energy conservation measures. The original amount of the Asbestos Loan was \$135,259. The original amounts of the General Obligation Bonds Payable of \$952,000, \$2,059,870 and \$9,999,991 were used to finance the cost of building a new high school facility.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 10- LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements, including principal and interest payments as of June 30, 2007, follows:

Years	<u>Long-Term Notes Payable</u>		<u>General Obligation Bonds Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	\$137,911	\$60,042	\$198,749	\$805,008
2009	141,214	52,742	505,000	492,629
2010	144,685	45,165	520,000	471,728
2011	148,331	37,465	545,000	449,550
2012	152,161	29,583	245,000	388,520
2013-2017	483,237	55,030	2,539,992	2,778,061
2018-2022	0	0	3,655,000	1,280,162
2023-2027	0	0	4,455,000	469,251
Totals	<u>\$1,207,539</u>	<u>\$280,027</u>	<u>\$12,663,741</u>	<u>\$7,134,909</u>

B. Defeased Debt

In September 2005, the District refunded \$3,715,000 and \$6,285,000 of General Obligation Bonds for School Improvement Series 1999A and 1999B, dated March 11, 1999, and April 8, 1999, respectively, through the issuance of \$9,999,991 of General Obligation Bonds. The net proceeds of the 2005 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$3,715,000 and \$6,285,000, respectively, at June 30, 2007, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 11 - CAPITAL LEASE COMMITMENTS

The District leases copiers under capital leases. The cost of the equipment obtained under capital leases is \$269,574, the accumulated depreciation is \$153,961 and the net book value is \$115,613, which is included in the Governmental Activities Capital Assets and the related liability is included in the Governmental Activities Long-Term Liabilities.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2007:

Year Ending June 30,	Capital Lease
2008	\$88,340
2009	43,172
2010	27,600
2011	13,801
Minimum Lease Payments	172,913
Less: Amount representing interest at the District's incremental borrowing rate of interest	(30,596)
Present Value of minimum lease payments	\$142,317

NOTE 12 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees. During fiscal year 2007 the District contracted with insurance providers for various insurance coverages, as follows:

Insurance Provider	Coverage	Deductible	Aggregate
		\$250/Comprehensive	
Indiana Insurance Company	Fleet Insurance	\$500/Collision	\$1,000,000
Indiana Insurance Company	Buildings and Contents	\$1,000	\$54,412,853
Indiana Insurance Company	School District Liability	\$1,000	\$2,000,000
Indiana Insurance Company	School Leaders Errors and Omissions	\$2,500	\$1,000,000
Travelers Casualty & Surety Co. of America	Employee Bond	\$0	\$100,000

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 12 - RISK MANAGEMENT (Continued)

The District participates in the Ohio Association of School Business Officials Workers' Compensation Group Rating Program (the GRP), an insurance purchasing pool. The executive Director of the OASBO, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State, based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley, Inc. provides administrative, cost control and actuarial services to the GRP.

NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS

A. Licking Area Computer Association

The District is a participant in the Licking Area Computer Association (LACA) which is a computer consortium. LACA is an association of public school districts within the boundaries of Licking and Muskingum Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of LACA consists of thirteen members made up of the thirteen district superintendents. The continued existence of LACA is not dependent on the District's continued participation and no equity interest exists. The LACA constitution states that any school district withdrawing from the Association prior to dissolution forfeits their claim to the Association's fixed assets. The District paid LACA \$88,353 for services provided during the year. Financial information can be obtained from their fiscal agent, the Career and Technology Education Centers of Licking County, Cory Thompson, who serves as Treasurer, at 150 Price Road, Newark, Ohio 43055.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 13 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

B. Metropolitan Educational Council

The District participates in the Metropolitan Educational Council (MEC), a jointly governed organization. The organization is composed of over 135 members, which includes school districts, joint vocational school, educational service centers and libraries covering 24 counties in Central Ohio. MEC helps its members purchase services, insurance, supplies, and other items at a discounted rate. The governing board of MEC is composed of either the superintendent, a designated representative or a member of the board of education for each participating school district in Franklin County (18 school districts), and one representative from each county. Each year, the participating school districts pay a membership fee to MEC to cover the costs of administering the program. The District's membership payment to MEC for fiscal year 2007 was \$846. Financial information may be obtained from the Metropolitan Educational Council, Denise Music, who serves as fiscal officer, at 6100 Channingway Blvd., Suite 604, Columbus, OH 43232.

C. Central Ohio Special Education Regional Resource Center

The Central Ohio Special Education Regional Resource Center (COSERRC) is a jointly governed organization operated by a Governing Board that is composed of superintendents of member school districts in Central Ohio (which comprise sixty percent of the Board), two parents of children with disabilities, one representative of a chartered nonpublic school, one representative of a county board of Mental Retardation and Developmental Disabilities, representatives of universities, and student and persons with disabilities representations. The District participates in the following services of COSERRC: Identification and Program Development Project, Regional Educational Assessment Programming Project, Instructional Resource Center Project, Early Childhood Services Project, and the Ohio Resource Center for Low Incidence and Severely Handicapped Project. These services are to assist the District in complying with mandates of Public Law 99-457 for educating children with disabilities. There is no financial commitment made by the districts involved in COSERRC. COSERRC is not dependent upon the continued participation of the District and the District does not maintain an equity interest in or financial responsibility for COSERRC. The District made no contributions to COSERRC during fiscal year 2007.

NOTE 14 – RELATED PARTY TRANSACTIONS

The Community School Sponsorship Contract and the annual Purchased Services Contracts between the Academy and the District outlined the specific payments to be made during fiscal year 2007. During 2007, the Academy made payments to the District of \$100,578 for administrative and fiscal services, a management fee and for services of the Director and a student assistant specialist.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007**

NOTE 15 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts for textbook and capital acquisition into various reserves. During the fiscal year ended June 30, 2007, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Total
Set-aside Cash Balance as of June 30, 2006	\$0	\$0	\$0
Current Year Set-Aside Requirement	338,408	338,408	676,816
Excess Carryover from Prior Year	(77,836)	0	(77,836)
Qualifying Disbursements	<u>(415,763)</u>	<u>(1,387,457)</u>	<u>(1,803,220)</u>
Total	<u>(\$155,191)</u>	<u>(\$1,049,049)</u>	<u>(\$1,204,240)</u>
Cash Balance Carried Forward to FY 2008	<u>\$0</u>	<u>\$0</u>	\$0
Board Set Aside Maintenance and Renovation Account			<u>204,164</u>
Total Restricted Assets			<u>\$204,164</u>

Actual capital expenditures in excess of current year or accumulated set-aside requirements from the capital acquisition reserve may not be carried forward to offset future years' capital acquisition reserve set-aside requirements; however, the excess of current and prior year textbook expenditures of \$155,191 may be carried forward to offset future years' textbook reserve set-aside requirements.

NOTE 16 - CONTINGENCIES

A. Grants

The District receives 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 is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2007.

LAKWOOD LOCAL SCHOOL DISTRICT, OHIO

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2007

NOTE 16 – CONTINGENCIES (Continued)

B. Litigation

The District is not a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2007.

A lawsuit has been filed by the Columbia Gas Transmission Corporation arguing that the Corporation's public utility property tax assessment rate should be 25% of true value rather than the 88% used by the Tax Commissioner. The Board of Tax Appeals has agreed with the Corporation and the case has been appealed by the Tax Commissioner to the Ohio Supreme Court. The District receives a significant amount of property tax from the Corporation. Should the Corporation prevail in the Supreme Court, it may be entitled to a refund from the District based on the lower assessment rate beginning from tax year 2001. The amount of the refund is estimated to be approximately \$51,886 per year. A portion of the refund may be recovered from additional State entitlement payments.

LAKWOOD LOCAL SCHOOL DISTRICT

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS.*

LAKEWOOD LOCAL SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to private purpose trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Public School Support Fund

To account for specific local revenue sources, other than taxes that are restricted to expenditures for specified purposes, curricular and extracurricular, approved by board resolutions.

Other Grant Fund

To account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Student Activity Fund

To account for student activity programs which have student participation in the activity, but do not have student management of the programs. Typically this includes athletic programs, band, cheerleaders and other similar types of activities.

Auxiliary Services Fund

To account for monies which provide services and materials to pupils attending non-public schools within the District.

Management Information System Fund

To account for costs related to hardware and software development or other costs associated with the requirements of the management information system. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Data Communications Fund

To account for monies received for the maintenance of the Ohio Educational Computer Network connections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

SchoolNet Professional Development Fund

To account for funds from State grants to provide professional development for staff in technology.

OhioReads Fund

To account for grant monies to be used for improving reading outcomes, especially on the fourth grade reading proficiency test and for operating expenditures associated with administering the program

(Continued)

LAKEWOOD LOCAL SCHOOL DISTRICT

Special Revenue Funds

Poverty Aid Fund

To account for monies received through the state foundation system for poverty based assistance. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Miscellaneous State Grants Fund

To account for various monies from State agencies which are not classified elsewhere.

Special Education Part B-IDEA Fund

To account for federal monies received in providing an appropriate public education to all children with disabilities.

Title I Fund

To account for federal revenues received to meet the special needs of educationally deprived children.

Title V Fund

To account for federal revenues which assist in the reform of elementary and secondary education. Funds can be used for various materials, technology and projects implementing school improvement and parental involvement. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Drug Free School Grant Fund

To account for federal revenue funds to be used for drug abuse prevention, early intervention, rehabilitation referral and education.

Telecommunications Act Grant Fund

To account for revenues paid to the district for telecommunication services. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Title II-A Fund

To account for federal monies received which are used to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

To account for various revenues received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

Capital Projects Funds

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Permanent Improvement Fund

This fund is used to account for all transactions related to the acquisition, construction or improvement of permanent improvements.

LAKWOOD LOCAL SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2007**

	Public School Support	Other Grant	Student Activity	Auxiliary Services	SchoolNet Professional Development
Assets:					
Cash and Cash Equivalents	\$ 38,647	\$ 14,869	\$ 57,991	\$ 3,676	\$ 66
Receivables:					
Accounts	1,876	0	3,333	0	0
Intergovernmental	0	0	0	0	0
Prepaid Items	0	0	0	0	0
Total Assets	\$ 40,523	\$ 14,869	\$ 61,324	\$ 3,676	\$ 66
Liabilities:					
Accounts Payable	\$ 844	\$ 0	\$ 2,018	\$ 3,610	\$ 66
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Interfund Loans Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Total Liabilities	844	0	2,018	3,610	66
Fund Balances:					
Reserved for Encumbrances	587	0	13,261	66	0
Reserved for Prepaid Items	0	0	0	0	0
Unreserved, Undesignated	39,092	14,869	46,045	0	0
Total Fund Balances	39,679	14,869	59,306	66	0
Total Liabilities and Fund Balances	\$ 40,523	\$ 14,869	\$ 61,324	\$ 3,676	\$ 66

LAKWOOD LOCAL SCHOOL DISTRICT

OhioReads	Miscellaneous State Grants	Special Education Part B- IDEA	Title I	Drug Free School Grant	Title II-A	Miscellaneous Federal Grants
\$ 6,510	\$ 3,063	\$ 0	\$ 16,528	\$ 1,113	\$ 1,392	\$ 259
0	0	0	0	0	0	0
476	0	62,712	19,698	2,358	3,080	0
0	0	5,791	0	0	0	0
<u>\$ 6,986</u>	<u>\$ 3,063</u>	<u>\$ 68,503</u>	<u>\$ 36,226</u>	<u>\$ 3,471</u>	<u>\$ 4,472</u>	<u>\$ 259</u>
\$ 5,716	\$ 462	\$ 0	\$ 0	\$ 450	\$ 0	\$ 0
0	0	39,205	36,194	0	4,472	0
0	0	4,932	0	0	0	0
0	0	1,970	0	0	0	0
0	0	10,985	0	2,358	0	0
<u>5,716</u>	<u>462</u>	<u>57,092</u>	<u>36,194</u>	<u>2,808</u>	<u>4,472</u>	<u>0</u>
1,270	143	356	1,550	0	0	0
0	0	5,791	0	0	0	0
0	2,458	5,264	(1,518)	663	0	259
<u>1,270</u>	<u>2,601</u>	<u>11,411</u>	<u>32</u>	<u>663</u>	<u>0</u>	<u>259</u>
<u>\$ 6,986</u>	<u>\$ 3,063</u>	<u>\$ 68,503</u>	<u>\$ 36,226</u>	<u>\$ 3,471</u>	<u>\$ 4,472</u>	<u>\$ 259</u>

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2007**

	Total Nonmajor Special Revenue Funds	Permanent Improvement	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and Cash Equivalents	\$ 144,114	\$ 51,304	\$ 195,418
Receivables:			
Accounts	5,209	0	5,209
Intergovernmental	88,324	0	88,324
Prepaid Items	5,791	0	5,791
Total Assets	<u>\$ 243,438</u>	<u>\$ 51,304</u>	<u>\$ 294,742</u>
Liabilities:			
Accounts Payable	\$ 13,166	\$ 0	\$ 13,166
Accrued Wages and Benefits	79,871	0	79,871
Intergovernmental Payable	4,932	0	4,932
Interfund Loans Payable	1,970	0	1,970
Deferred Revenue	13,343	0	13,343
Total Liabilities	<u>113,282</u>	<u>0</u>	<u>113,282</u>
Fund Balances:			
Reserved for Encumbrances	17,233	51,304	68,537
Reserved for Prepaid Items	5,791	0	5,791
Unreserved, Undesignated	107,132	0	107,132
Total Fund Balances	<u>130,156</u>	<u>51,304</u>	<u>181,460</u>
Total Liabilities and Fund Balances	<u>\$ 243,438</u>	<u>\$ 51,304</u>	<u>\$ 294,742</u>



LAKEWOOD LOCAL SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2007***

	Public School Support	Other Grants	Student Activity	Auxiliary Services	Management Information System
Revenues:					
Local Sources:					
Extracurricular Activities	\$ 49,460	\$ 0	\$ 171,929	\$ 0	\$ 0
Intermediate Sources	0	6,025	0	0	0
Intergovernmental - State	0	0	0	3,721	7,515
Intergovernmental - Federal	0	0	0	0	0
All Other Revenue	150	0	9,339	0	0
Total Revenue	49,610	6,025	181,268	3,721	7,515
Expenditures:					
Current:					
Instruction	0	7,893	0	0	0
Supporting Services:					
Pupils	0	0	0	0	0
Instructional Staff	0	0	0	0	0
Administration	0	0	0	0	0
Fiscal Services	0	0	0	50	0
Operation and Maintenance of Plant	0	0	0	0	0
Central	0	0	0	0	7,515
Operation of Non-Instructional Services	0	0	0	3,610	0
Extracurricular Activities	46,039	0	231,505	0	0
Total Expenditures	46,039	7,893	231,505	3,660	7,515
Excess (Deficiency) of Revenues Over Expenditures					
	3,571	(1,868)	(50,237)	61	0
Other Financing Sources (Uses):					
Energy Conservation Notes Issued	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0
Net Change in Fund Balance	3,571	(1,868)	(50,237)	61	0
Fund Balances at Beginning of Year	36,108	16,737	109,543	5	0
Fund Balances End of Year	\$ 39,679	\$ 14,869	\$ 59,306	\$ 66	\$ 0

LAKWOOD LOCAL SCHOOL DISTRICT

Data Communications	SchoolNet Professional Development	OhioReads	Poverty Aid	Miscellaneous State Grants	Special Education Part B- IDEA
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
15,000	3,300	44,000	46,812	7,703	0
0	0	0	0	0	475,852
0	0	0	0	0	0
<u>15,000</u>	<u>3,300</u>	<u>44,000</u>	<u>46,812</u>	<u>7,703</u>	<u>475,852</u>
0	0	35,811	40,549	0	342,214
0	0	3,980	0	0	97,178
0	4,667	3,890	0	5,102	6,227
0	0	0	0	0	32,391
0	0	0	0	0	0
0	0	0	0	0	0
19,211	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>19,211</u>	<u>4,667</u>	<u>43,681</u>	<u>40,549</u>	<u>5,102</u>	<u>478,010</u>
(4,211)	(1,367)	319	6,263	2,601	(2,158)
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(4,211)	(1,367)	319	6,263	2,601	(2,158)
4,211	1,367	951	(6,263)	0	13,569
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,270</u>	<u>\$ 0</u>	<u>\$ 2,601</u>	<u>\$ 11,411</u>

(Continued)

LAKEWOOD LOCAL SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2007***

	Title I	Title V	Drug Free School Grant	Telecom- munication Act Grant	Title II-A
Revenues:					
Local Sources:					
Extracurricular Activities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intermediate Sources	0	0	0	0	0
Intergovernmental - State	0	0	0	0	0
Intergovernmental - Federal	298,172	3,206	6,112	0	110,148
All Other Revenue	0	0	0	18,296	0
Total Revenue	298,172	3,206	6,112	18,296	110,148
Expenditures:					
Current:					
Instruction	297,135	0	376	0	110,148
Supporting Services:					
Pupils	0	4,016	7,430	5,452	0
Instructional Staff	1,005	0	0	192	0
Administration	0	0	0	0	0
Fiscal Services	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	2,224	0
Central	0	0	0	6,590	0
Operation of Non-Instructional Services	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Total Expenditures	298,140	4,016	7,806	14,458	110,148
Excess (Deficiency) of Revenues Over Expenditures					
	32	(810)	(1,694)	3,838	0
Other Financing Sources (Uses):					
Energy Conservation Notes Issued	0	0	0	0	0
Transfers Out	0	0	0	(8,027)	0
Total Other Financing Sources (Uses)	0	0	0	(8,027)	0
Net Change in Fund Balance	32	(810)	(1,694)	(4,189)	0
Fund Balances at Beginning of Year	0	810	2,357	4,189	0
Fund Balances End of Year	\$ 32	\$ 0	\$ 663	\$ 0	\$ 0

LAKEWOOD LOCAL SCHOOL DISTRICT

Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds	Permanent Improvement	Total Nonmajor Governmental Funds
\$ 0	\$ 221,389	\$ 0	\$ 221,389
0	6,025	0	6,025
0	128,051	0	128,051
3,612	897,102	0	897,102
0	27,785	0	27,785
<u>3,612</u>	<u>1,280,352</u>	<u>0</u>	<u>1,280,352</u>
1,000	835,126	0	835,126
3,987	122,043	0	122,043
0	21,083	0	21,083
0	32,391	0	32,391
0	50	0	50
0	2,224	751,680	753,904
0	33,316	0	33,316
0	3,610	0	3,610
0	277,544	0	277,544
<u>4,987</u>	<u>1,327,387</u>	<u>751,680</u>	<u>2,079,067</u>
(1,375)	(47,035)	(751,680)	(798,715)
0	0	802,984	802,984
0	(8,027)	0	(8,027)
<u>0</u>	<u>(8,027)</u>	<u>802,984</u>	<u>794,957</u>
(1,375)	(55,062)	51,304	(3,758)
<u>1,634</u>	<u>185,218</u>	<u>0</u>	<u>185,218</u>
<u>\$ 259</u>	<u>\$ 130,156</u>	<u>\$ 51,304</u>	<u>\$ 181,460</u>

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2007**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 11,343,281	\$ 11,296,571	\$ 11,296,572	\$ 1
Tuition	376,900	372,363	372,364	1
Investment Earnings	200,000	372,800	372,773	(27)
Class Material and Fees	55,440	57,035	56,886	(149)
Intergovernmental - State	6,858,672	6,849,039	6,828,943	(20,096)
All Other Revenues	256,471	272,174	272,307	133
Total Revenues	19,090,764	19,219,982	19,199,845	(20,137)
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	6,158,683	6,146,653	6,104,107	42,546
Fringe Benefits	2,019,773	1,914,858	1,911,863	2,995
Purchased Services	560,470	698,820	655,954	42,866
Supplies and Materials	178,278	242,920	222,547	20,373
Other Expenditures	11,255	11,255	11,255	0
Capital Outlay	44,905	72,249	69,699	2,550
Total Regular	8,973,364	9,086,755	8,975,425	111,330
Special:				
Salaries and Wages	723,940	723,843	715,561	8,282
Fringe Benefits	193,172	192,136	189,792	2,344
Purchased Services	298,974	342,348	307,934	34,414
Supplies and Materials	12,647	9,767	4,690	5,077
Capital Outlay	1,246	1,246	1,246	0
Total Special	1,229,979	1,269,340	1,219,223	50,117
Vocational:				
Salaries and Wages	284,370	287,079	281,366	5,713
Fringe Benefits	91,452	86,382	85,260	1,122
Purchased Services	4,326	3,039	2,862	177
Supplies and Materials	14,232	17,225	16,301	924
Capital Outlay	5,200	3,546	3,546	0
Total Vocational	399,580	397,271	389,335	7,936

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other:				
Salaries and Wages	20,337	20,337	17,649	2,688
Fringe Benefits	7,460	6,313	4,634	1,679
Purchased Services	12,750	2,250	1,779	471
Supplies and Materials	0	497	482	15
Total Other	<u>40,547</u>	<u>29,397</u>	<u>24,544</u>	<u>4,853</u>
Total Instructional Services	<u>10,643,470</u>	<u>10,782,763</u>	<u>10,608,527</u>	<u>174,236</u>
Support Services:				
Pupils:				
Salaries and Wages	724,921	737,708	726,255	11,453
Fringe Benefits	232,500	218,355	216,579	1,776
Purchased Services	5,485	5,807	5,324	483
Supplies and Materials	41,391	25,206	13,122	12,084
Other Expenditures	147,013	149,813	148,630	1,183
Capital Outlay	0	1,049	972	77
Total Pupils	<u>1,151,310</u>	<u>1,137,938</u>	<u>1,110,882</u>	<u>27,056</u>
Instructional Staff:				
Salaries and Wages	259,915	264,266	262,498	1,768
Fringe Benefits	114,985	113,401	95,677	17,724
Purchased Services	94,712	101,464	97,970	3,494
Supplies and Materials	100,856	10,148	9,369	779
Other Expenditures	383	383	383	0
Total Instructional Staff	<u>570,851</u>	<u>489,662</u>	<u>465,897</u>	<u>23,765</u>
Board of Education:				
Salaries and Wages	6,420	6,420	6,420	0
Fringe Benefits	1,350	1,277	1,231	46
Purchased Services	29,093	42,116	40,626	1,490
Supplies and Materials	1,860	2,295	2,008	287
Other Expenditures	8,250	5,846	5,596	250
Total Board of Education	<u>46,973</u>	<u>57,954</u>	<u>55,881</u>	<u>2,073</u>

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Administration:				
Salaries and Wages	1,002,904	997,861	988,914	8,947
Fringe Benefits	364,866	385,550	378,395	7,155
Purchased Services	73,566	71,161	59,290	11,871
Supplies and Materials	15,351	15,351	12,194	3,157
Other Expenditures	5,712	5,018	5,018	0
Capital Outlay	4,459	5,281	4,281	1,000
Total Administration	<u>1,466,858</u>	<u>1,480,222</u>	<u>1,448,092</u>	<u>32,130</u>
Fiscal Services:				
Salaries and Wages	227,697	217,403	213,686	3,717
Fringe Benefits	76,800	80,789	78,183	2,606
Purchased Services	17,395	17,001	16,456	545
Supplies and Materials	4,695	4,695	4,511	184
Other Expenditures	266,829	299,421	298,580	841
Capital Outlay	3,500	5,112	5,112	0
Total Fiscal Services	<u>596,916</u>	<u>624,421</u>	<u>616,528</u>	<u>7,893</u>
Business:				
Salaries and Wages	8,005	7,505	6,508	997
Fringe Benefits	6,815	6,747	6,721	26
Other Expenditures	900	846	846	0
Total Business	<u>15,720</u>	<u>15,098</u>	<u>14,075</u>	<u>1,023</u>
Operation and Maintenance of Plant:				
Salaries and Wages	573,103	595,050	584,162	10,888
Fringe Benefits	250,750	250,132	249,371	761
Purchased Services	692,171	650,426	576,808	73,618
Supplies and Materials	98,262	104,903	78,361	26,542
Other Expenditures	843	843	843	0
Capital Outlay	104,291	260,245	259,829	416
Total Operation and Maintenance Of Plant	<u>1,719,420</u>	<u>1,861,599</u>	<u>1,749,374</u>	<u>112,225</u>

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Pupil Transportation:				
Salaries and Wages	659,425	705,790	700,195	5,595
Fringe Benefits	379,297	382,324	380,861	1,463
Purchased Services	53,374	57,197	51,013	6,184
Supplies and Materials	237,552	237,285	224,494	12,791
Other Expenditures	952	952	952	0
Capital Outlay	250,149	221,199	221,199	0
Total Pupil Transportation	<u>1,580,749</u>	<u>1,604,747</u>	<u>1,578,714</u>	<u>26,033</u>
Central:				
Purchased Services	72,555	66,080	63,138	2,942
Supplies and Materials	2,350	2,350	1,542	808
Other Expenditures	99,360	99,060	91,384	7,676
Total Central	<u>174,265</u>	<u>167,490</u>	<u>156,064</u>	<u>11,426</u>
Total Support Services	<u>7,323,062</u>	<u>7,439,131</u>	<u>7,195,507</u>	<u>243,624</u>
Operation of Non-Instructional Services:				
Purchased Services	8,622	8,622	4,866	3,756
Other Expenditures	5,000	5,500	5,500	0
Capital Outlay	0	1,585	1,585	0
Total Non-Instructional Services	<u>13,622</u>	<u>15,707</u>	<u>11,951</u>	<u>3,756</u>
Extracurricular Activities:				
Salaries and Wages	205,744	191,898	182,881	9,017
Fringe Benefits	31,210	29,811	28,715	1,096
Purchased Services	1,648	1,648	0	1,648
Total Extracurricular Activities	<u>238,602</u>	<u>223,357</u>	<u>211,596</u>	<u>11,761</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	872,008	759,024	1,172,264	413,240

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Sale of Capital Assets	833	833	833	0
Transfers In	0	0	8,027	8,027
Advances In	0	25,000	25,000	0
Advances Out	(30,000)	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	<u>(29,167)</u>	<u>833</u>	<u>8,860</u>	<u>8,027</u>
Net Change in Fund Balance	842,841	759,857	1,181,124	421,267
Fund Balance at Beginning of Year	4,007,923	4,007,923	4,007,923	0
Prior Year Encumbrances	181,428	181,428	181,428	0
Fund Balance at End of Year	<u>\$ 5,032,192</u>	<u>\$ 4,949,208</u>	<u>\$ 5,370,475</u>	<u>\$ 421,267</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Debt Service Fund
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 946,885	\$ 1,016,584	\$ 1,016,584	\$ 0
Intergovernmental - State	224,227	190,948	211,137	20,189
Total Revenues	<u>1,171,112</u>	<u>1,207,532</u>	<u>1,227,721</u>	<u>20,189</u>
Expenditures:				
Current:				
Support Services:				
Fiscal Services:				
Other Expenditures	18,200	17,766	17,766	0
Total Fiscal Services	<u>18,200</u>	<u>17,766</u>	<u>17,766</u>	<u>0</u>
Debt Service:				
Principal Retirement	571,423	602,858	602,858	0
Interest and Fiscal Charges	531,876	551,513	551,513	0
Total Debt Service	<u>1,103,299</u>	<u>1,154,371</u>	<u>1,154,371</u>	<u>0</u>
Total Expenditures	<u>1,121,499</u>	<u>1,172,137</u>	<u>1,172,137</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	49,613	35,395	55,584	20,189
Other Financing Sources (Uses):				
Transfers In	0	4,400	4,400	0
Transfers Out	0	(4,400)	(4,400)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	49,613	35,395	55,584	20,189
Fund Balance at Beginning of Year	490,515	490,515	490,515	0
Fund Balance at End of Year	<u>\$ 540,128</u>	<u>\$ 525,910</u>	<u>\$ 546,099</u>	<u>\$ 20,189</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

PUBLIC SCHOOL SUPPORT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Extracurricular Activities	\$ 43,700	\$ 51,972	\$ 48,401	\$ (3,571)
All Other Revenues	<u>2,750</u>	<u>2,750</u>	<u>150</u>	<u>(2,600)</u>
Total Revenues	<u>46,450</u>	<u>54,722</u>	<u>48,551</u>	<u>(6,171)</u>
Expenditures:				
Extracurricular Activities:				
Salaries and Wages	0	153	153	0
Fringe Benefits	0	21	0	21
Purchased Services	17,955	13,692	6,890	6,802
Supplies and Materials	34,100	46,036	37,841	8,195
Other Expenditures	750	750	0	750
Capital Outlay	<u>8,527</u>	<u>7,765</u>	<u>4,499</u>	<u>3,266</u>
Total Expenditures	<u>61,332</u>	<u>68,417</u>	<u>49,383</u>	<u>19,034</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,882)	(13,695)	(832)	12,863
Other Financing Sources (Uses):				
Operating Transfers In	0	0	6,415	6,415
Operating Transfers Out	<u>0</u>	<u>(6,415)</u>	<u>(6,415)</u>	<u>0</u>
Total Other Financing Sources (Uses):	<u>0</u>	<u>(6,415)</u>	<u>0</u>	<u>6,415</u>
Net Change in Fund Balance	(14,882)	(20,110)	(832)	19,278
Fund Balance at Beginning of Year	34,991	34,991	34,991	0
Prior Year Encumbrances	<u>3,057</u>	<u>3,057</u>	<u>3,057</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 23,166</u>	<u>\$ 17,938</u>	<u>\$ 37,216</u>	<u>\$ 19,278</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	OTHER GRANT FUND			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Local Sources:				
Intermediate Sources	\$ 0	\$ 6,025	\$ 6,025	\$ 0
Total Revenues	<u>0</u>	<u>6,025</u>	<u>6,025</u>	<u>0</u>
Expenditures:				
Instructional Services:				
Regular:				
Purchased Services	3,341	3,341	3,341	0
Supplies and Materials	<u>1,395</u>	<u>5,721</u>	<u>3,843</u>	<u>1,878</u>
Total Regular	4,736	9,062	7,184	1,878
Vocational:				
Supplies and Materials	<u>0</u>	<u>1,700</u>	<u>709</u>	<u>991</u>
Total Vocational	<u>0</u>	<u>1,700</u>	<u>709</u>	<u>991</u>
Total Instructional Services	<u>4,736</u>	<u>10,762</u>	<u>7,893</u>	<u>2,869</u>
Support Services:				
Instructional Staff:				
Purchased Services	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>12,000</u>
Total Instructional Staff	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>12,000</u>
Total Support Services	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>12,000</u>
Total Expenditures	<u>16,736</u>	<u>22,762</u>	<u>7,893</u>	<u>14,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,736)	(16,737)	(1,868)	14,869
Fund Balance at Beginning of Year	<u>16,737</u>	<u>16,737</u>	<u>16,737</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 0</u>	<u>\$ 14,869</u>	<u>\$ 14,869</u>

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

STUDENT ACTIVITY FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Extracurricular Activities	\$ 234,792	\$ 252,482	\$ 176,306	\$ (76,176)
All Other Revenues	25,501	27,001	6,171	(20,830)
Total Revenues	<u>260,293</u>	<u>279,483</u>	<u>182,477</u>	<u>(97,006)</u>
Expenditures:				
Extracurricular Activities:				
Salaries and Wages	0	699	699	0
Fringe Benefits	0	98	98	0
Purchased Services	103,046	130,494	116,593	13,901
Supplies and Materials	117,803	145,630	113,662	31,968
Other Expenditures	3,000	4,000	3,000	1,000
Capital Outlay	30,500	20,629	13,427	7,202
Total Extracurricular Activities	<u>254,349</u>	<u>301,550</u>	<u>247,479</u>	<u>54,071</u>
Total Expenditures	<u>254,349</u>	<u>301,550</u>	<u>247,479</u>	<u>54,071</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,944	(22,067)	(65,002)	(42,935)
Fund Balance at Beginning of Year	94,980	94,980	94,980	0
Prior Year Encumbrances	14,752	14,752	14,752	0
Fund Balance at End of Year	<u>\$ 115,676</u>	<u>\$ 87,665</u>	<u>\$ 44,730</u>	<u>\$ (42,935)</u>

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

AUXILIARY SERVICES FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental - State	\$ 6,155	\$ 3,676	\$ 3,721	\$ 45
Total Revenues	6,155	3,676	3,721	45
Expenditures:				
Support Services:				
Fiscal Services:				
Other Expenditures	0	50	50	0
Total Fiscal Services	0	50	50	0
Total Support Services	0	50	50	0
Operation of Non-Instructional Services:				
Supplies and Materials	6,160	3,676	3,676	0
Total Operation of Non-Instructional Services	6,160	3,676	3,676	0
Total Expenditures	6,160	3,726	3,726	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(5)	(50)	(5)	45
Fund Balance at Beginning of Year				
	5	5	5	0
Fund Balance at End of Year	\$ 0	\$ (45)	\$ 0	\$ 45

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

MANAGEMENT INFORMATION SYSTEM FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental - State	\$ 7,619	\$ 7,515	\$ 7,515	\$ 0
Total Revenues	7,619	7,515	7,515	0
Expenditures:				
Support Services:				
Central:				
Purchased Services	7,619	7,515	7,515	0
Total Expenditures	7,619	7,515	7,515	0
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DATA COMMUNICATIONS FUND				
Revenues:				
Intergovernmental - State	\$ 15,000	\$ 15,000	\$ 15,000	\$ 0
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>
Expenditures:				
Support Services:				
Central:				
Purchased Services	19,211	19,211	19,211	0
Total Expenditures	<u>19,211</u>	<u>19,211</u>	<u>19,211</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,211)	(4,211)	(4,211)	0
Fund Balance at Beginning of Year	4,211	4,211	4,211	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental - State	\$ 0	\$ 3,300	\$ 3,300	\$ 0
Total Revenues	<u>0</u>	<u>3,300</u>	<u>3,300</u>	<u>0</u>
Expenditures:				
Support Services:				
Instructional Staff:				
Salaries and Wages	0	480	480	0
Fringe Benefits	0	67	67	0
Purchased Services	1,367	4,120	4,054	66
Total Expenditures	<u>1,367</u>	<u>4,667</u>	<u>4,601</u>	<u>66</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,367)	(1,367)	(1,301)	66
Fund Balance at Beginning of Year	<u>1,367</u>	<u>1,367</u>	<u>1,367</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 66</u>	<u>\$ 66</u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

OHIOREADS FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Intergovernmental - State	\$ 47,989	\$ 47,989	\$ 47,513	\$ (476)
Total Revenues	<u>47,989</u>	<u>47,989</u>	<u>47,513</u>	<u>(476)</u>
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	13,200	7,840	7,840	0
Purchased Services	7,500	7,189	7,189	0
Supplies and Materials	<u>17,029</u>	<u>26,310</u>	<u>26,310</u>	<u>0</u>
Total Regular	<u>37,729</u>	<u>41,339</u>	<u>41,339</u>	<u>0</u>
Total Instructional Services	<u>37,729</u>	<u>41,339</u>	<u>41,339</u>	<u>0</u>
Support Services:				
Pupils:				
Supplies and Materials	<u>5,000</u>	<u>3,980</u>	<u>3,980</u>	<u>0</u>
Total Pupils	5,000	3,980	3,980	0
Instructional Staff:				
Purchased Services	4,500	1,908	1,908	0
Supplies and Materials	<u>2,000</u>	<u>2,002</u>	<u>2,002</u>	<u>0</u>
Total Instructional Staff	<u>6,500</u>	<u>3,910</u>	<u>3,910</u>	<u>0</u>
Total Support Services	<u>11,500</u>	<u>7,890</u>	<u>7,890</u>	<u>0</u>
Total Expenditures	<u>49,229</u>	<u>49,229</u>	<u>49,229</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,240)	(1,240)	(1,716)	(476)
Fund Balance at Beginning of Year	(3,989)	(3,989)	(3,989)	0
Prior Year Encumbrances	<u>5,229</u>	<u>5,229</u>	<u>5,229</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (476)</u>	<u>\$ (476)</u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

POVERTY AID FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental - State	\$ 46,812	\$ 46,812	\$ 46,812	\$ 0
Total Revenues	46,812	46,812	46,812	0
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	18,766	18,766	18,766	0
Total Regular	18,766	18,766	18,766	0
Other:				
Salaries and Wages	28,046	15,815	15,815	0
Supplies and Materials	0	12,231	12,231	0
Total Other	28,046	28,046	28,046	0
Total Instructional Services	46,812	46,812	46,812	0
Total Expenditures	46,812	46,812	46,812	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0	\$ 0

LAKEWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

MISCELLANEOUS STATE GRANTS FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Intergovernmental - State	\$ 0	\$ 27,224	\$ 7,703	\$ (19,521)
Total Revenues	<u>0</u>	<u>27,224</u>	<u>7,703</u>	<u>(19,521)</u>
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	0	16,021	0	16,021
Total Instructional Services	<u>0</u>	<u>16,021</u>	<u>0</u>	<u>16,021</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	0	680	320	360
Fringe Benefits	0	105	95	10
Purchased Services	0	6,700	1,247	5,453
Supplies and Materials	0	1,521	1,521	0
Capital Outlay	0	2,197	2,062	135
Total Instructional Staff	<u>0</u>	<u>11,203</u>	<u>5,245</u>	<u>5,958</u>
Total Expenditures	<u>0</u>	<u>27,224</u>	<u>5,245</u>	<u>21,979</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	2,458	2,458
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,458</u>	<u>\$ 2,458</u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

SPECIAL EDUCATION PART B-IDEA FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental - Federal	\$ 549,461	\$ 549,521	\$ 486,749	\$ (62,772)
Total Revenues	549,461	549,521	486,749	(62,772)
Expenditures:				
Instructional Services:				
Special:				
Salaries and Wages	236,794	240,020	212,361	27,659
Fringe Benefits	71,690	73,450	68,064	5,386
Purchased Services	5,796	53,671	52,337	1,334
Supplies and Materials	28,047	17,124	16,874	250
Capital Outlay	21,288	0	0	0
Total Instructional Services	363,615	384,265	349,636	34,629
Support Services:				
Pupils:				
Salaries and Wages	62,624	58,724	51,597	7,127
Fringe Benefits	34,463	44,047	37,578	6,469
Purchased Services	61,573	60	60	0
Supplies and Materials	4,250	2,000	862	1,138
Capital Outlay	1,500	0	0	0
Total Pupils	164,410	104,831	90,097	14,734
Instructional Staff:				
Salaries and Wages	150	0	0	0
Purchased Services	5,800	4,000	2,000	2,000
Supplies and Materials	3,362	5,510	4,227	1,283
Total Instructional Staff	9,312	9,510	6,227	3,283

(Continued)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SPECIAL EDUCATION PART B-IDEA FUND				
Administration:				
Salaries and Wages	6,204	6,204	6,204	0
Fringe Benefits	1,968	2,199	2,199	0
Purchased Services	0	34,759	34,759	0
Total Administration	8,172	43,162	43,162	0
Operation and Maintenance of Plant:				
Supplies and Materials	0	7,800	0	7,800
Total Operations and Maintenance of Plant	0	7,800	0	7,800
Total Support Services	181,894	165,303	139,486	25,817
Total Expenditures	545,509	549,568	489,122	60,446
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,952	(47)	(2,373)	(2,326)
Fund Balance at Beginning of Year	(2,100)	(2,100)	(2,100)	0
Prior Year Encumbrances	2,147	2,147	2,147	0
Fund Balance at End of Year	\$ 3,999	\$ 0	\$ (2,326)	\$ (2,326)

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	TITLE I FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental - Federal	\$ 312,921	\$ 314,162	\$ 294,464	\$ (19,698)
Total Revenues	312,921	314,162	294,464	(19,698)
Expenditures:				
Instructional Services:				
Special:				
Salaries and Wages	294,944	296,444	262,473	33,971
Fringe Benefits	24,600	28,418	28,418	0
Total Special	319,544	324,862	290,891	33,971
Total Instructional Services	319,544	324,862	290,891	33,971
Support Services:				
Instructional Staff:				
Purchased Services	4,251	1,760	1,583	177
Supplies and Materials	3,086	1,500	972	528
Total Instructional Staff	7,337	3,260	2,555	705
Total Support Services	7,337	3,260	2,555	705
Total Expenditures	326,881	328,122	293,446	34,676
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,960)	(13,960)	1,018	14,978
Fund Balance at Beginning of Year	13,960	13,960	13,960	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 14,978	\$ 14,978

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

	TITLE V FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental - Federal	\$ 3,708	\$ 3,708	\$ 3,708	\$ 0
Total Revenues	<u>3,708</u>	<u>3,708</u>	<u>3,708</u>	<u>0</u>
Expenditures:				
Support Services:				
Pupils:				
Salaries and Wages	4,016	4,016	4,016	0
Total Expenditures	<u>4,016</u>	<u>4,016</u>	<u>4,016</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(308)	(308)	(308)	0
Fund Balance at Beginning of Year	308	308	308	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

DRUG FREE SCHOOL GRANT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Intergovernmental - Federal	\$ 9,601	\$ 9,601	\$ 7,243	\$ (2,358)
Total Revenues	<u>9,601</u>	<u>9,601</u>	<u>7,243</u>	<u>(2,358)</u>
Expenditures:				
Instructional Services:				
Regular:				
Supplies and Materials	1,868	847	376	471
Total Regular	<u>1,868</u>	<u>847</u>	<u>376</u>	<u>471</u>
Total Instructional Services	<u>1,868</u>	<u>847</u>	<u>376</u>	<u>471</u>
Support Services:				
Pupils:				
Purchased Services	8,959	9,980	7,430	2,550
Total Support Services	<u>8,959</u>	<u>9,980</u>	<u>7,430</u>	<u>2,550</u>
Total Expenditures	<u>10,827</u>	<u>10,827</u>	<u>7,806</u>	<u>3,021</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,226)	(1,226)	(563)	663
Fund Balance at Beginning of Year	726	726	726	0
Prior Year Encumbrances	500	500	500	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 663</u>	<u>\$ 663</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
All Other Revenues	\$ 18,000	\$ 20,000	\$ 18,296	\$ (1,704)
Total Revenues	18,000	20,000	18,296	(1,704)
Expenditures:				
Support Services:				
Pupils:				
Capital Outlay	17,150	5,452	5,452	0
Total Pupils	17,150	5,452	5,452	0
Instructional Staff:				
Purchased Services	0	192	192	0
Total Instructional Staff	0	192	192	0
Operation and Maintenance of Plant:				
Purchased Services	200	2,224	2,224	0
Total Operation and Maintenance Of Plant	200	2,224	2,224	0
Central:				
Supplies and Materials	2,650	6,590	6,590	0
Total Central	2,650	6,590	6,590	0
Total Support Services	20,000	14,458	14,458	0
Total Expenditures	20,000	14,458	14,458	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	5,542	3,838	(1,704)
Other Financing Sources (Uses):				
Transfers Out	0	(8,027)	(8,027)	0
Total Other Financing Sources (Uses):	0	(8,027)	(8,027)	0
Net Change in Fund Balance	(2,000)	(2,485)	(4,189)	(1,704)
Fund Balance at Beginning of Year	4,189	4,189	4,189	0
Fund Balance at End of Year	\$ 2,189	\$ 1,704	\$ 0	\$ (1,704)

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

	TITLE II-A FUND			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intergovernmental - Federal	\$ 119,952	\$ 120,077	\$ 116,907	\$ (3,170)
Total Revenues	<u>119,952</u>	<u>120,077</u>	<u>116,907</u>	<u>(3,170)</u>
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	122,546	122,671	118,109	4,562
Total Expenditures	<u>122,546</u>	<u>122,671</u>	<u>118,109</u>	<u>4,562</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,594)	(2,594)	(1,202)	1,392
Fund Balance at Beginning of Year	<u>2,594</u>	<u>2,594</u>	<u>2,594</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 1,392</u></u>	<u><u>\$ 1,392</u></u>

LAKWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MISCELLANEOUS FEDERAL GRANTS FUND				
Revenues:				
Intergovernmental - Federal	\$ 4,190	\$ 4,216	\$ 4,216	\$ 0
Total Revenues	<u>4,190</u>	<u>4,216</u>	<u>4,216</u>	<u>0</u>
Expenditures:				
Instructional Services:				
Special:				
Purchased Services	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Total Instructional Services	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Support Services:				
Pupils:				
Salaries and Wages	1,000	0	0	0
Fringe Benefits	140	0	0	0
Purchased Services	3,704	2,700	2,700	0
Supplies and Materials	<u>376</u>	<u>1,546</u>	<u>1,287</u>	<u>259</u>
Total Pupils	<u>5,220</u>	<u>4,246</u>	<u>3,987</u>	<u>259</u>
Total Support Services	<u>5,220</u>	<u>4,246</u>	<u>3,987</u>	<u>259</u>
Total Expenditures	<u>5,220</u>	<u>5,246</u>	<u>4,987</u>	<u>259</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,030)	(1,030)	(771)	259
Fund Balance at Beginning of Year	<u>1,030</u>	<u>1,030</u>	<u>1,030</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 259</u>	<u>\$ 259</u>

LAKEWOOD LOCAL SCHOOL DISTRICT

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2007**

PERMANENT IMPROVEMENT FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures:				
Support Services:				
Operation and Maintenance of Plant:				
Capital Outlay	0	802,984	802,984	0
Total Expenditures	0	802,984	802,984	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(802,984)	(802,984)	0
Other Financing Sources (Uses):				
Sale of Notes	0	802,984	802,984	0
Total Other Financing Sources (Uses):	0	802,984	802,984	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

LAKWOOD LOCAL SCHOOL DISTRICT



LAKEWOOD LOCAL SCHOOL DISTRICT

Fiduciary Funds

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

Agency Funds

Student Managed Activity Fund

To account for resources that belong to the student bodies of the various schools for sales and other revenue generating activities.

LAKWOOD LOCAL SCHOOL DISTRICT

***Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended June 30, 2007***

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
<u>Student Managed Activity Fund</u>				
Assets:				
Cash and Cash Equivalents	\$8,687	\$19,437	(\$20,122)	\$8,002
Total Assets	<u>\$8,687</u>	<u>\$19,437</u>	<u>(\$20,122)</u>	<u>\$8,002</u>
Liabilities:				
Due to Students	\$8,687	\$19,437	(\$20,122)	\$8,002
Total Liabilities	<u>\$8,687</u>	<u>\$19,437</u>	<u>(\$20,122)</u>	<u>\$8,002</u>

LAKWOOD LOCAL SCHOOL DISTRICT

*CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS*

LAKWOOD LOCAL SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
June 30, 2007***

Capital Assets

Land	\$275,555
Land Improvements	810,337
Buildings and Improvements	21,349,099
Furniture, Fixtures and Equipment	3,504,706
Vehicles	1,959,481
Construction in Progress	88,305
	<hr/>
Total Capital Assets	<u><u>\$27,987,483</u></u>

Investment in Capital Assets from:

Acquisitions Prior to 1996	\$5,387,850
General Fund	5,001,148
Special Revenue Funds	59,748
Capital Project Funds	16,839,003
Capital Leases	269,574
Donations	430,160
	<hr/>
Total Investment in Capital Assets	<u><u>\$27,987,483</u></u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2007***

<u>Function and Activity</u>	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings and Improvements</u>
Instructional Services	\$134,055	\$0	\$19,362,775
Support Services:			
Administration	3,125	7,611	59,375
Fiscal Services	3,125	7,611	59,375
Operation and Maintenance of Plant	598	0	11,415
Pupil Transportation	597	0	11,414
Community Services	0	0	0
Extracurricular Activities	0	410,012	332,934
Facility Acquisition and Improvement	<u>134,055</u>	<u>385,103</u>	<u>1,511,811</u>
Total Capital Assets	<u><u>\$275,555</u></u>	<u><u>\$810,337</u></u>	<u><u>\$21,349,099</u></u>

LAKEWOOD LOCAL SCHOOL DISTRICT

<u>Furniture, Fixtures and Equipment</u>	<u>Vehicles</u>	<u>Construction in Progress</u>	<u>Total</u>
\$2,724,403	\$0	\$0	\$22,221,233
103,495	0	0	173,606
22,504	0	0	92,615
79,252	31,287	0	122,552
43,676	1,904,194	0	1,959,881
15,540	0	0	15,540
507,672	24,000	0	1,274,618
8,164	0	88,305	2,127,438
<u>\$3,504,706</u>	<u>\$1,959,481</u>	<u>\$88,305</u>	<u>\$27,987,483</u>

LAKWOOD LOCAL SCHOOL DISTRICT

***Capital Assets Used in the Operation of Governmental Funds
Schedule Changes by Function and Activity
For the Fiscal Year Ended June 30, 2007***

Function and Activity	June 30, 2006	Additions	Deletions	June 30, 2007
Instructional Services	\$22,289,328	\$64,099	(\$132,194)	\$22,221,233
Support Services:				
Administration	164,605	9,661	(660)	173,606
Fiscal Services	91,554	5,042	(3,981)	92,615
Operation and Maintenance of Plant	112,280	10,272	0	122,552
Pupil Transportation	1,797,424	221,199	(58,742)	1,959,881
Community Services	15,540	0		15,540
Extracurricular Activities	1,280,769	7,063	(13,214)	1,274,618
Facility Acquisition and Improvement	1,419,812	707,626	0	2,127,438
Total Capital Assets	<u>\$27,171,312</u>	<u>\$1,024,962</u>	<u>(\$208,791)</u>	<u>\$27,987,483</u>

STATISTICAL SECTION



LAKEWOOD LOCAL SCHOOL DISTRICT

STATISTICAL TABLES

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

Contents

Financial Trends	S 2 – S 13
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	S 14 – S 23
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue sources, the property tax.	
Debt Capacity	S 24 – S 31
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Economic and Demographic Information	S 33 – S 35
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 36 – S 47
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources Note:

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

Lakewood Local School District

*Net Assets by Component
Last Six Years
(accrual basis of accounting)*

	2002	2003	2004	2005
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$3,150,172	\$3,772,570	\$3,398,702	\$3,487,282
Restricted for:				
Capital Projects	64,020	23,131	0	3
Debt Service	375,990	493,673	551,495	476,167
Other Purposes	494,964	90,485	221,140	0
Unrestricted	2,087,685	1,360,684	1,597,029	1,834,145
Total Governmental Activities Net Assets	<u>\$6,172,831</u>	<u>\$5,740,543</u>	<u>\$5,768,366</u>	<u>\$5,797,597</u>
Business-type Activities:				
Invested in Capital Assets, Net of Related Debt	\$126,747	\$120,786	\$110,134	\$114,905
Unrestricted (Deficit)	26,469	46,663	40,190	(19,439)
Total Business-type Activities Net Assets	<u>\$153,216</u>	<u>\$167,449</u>	<u>\$150,324</u>	<u>\$95,466</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$3,276,919	\$3,893,356	\$3,508,836	\$3,602,187
Restricted	934,974	607,289	772,635	476,170
Unrestricted	2,114,154	1,407,347	1,637,219	1,814,706
Total Primary Government Net Assets	<u>\$6,326,047</u>	<u>\$5,907,992</u>	<u>\$5,918,690</u>	<u>\$5,893,063</u>

Note: District was not on accrual basis accounting prior to 2002.

Source: District Treasurer's Office

Lakewood Local School District

<u>2006</u>	<u>2007</u>
\$3,351,649	\$2,965,032
0	0
545,280	561,041
0	0
<u>2,724,352</u>	<u>4,505,221</u>
<u>\$6,621,281</u>	<u>\$8,031,294</u>

\$100,086	\$90,694
<u>(8,020)</u>	<u>(69,344)</u>
<u>\$92,066</u>	<u>\$21,350</u>

\$3,451,735	\$3,055,726
545,280	561,041
<u>2,716,332</u>	<u>4,435,877</u>
<u>\$6,713,347</u>	<u>\$8,052,644</u>

Lakewood Local School District

*Changes in Net Assets
Last Six Years
(accrual basis of accounting)*

	2002	2003	2004	2005
Expenses				
Governmental Activities:				
Instruction	\$8,831,815	\$10,265,237	\$10,616,848	\$11,243,238
Support Services:				
Pupils	989,832	1,047,551	1,153,724	1,138,402
Instructional Staff	563,834	681,706	456,520	410,227
Board of Education	21,037	31,860	72,807	64,994
Administration	1,371,649	1,459,918	1,633,056	1,465,620
Fiscal Services	473,835	445,519	509,894	540,356
Business	13,295	14,175	15,360	17,511
Operation and Maintenance of Plant	1,241,528	1,373,039	1,403,654	1,442,262
Pupil Transportation	886,433	1,013,915	1,176,469	1,257,226
Central	80,841	67,434	163,721	174,827
Operation of Non-Instructional Services	122,219	127,914	81,937	81,381
Extracurricular Activities	493,591	460,426	477,927	512,166
Interest and Fiscal Charges	711,836	723,607	722,687	790,327
<i>Total Governmental Activities Expenses</i>	<u>15,801,745</u>	<u>17,712,301</u>	<u>18,484,604</u>	<u>19,138,537</u>
Business-type Activities:				
Food Service	653,675	672,123	732,804	817,695
Uniform School Supplies	7,178	7,749	4,372	3,230
<i>Total Business-type Activities Expenses</i>	<u>660,853</u>	<u>679,872</u>	<u>737,176</u>	<u>820,925</u>
<i>Total Primary Government Expenses</i>	<u>\$16,462,598</u>	<u>\$18,392,173</u>	<u>\$19,221,780</u>	<u>\$19,959,462</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction	\$282,717	\$297,364	\$278,672	\$386,042
Operation of Non-Instructional Services	1,703	6,232	9,265	7,708
Extracurricular Activities	325,965	301,004	141,766	214,698
Operating Grants and Contributions	1,163,105	1,214,843	1,105,522	1,070,194
Capital Grants and Contributions	3,264	35,773	0	17,745
<i>Total Governmental Activities Program Revenues</i>	<u>1,776,754</u>	<u>1,855,216</u>	<u>1,535,225</u>	<u>1,696,387</u>

Lakewood Local School District

<u>2006</u>	<u>2007</u>
\$11,550,480	\$11,924,997
1,101,372	1,203,075
515,859	437,342
35,171	55,443
1,576,704	1,550,432
551,205	618,603
15,040	14,176
1,491,143	1,640,741
1,347,349	1,446,278
192,719	189,380
41,860	56,084
550,597	616,900
572,388	711,383
<u>19,541,887</u>	<u>20,464,834</u>
807,895	892,610
7,801	2,284
<u>815,696</u>	<u>894,894</u>
<u>\$20,357,583</u>	<u>\$21,359,728</u>
\$374,347	\$422,548
3,130	7,247
224,277	221,389
1,130,065	1,104,624
0	0
<u>1,731,819</u>	<u>1,755,808</u>

(continued)

Lakewood Local School District

*Changes in Net Assets
Last Six Years
(accrual basis of accounting)*

Business-type Activities:	2002	2003	2004	2005
Charges for Services				
Food Service	440,449	409,431	406,872	417,400
Uniform School Supplies	4,918	4,106	4,589	1,078
Operating Grants and Contributions	262,940	274,372	308,590	328,272
Capital Grants and Contributions	43,653	6,196	0	19,317
<i>Total Business-type Activities Program Revenues</i>	<u>751,960</u>	<u>694,105</u>	<u>720,051</u>	<u>766,067</u>
<i>Total Primary Government Program Revenues</i>	<u>2,528,714</u>	<u>2,549,321</u>	<u>2,255,276</u>	<u>2,462,454</u>
Net (Expense)/Revenue				
Governmental Activities	(14,024,991)	(15,857,085)	(16,949,379)	(17,442,150)
Business-type Activities	91,107	14,233	(17,125)	(54,858)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(\$13,933,884)</u>	<u>(\$15,842,852)</u>	<u>(\$16,966,504)</u>	<u>(\$17,497,008)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$8,257,386	\$8,556,536	\$9,769,935	\$10,181,474
Debt Service	1,182,047	1,161,792	1,168,233	1,088,255
Grants and Entitlements not				
Restricted to Specific Programs	5,295,793	5,182,898	5,865,683	5,866,148
Investment Earnings	123,352	85,679	50,708	113,061
Miscellaneous	282,496	226,575	196,338	222,443
Transfers	1,569	0	0	0
<i>Total Governmental Activities</i>	<u>15,142,643</u>	<u>15,213,480</u>	<u>17,050,897</u>	<u>17,471,381</u>
Business-type Activities:				
Transfers	190	0	0	0
<i>Total Business-type Activities</i>	<u>190</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>\$15,142,833</u>	<u>\$15,213,480</u>	<u>\$17,050,897</u>	<u>\$17,471,381</u>
Change in Net Assets				
Governmental Activities	\$1,117,652	(\$643,605)	\$101,518	\$29,231
Business-type Activities	91,297	14,233	(17,125)	(54,858)
<i>Total Primary Government Change in Net Assets</i>	<u>\$1,208,949</u>	<u>(\$629,372)</u>	<u>\$84,393</u>	<u>(\$25,627)</u>

Note: District was not on accrual basis of accounting prior to 2002.

Source: District Treasurer's Office

Lakewood Local School District

2006	2007
407,322	408,877
1,247	554
372,586	414,747
1,141	0
<u>782,296</u>	<u>824,178</u>
<u>2,514,115</u>	<u>2,579,986</u>
(17,810,068)	(18,709,026)
(33,400)	(70,716)
<u>(\$17,843,468)</u>	<u>(\$18,779,742)</u>
\$11,133,684	\$11,475,144
1,006,786	1,019,211
6,050,575	6,992,396
230,977	390,834
241,730	241,454
(30,000)	0
<u>18,633,752</u>	<u>20,119,039</u>
30,000	0
<u>30,000</u>	<u>0</u>
<u>\$18,663,752</u>	<u>\$20,119,039</u>
\$823,684	\$1,410,013
(3,400)	(70,716)
<u>\$820,284</u>	<u>\$1,339,297</u>

Lakewood Local School District

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	1998	1999	2000	2001	2002
General Fund					
Reserved	\$1,020,350	\$826,469	\$853,309	\$1,117,700	\$999,976
Unreserved	1,299,074	568,741	98,542	110,981	1,485,182
<i>Total General Fund</i>	<u>2,319,424</u>	<u>1,395,210</u>	<u>951,851</u>	<u>1,228,681</u>	<u>2,485,158</u>
All Other Governmental Funds					
Reserved	110,441	2,108,358	1,530,129	132,676	79,288
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	203,759	210,435	352,720	277,192	270,828
Debt Service Funds	98,239	206,792	295,419	284,599	342,326
Capital Projects Funds	71,616	11,910,019	398,139	175,591	64,020
Total All Other Governmental Funds	<u>484,055</u>	<u>14,435,604</u>	<u>2,576,407</u>	<u>870,058</u>	<u>756,462</u>
<i>Total Governmental Funds</i>	<u><u>\$2,803,479</u></u>	<u><u>\$15,830,814</u></u>	<u><u>\$3,528,258</u></u>	<u><u>\$2,098,739</u></u>	<u><u>\$3,241,620</u></u>

Source: District Treasurer's Office

Lakewood Local School District

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$959,595	\$1,555,902	\$1,097,483	\$721,492	\$834,999
<u>1,058,426</u>	<u>489,187</u>	<u>1,675,053</u>	<u>3,080,139</u>	<u>4,209,277</u>
<u>2,018,021</u>	<u>2,045,089</u>	<u>2,772,536</u>	<u>3,801,631</u>	<u>5,044,276</u>
542,984	549,229	511,545	50,015	695,054
207,880	156,228	184,250	168,403	107,132
0	0	0	529,315	0
<u>23,131</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>0</u>
<u>773,995</u>	<u>705,457</u>	<u>695,798</u>	<u>747,733</u>	<u>802,186</u>
<u>\$2,792,016</u>	<u>\$2,750,546</u>	<u>\$3,468,334</u>	<u>\$4,549,364</u>	<u>\$5,846,462</u>

Lakewood Local School District

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	1998	1999	2000	2001
Revenues:				
Local Sources:				
Taxes	\$7,314,543	\$8,144,662	\$9,007,493	\$9,241,565
Tuition	40,783	29,445	140,950	270,058
Investment Earnings	151,399	592,142	626,060	280,172
Extracurricular Activities	206,183	174,413	191,797	213,453
Class Materials and Fees	0	0	2,788	20,176
Intermediate Sources	0	0	0	49,135
Intergovernmental - State	4,668,109	5,007,159	4,710,496	5,235,807
Intergovernmental - Federal	579,208	672,418	575,152	571,041
All Other Revenue	148,908	89,818	80,036	143,532
Total Revenue	<u>13,109,133</u>	<u>14,710,057</u>	<u>15,334,772</u>	<u>16,024,939</u>
Expenditures:				
Current:				
Instruction	7,292,331	7,447,163	7,611,912	8,553,652
Supporting Services:				
Pupils	707,589	687,770	740,460	905,096
Instructional Staff	406,243	381,268	403,396	785,850
Board of Education	10,787	44,482	21,042	17,346
Administration	1,303,167	1,322,896	1,249,101	1,263,031
Fiscal Services	121,918	336,237	470,326	379,774
Business	6,123	6,364	6,790	9,525
Operation and Maintenance of Plant	1,024,974	1,257,965	1,398,746	1,231,753
Pupil Transportation	999,813	793,761	968,410	859,607
Central	78,772	89,046	59,871	80,750
Operation of Non-Instructional Services	10,178	8,150	0	50,534
Extracurricular Activities	364,052	336,257	355,432	370,329
Other Expenditures	0	0	11,829	23,714
Capital Outlay	0	2,395,747	13,166,942	1,679,319
Debt Service:				
Principal Retirement	147,514	191,950	515,757	737,922
Interest and Fiscal Charges	53,873	307,999	773,471	751,543
Total Expenditures	<u>12,527,334</u>	<u>15,607,055</u>	<u>27,753,485</u>	<u>17,699,745</u>
Excess (Deficiency) of Revenues Over Expenditures	581,799	(896,998)	(12,418,713)	(1,674,806)

Lakewood Local School District

2002	2003	2004	2005	2006	2007
\$9,591,842	\$9,613,751	\$10,577,861	\$11,852,220	\$12,183,511	\$12,210,024
256,345	273,224	261,100	342,930	303,508	347,816
117,313	80,758	24,653	142,437	224,462	397,615
325,965	301,004	141,766	214,698	224,277	221,389
21,264	18,655	11,652	33,780	55,809	56,886
12,720	6,180	29,000	1,500	23,556	6,025
5,626,148	5,516,800	6,025,346	5,999,896	6,206,567	7,168,131
746,388	890,279	881,910	904,888	914,215	897,102
333,184	282,995	253,464	284,330	283,994	290,331
<u>17,031,169</u>	<u>16,983,646</u>	<u>18,206,752</u>	<u>19,776,679</u>	<u>20,419,899</u>	<u>21,595,319</u>
8,543,832	9,664,784	10,303,206	10,723,064	11,096,012	11,485,943
998,705	1,055,880	1,101,433	1,117,832	1,099,402	1,226,925
539,832	648,512	456,379	405,142	489,263	406,706
20,997	31,884	72,863	65,222	35,171	55,443
1,335,265	1,481,903	1,453,025	1,435,743	1,479,957	1,478,088
467,165	442,921	522,092	551,450	559,667	635,286
13,056	14,113	14,987	19,133	15,040	14,176
1,205,729	1,311,548	1,454,923	1,454,833	1,484,790	2,295,967
761,609	1,104,274	1,124,163	1,335,151	1,327,560	1,572,993
80,841	67,434	163,721	182,197	192,719	189,380
82,720	87,611	39,318	39,386	13,720	13,061
392,141	328,968	342,676	384,765	436,640	489,006
0	0	0	0	0	0
133,102	768,377	0	0	0	0
600,282	490,489	699,185	629,299	730,604	664,459
716,170	708,467	728,133	710,249	605,224	578,255
<u>15,891,446</u>	<u>18,207,165</u>	<u>18,476,104</u>	<u>19,053,466</u>	<u>19,565,769</u>	<u>21,105,688</u>
1,139,723	(1,223,519)	(269,352)	723,213	854,130	489,631

(Continued)

Lakewood Local School District

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	1998	1999	2000	2001
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	91,200	0
Energy Conservation Notes Issued	0	0	0	0
General Obligation Bonds Issued	0	15,592,899	0	0
General Obligation Notes Issued	0	0	0	0
Refunding General Obligation Bonds Issued	0	0	0	0
Premium on Refunding General Obligation Bonds	0	0	0	0
Other Financing Sources - Capital Leases	0	225,084	0	292,735
Payment to Refunded Bonds Escrow Agent	0	0	0	0
Transfers In	63,092	0	531,970	13,686
Transfers Out	(169,592)	(25,000)	(555,000)	(63,686)
Total Other Financing Sources (Uses)	<u>(106,500)</u>	<u>15,792,983</u>	<u>68,170</u>	<u>242,735</u>
Net Change in Fund Balance	<u>\$475,299</u>	<u>\$14,895,985</u>	<u>(\$12,350,543)</u>	<u>(\$1,432,071)</u>
Debt Service as a Percentage of Noncapital Expenditures	1.67%	3.92%	10.15%	10.51%

Source: District Treasurer's Office

Lakewood Local School District

2002	2003	2004	2005	2006	2007
0	850	241,013	2,956	0	833
0	0	0	0	0	802,984
0	0	0	0	0	0
0	726,650	0	0	0	0
0	0	0	0	9,999,991	0
0	0	0	0	667,467	0
0	36,415	0	0	116,162	0
0	0	0	0	(10,517,195)	0
9,874	0	107	0	0	8,027
(8,305)	0	(107)	0	(30,000)	(8,027)
<u>1,569</u>	<u>763,915</u>	<u>241,013</u>	<u>2,956</u>	<u>236,425</u>	<u>803,817</u>
<u>\$1,141,292</u>	<u>(\$459,604)</u>	<u>(\$28,339)</u>	<u>\$726,169</u>	<u>\$1,090,555</u>	<u>\$1,293,448</u>
9.30%	7.46%	8.61%	7.67%	7.45%	6.59%

Lakewood Local School District

Assessed Valuations and Estimated True Values of Taxable Property Last Ten Calendar Years

Tax year	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
			*	
Real Property				
Assessed	\$176,338,070	\$184,066,960	\$218,224,200	\$221,019,420
Actual	503,823,057	525,905,600	623,497,714	631,484,057
Public Utility				
Assessed	19,346,020	20,964,300	18,991,850	19,703,930
Actual	19,346,020	20,964,300	18,991,850	19,703,930
Tangible Personal Property				
Assessed	65,714,580	79,105,530	71,015,660	76,473,440
Actual	262,858,320	316,422,120	284,062,640	305,893,760
Total				
Assessed	261,398,670	284,136,790	308,231,710	317,196,790
Actual	786,027,397	863,292,020	926,552,204	957,081,747
Assessed Value as a Percentage of Actual Value	33.26%	32.91%	33.27%	33.14%
Total Direct Tax Rate	\$38.80	\$42.50	\$42.11	\$42.09

Source: Licking County Auditor

* Reappraisal

** Update

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

Lakewood Local School District

2001	2002 **	2003	2004	2005 *	2006
\$231,012,540	\$266,259,000	\$271,896,120	\$284,580,780	\$325,385,530	\$331,604,510
660,035,829	760,740,000	776,846,057	813,087,943	929,672,943	947,441,457
15,072,540	15,193,360	14,922,410	15,215,760	15,701,530	15,792,870
15,072,540	15,193,360	14,922,410	15,215,760	15,701,530	15,792,870
84,725,760	73,486,690	66,723,600	69,156,940	77,470,570	51,175,750
338,903,040	293,946,760	266,894,400	276,627,760	309,882,280	272,937,333
330,810,840	354,939,050	353,542,130	368,953,480	418,557,630	398,573,130
1,014,011,409	1,069,880,120	1,058,662,867	1,104,931,463	1,255,256,753	1,236,171,660
32.62%	33.18%	33.40%	33.39%	33.34%	32.24%
\$41.96	\$41.75	\$47.55	\$47.40	\$45.92	\$44.98

Lakewood Local School District

*Property Tax Rates of Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Calendar Years*

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Direct District Rates				
General Fund	38.80	38.80	38.80	38.80
Bond Retirement Fund	0.00	3.70	3.31	3.29
Total	<u>38.80</u>	<u>42.50</u>	<u>42.11</u>	<u>42.09</u>
Overlapping Rates				
Licking County Joint Vocational School	2.00	2.00	2.00	2.00
Licking County	7.20	7.20	7.20	7.20
Special Taxing Districts	51.80	55.80	58.80	61.80

Note: Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

Source:

Licking County Auditor's Office

Lakewood Local School District

2001	2002	2003	2004	2005	2006
38.80	38.80	44.60	44.60	43.72	42.75
3.16	2.95	2.95	2.80	2.20	2.23
41.96	41.75	47.55	47.40	45.92	44.98
2.00	3.00	2.80	3.00	3.00	3.00
7.20	7.20	7.20	7.20	7.20	7.40
56.80	56.80	54.80	63.80	89.00	89.00

Lakewood Local School District

*Principal Taxpayers
Tangible Personal Property Tax
Current Year and Four Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2006		
		Assessed Value	Rank	Percent of Total Assessed Value
Bayer Corporation	Plastic Pellets	\$9,669,060	1	18.89%
GE Quartz Inc.	Electronic	6,170,390	2	12.06%
Diebold Chemical	ATM Machines	4,097,560	3	8.01%
Dow Chemical	Research	3,701,460	4	7.23%
THK Manufacturing	Linier Motion Devices	3,327,030	5	6.50%
Scotts Company	Lawn Chemicals	2,915,580	6	5.70%
Constar International	Plastic Bottles	2,691,320	7	5.26%
Heritage Sportswear Inc.	clothing Distribution	2,274,540	8	4.44%
Sheffield Plastics Inc.	Plastic Products	2,191,400	9	4.28%
Ecolab Inc.	Cleaning Supplies	1,878,400	10	3.67%
	Subtotal	38,916,740		76.04%
	All Others	12,259,010		23.96%
	Total	<u>\$51,175,750</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2002		
		Assessed Value	Rank	Percent of Total Assessed Value
Bayer Corporation	Plastic Pellets	\$11,444,950	1	15.57%
GE Quartz Inc.(General Electric Co)	Electronic	8,417,400	2	11.45%
Diebold Inc.	ATM Machines	6,336,260	3	8.62%
Constar International	Plastic Bottles	5,843,300	4	7.95%
Dow Chemical	Research	5,192,790	5	7.07%
RR Donnelly & Sons Co.	Printing	4,810,400	6	6.55%
TKH Manufacturing of America	Linear Motion Devices	2,269,140	7	3.09%
Heritage Sportswear Inc	Clothing Distribution	2,077,250	8	2.83%
TI Group Automotive Supply Corp LLC	Automotive Tanks & Lines	1,957,830	9	2.66%
Owens Corning Fiberglas	Insulation/Building Materials	1,699,950	10	2.31%
	Subtotal	50,049,270		68.10%
	All Others	23,437,420		31.90%
	Total	<u>\$73,486,690</u>		<u>100.00%</u>

Note: Information was not available prior to 2002.

Source: Licking County Auditor - Land and Buildings
Based on valuation of property in 2006 and 2002

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Lakewood Local School District

*Principal Taxpayers
Real Estate Tax
Current Year and Four Years Ago*

Name of Taxpayer	Nature of Business	Calendar Year 2006		
		Assessed Value	Rank	Percent of Total Assessed Value
Paragano Nazario	Warehouse	\$2,516,500	1	0.76%
Black, Monte R & Susan K (MPW)	Industrial Cleaning	2,146,490	2	0.65%
Donnelly R R & Sons Co.	Printing	1,605,770	3	0.48%
Bayer Polymers Inc.	Plastic Pellets	1,457,160	4	0.44%
Hebron Business Park	Developer	1,452,430	5	0.44%
Kroger Company	Food	1,345,050	6	0.41%
Leon Zazworsky	Developer	1,267,210	7	0.38%
GE Quartz Inc	Electronics	1,211,250	8	0.37%
Diebold	ATM Machines	1,195,500	9	0.36%
Dow Chemical	Research	1,144,500	10	0.35%
Subtotal		15,341,860		4.64%
All Others		316,262,650		95.36%
Total		<u>\$331,604,510</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2002		
		Assessed Value	Rank	Percent of Total Assessed Value
Diebold	ATM Machines	\$1,844,650	1	0.82%
Black, Mote R & Susan K (MPW)	Industrial Cleaning	1,833,060	2	0.81%
RR Donnelly & Sons Co.	Prining	1,578,510	3	0.70%
G & C Diversified	Unknown	1,537,520	4	0.68%
Hebron Business Park	Developer	1,525,270	5	0.67%
TI Group Automotive Supply Corp LLC	Automotive Tanks & Lines	1,446,660	6	0.64%
Miles Inc.	Unknown	1,394,610	7	0.62%
Cranberry Pointe LTD	Developer	1,358,570	8	0.60%
RSN Holdings	Unknown	1,310,400	9	0.58%
Zazworsky, Leon	Developer	1,273,200	10	0.56%
Subtotal		15,102,450		6.68%
All Others		211,156,550		93.32%
Total		<u>\$226,259,000</u>		<u>100.00%</u>

Note: Information was not available prior to 2002.

Source: Licking County Auditor - Land and Buildings
Based on valuation of property in 2006 and 2002

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.



Lakewood Local School District

*Principal Taxpayers
Public Utilities Property Tax
Current Year and Four Years Ago*

		Calendar Year 2006		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Ohio Power	Electricity	\$7,573,840	1	47.96%
Licking Rural Electric	Electricity	1,092,470	2	6.92%
Alltel	Telephone	973,980	3	6.17%
Columbia Gas	Propane	861,820	4	5.46%
NGO Transmission	Pipelines	379,440	5	2.40%
National Gas and Oil Co.	Propane	329,950	6	2.09%
	Subtotal	11,211,500		71.00%
	All Others	4,581,370		29.00%
	Total	<u>\$15,792,870</u>		<u>100.00%</u>

		Calendar Year 2002		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Ohio Power Company	Electricity	\$4,516,960	1	29.73%
United Telephone	Telephone	1,885,830	2	12.41%
Columbia Gas Transmission	Propane Pipe Lines	1,587,970	3	10.45%
Alltel	Telephone	1,183,170	4	7.79%
National Gas and Oil Co.	Propane Pipe Lines	772,760	5	5.09%
Licking Rural Electric	Electricity	727,800	6	4.79%
Dominion Transmission Inc	Propane Pipe Lines	718,340	7	4.73%
Columbus Southern Power	Electricity	488,220	8	3.21%
Ohio Bell	Telephone	332,910	9	2.19%
Dayton Power and Light	Electricity	156,580	10	1.03%
	Subtotal	12,370,540		81.42%
	All Others	2,822,820		18.58%
	Total	<u>\$15,193,360</u>		<u>100.00%</u>

Note: Information was not available prior to 2002.

Source: Licking County Auditor - Land and Buildings
Based on valuation of property in 2006 and 2002

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

Lakewood Local School District

*Property Tax Levies and Collections
Last Ten Years*

Collection Year	<u>1997</u>	<u>1998</u>	<u>1999</u>
Total Tax Levy	\$8,044,640	\$8,675,326	\$9,760,002
Collections within the Fiscal Year of the Levy			
Current Tax Collections	7,534,599	7,833,034	8,929,261
Percent of Levy Collected	93.66%	90.29%	91.49%
Delinquent Tax Collections (1)	<u>122,192</u>	<u>231,877</u>	<u>310,285</u>
Total Tax Collections	7,656,791	8,064,911	9,239,546
Percent of Total Tax Collections To Tax Levy	95.18%	92.96%	94.67%
Accumulated Outstanding Delinquent Taxes	387,849	610,415	520,456
Percentage of Accumulated Delinquent Taxes to Total Tax Levy	4.82%	7.04%	5.33%

(1) The County does not identify delinquent tax collections by tax year.

Source: Licking County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Lakewood Local School District

2000	2001	2002	2003	2004	2005	2006
\$10,086,537	\$11,059,458	\$10,800,834	\$11,195,522	\$13,765,566	\$13,839,306	\$14,075,322
9,091,100	9,842,557	9,535,310	9,598,346	12,138,331	12,598,333	12,341,116
90.13%	89.00%	88.28%	85.73%	88.18%	91.03%	87.68%
224,533	361,062	327,740	272,575	644,850	407,672	737,187
9,315,633	10,203,619	9,863,050	9,870,921	12,783,181	13,006,005	13,078,303
92.36%	92.26%	91.32%	88.17%	92.86%	93.98%	92.92%
770,904	855,839	937,783	1,324,601	982,385	833,301	997,019
7.64%	7.74%	8.68%	11.83%	7.14%	6.02%	7.08%

Lakewood Local School District

Ratio of Outstanding Debt By Type Last Ten Years

	1998	1999	2000	2001
Governmental Activities (1)				
Long-Term Notes Payable	\$820,000	\$670,000	\$510,000	\$345,000
EPA Loan Payable	63,872	56,358	48,844	41,330
General Obligation Bonds Payable	0	15,598,685	15,351,279	15,050,116
Capital Leases	74,888	265,536	207,293	284,620
Total Primary Government	<u>\$958,760</u>	<u>\$16,590,579</u>	<u>\$16,117,416</u>	<u>\$15,721,066</u>
Population (2)				
Village of Buckeye Lake and Village of Hebron	5,135	5,348	5,286	5,083
Outstanding Debt Per Capita	187	3,102	3,049	3,093
Income (3)				
Personal (in thousands)	124,601	132,994	135,047	136,326
Percentage of Personal Income	0.77%	12.47%	11.93%	11.53%

Sources:

- (1) District Treasurer's Office
- (2) US Bureau of Census of Population - previous calendar year
- (3) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation based on previous calendar year.

Lakewood Local School District

2002	2003	2004	2005	2006	2007
\$165,000	\$841,650	\$713,985	\$581,320	\$508,655	\$1,207,539
33,815	26,300	18,786	11,272	3,758	0
14,746,122	14,435,360	14,119,055	13,803,616	13,525,751	13,156,289
231,853	210,294	277,301	188,181	203,918	142,317
<u>\$15,176,790</u>	<u>\$15,513,604</u>	<u>\$15,129,127</u>	<u>\$14,584,389</u>	<u>\$14,242,082</u>	<u>\$14,506,145</u>
5,120	5,136	5,167	5,169	5,083	5,202
2,964	3,021	2,928	2,822	2,802	2,789
139,622	142,550	145,952	153,442	155,077	158,708
10.87%	10.88%	10.37%	9.50%	9.18%	9.14%

Lakewood Local School District

Ratios of General Bonded Debt Outstanding Last Ten Years

Year	1998	1999	2000	2001
Population (1)	5,135	5,348	5,286	5,083
Assessed Value (2)	\$261,398,670	284,136,790	308,231,710	317,196,790
General Bonded Debt (3)				
General Obligation Bonds	0	15,598,685	15,351,279	15,050,116
Resources Available to Pay Principal (4)	0	134,403	184,671	163,310
Net General Bonded Debt	0	15,464,282	15,166,608	14,886,806
Ratio of Net Bonded Debt to Estimated Actual Value	0.00%	5.44%	4.92%	4.69%
Net Bonded Debt per Capita	0.00	2,891.60	2,869.20	2,928.74

Source:

- (1) U.S. Bureau of Census of Population - previous calendar year
- (2) Licking County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes.
There were no General Obligation Bonds prior to 1999.
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Lakewood Local School District

2002	2003	2004	2005	2006	2007
5,120	5,136	5,167	5,169	5,083	5,202
330,810,840	354,939,050	353,542,130	368,953,480	418,557,630	398,573,130
14,746,122	14,435,360	14,119,055	13,803,616	13,525,751	13,156,289
224,224	230,808	231,046	278,152	401,241	458,592
14,521,898	14,204,552	13,888,009	13,525,464	13,124,510	12,697,697
4.39%	4.00%	3.93%	3.67%	3.14%	3.19%
2,836.31	2,765.68	2,687.83	2,616.65	2,582.04	2,440.93



Lakewood Local School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2007*

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Lakewood Local School District (1)</u>	<u>Amount Applicable to Lakewood Local School District</u>
Direct:			
Lakewood Local School District	\$13,156,289	100.00%	\$13,156,289
Overlapping:			
Licking County	16,975,383	11.22%	1,904,638
Village of Hebron	1,125,000	100.00%	1,125,000
Licking County Career Center -JVS	31,750,000	10.93%	3,470,275
		Subtotal	<u>6,499,913</u>
		Total	<u><u>\$19,656,202</u></u>

Source: Ohio Municipal Advisory Council, June 2007

(1) Overlapping percentage was calculated by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

Lakewood Local School District

*Debt Limitations
Last Ten Years*

Collection Year	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Net Assessed Valuation	\$261,398,670	\$284,136,790	\$308,231,710	\$317,196,790
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	23,525,880	25,572,311	27,740,854	28,547,711
Applicable District Debt Outstanding	0	15,598,685	15,351,279	15,050,116
Less: Applicable Debt Service Fund Amounts (2)	0	(134,403)	(184,671)	(163,310)
Net Indebtedness Subject to Limitation	<u>0</u>	<u>15,464,282</u>	<u>15,166,608</u>	<u>14,886,806</u>
Overall Legal Debt Margin	<u>\$23,525,880</u>	<u>\$10,108,029</u>	<u>\$12,574,246</u>	<u>\$13,660,905</u>
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	261,399	284,137	308,232	317,197
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$261,399</u>	<u>\$284,137</u>	<u>\$308,232</u>	<u>\$317,197</u>
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	2,352,588	2,557,231	2,774,085	2,854,771
Applicable District Debt Outstanding	<u>(820,000)</u>	<u>(670,000)</u>	<u>(510,000)</u>	<u>(345,000)</u>
Unvoted Energy Conservation Loans Legal Debt Margin	<u>\$1,532,588</u>	<u>\$1,887,231</u>	<u>\$2,264,085</u>	<u>\$2,509,771</u>

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

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes. There were no general obligation bonds prior to 1999.

Lakewood Local School District

2002	2003	2004	2005	2006	2007
\$330,810,840	\$354,939,050	\$353,542,130	\$368,953,480	\$418,557,630	\$398,573,130
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
29,772,976	31,944,515	31,818,792	33,205,813	37,670,187	35,871,582
14,746,122	14,435,360	14,119,055	13,803,616	13,525,751	13,156,289
(224,224)	(230,808)	(231,046)	(278,152)	(401,241)	(458,592)
14,521,898	14,204,552	13,888,009	13,525,464	13,124,510	12,697,697
<u>\$15,251,078</u>	<u>\$17,739,963</u>	<u>\$17,930,783</u>	<u>\$19,680,349</u>	<u>\$24,545,677</u>	<u>\$23,173,885</u>
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
330,811	354,939	353,542	368,953	418,558	398,573
0	0	0	0	0	0
<u>\$330,811</u>	<u>\$354,939</u>	<u>\$353,542</u>	<u>\$368,953</u>	<u>\$418,558</u>	<u>\$398,573</u>
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
2,977,298	3,194,451	3,181,879	3,320,581	3,767,019	3,587,158
(165,000)	(841,650)	(713,985)	(581,320)	(508,655)	(1,207,539)
<u>\$2,812,298</u>	<u>\$2,352,801</u>	<u>\$2,467,894</u>	<u>\$2,739,261</u>	<u>\$3,258,364</u>	<u>\$2,379,619</u>

Lakewood Local School District

Demographic and Economic Statistics Last Ten Years

Calendar Year	1997	1998	1999	2000
Population (1)				
Village of Buckeye Lake and Village of Hebron	5,135	5,348	5,286	5,083
Licking County	135,686	141,393	143,697	145,491
Income (2) (a)				
Total Personal (in thousands)	124,601	132,994	135,047	136,326
Per Capita	24,265	24,868	25,548	26,820
Unemployment Rate (3)				
Federal	4.9%	4.5%	4.2%	3.8%
State	4.6%	4.3%	4.3%	3.7%
Licking County	3.9%	3.8%	3.8%	3.6%
Fiscal Year	1998	1999	2000	2001
School Enrollment (4)				
Grades K - 5	1,092	1,028	1,020	1,011
Grades 6 - 8	597	601	552	568
Grades 9 - 12	734	729	740	743
Non-Grade	13	18	27	16
Total	<u>2,436</u>	<u>2,376</u>	<u>2,339</u>	<u>2,338</u>

(1) US Bureau of Census of Population

(2) US Department of Commerce, Bureau of Economic Analysis

(a) Per Capita Income is only available by County (2006 not available),

Total Personal Income is a calculation

(3) State Department of Labor Statistics

(4) District Treasurer's Office, October enrollment figure.

Lakewood Local School District

2001	2002	2003	2004	2005	2006
5,120	5,136	5,167	5,169	5,083	5,202
147,397	148,680	150,634	152,866	154,806	156,287
139,622	142,550	145,952	153,442	155,077	158,708
27,270	27,755	28,247	29,685	30,509	30,509
4.8%	5.8%	6.0%	5.5%	5.0%	4.6%
4.3%	5.7%	6.1%	6.0%	5.9%	5.5%
3.2%	3.6%	6.0%	5.9%	5.8%	5.1%
2002	2003	2004	2005	2006	2007
1,002	1,039	1,011	1,021	995	1,018
533	499	513	518	525	525
725	721	723	713	692	687
18	18	18	18	5	4
2,278	2,277	2,265	2,270	2,217	2,234



Lakewood Local School District

Principal Employers Current Year and Eight Years Ago

Employer	Nature of Business	2007		
		Number of Employees	Rank	Percentage of Total Employment
THK	Linier Motion Devices	306	1	7.77%
Bear Creek	Distributor	260	2	6.60%
Poma Glass & Specialty (AFG)	Glass Finishing	135	3	3.43%
ECOLAB	Cleaning Supplies	124	4	3.15%
Heritage Sportswear	Clothing Dept	114	5	2.89%
The Boler Co.	Truck Axles	92	6	2.34%
Sunfield	Steel Stamping	87	7	2.21%
Allied Tube	Razor Wire/ Fencing	64	8	1.62%
Ohio Metal Tech	Auto Parts	58	9	1.47%
Renosol	Foam Auto Seats	53	10	1.35%
Total		<u>1,293</u>		
Total Employment within the District		<u>3,940</u>		

Employer	Nature of Business	1999		
		Number of Employees	Rank	Percentage of Total Employment
AFG Fabrication	Glass Finishing	243	1	10.20%
Bear Creek	Distributor	214	2	8.98%
Caine Corp	Fiberglass	204	3	8.56%
Ecolab	Cleaning Supplies	178	4	7.47%
Sunfield	Steel Stamping	149	5	6.25%
The Boler Co.	Truck Axles	137	6	5.75%
Heritage Sportswear	Clothing Dist.	128	7	5.37%
Ohio Metal Tech	Auto Parts	117	8	4.91%
THK	Linier Motion Devices	77	9	3.23%
Excel	Warehouse for Owens Corning	75	10	3.15%
Total		<u>1,522</u>		
Total Employment within the District		<u>2,383</u>		

Note: Information was not available prior to 1999.

Sources: Village of Hebron Administrative Offices

Lakewood Local School District

School District Employees by Type Last Eight Years

	2000	2001	2002	2003	2004
Supervisory					
Instructional Administrators	3	3	3	3	3
Noninstructional Administrators	2	3	3	3	3
Principals	5	5	5	5	5
Assistant Principals	3	4	3	3	3
Instruction					
Classroom Teachers					
Elementary	80	81	76	80	79
Middle	35	39	40	40	39
High	46	42	46	47	47
Student Services					
Guidance Counselors	4	4	4	4	4
Social Workers	0	1	1	1	1
Psychologists	0	1	1	1	1
Librarians	4	4	4	4	4
Other Professional Non-Instructional	0	0	0	0	0
Support Services					
Clerical/Secretaries	15	16	13	14	16
Aides/Safety Monitors	19	18	10	10	10
Food Service	23	24	21	19	21
Maintenance/Grounds	23	25	20	22	23
Transportation	31	32	30	28	34
<i>Total Employees</i>	<u>293</u>	<u>302</u>	<u>280</u>	<u>284</u>	<u>293</u>

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Note: Information was not available prior to 2000.

Source: District Treasurer's Office

Lakewood Local School District

<u>2005</u>	<u>2006</u>	<u>2007</u>
3	3	4
3	3	3
5	5	5
3	3	2
69	67	67
45	44	44
47	49	49
4	4	4
1	1	2
1	1	1
4	4	4
0	0	1
15	15	14
10	16	15
21	19	20
23	23	22
34	34	30
<u>288</u>	<u>291</u>	<u>287</u>

Lakewood Local School District

Operating Indicators - Cost per Pupil Last Eight Years

Fiscal Year	2000	2001	2002	2003	2004
Enrollment (October Count)	2,339	2,338	2,278	2,277	2,265
Modified Accrual Basis					
Operating Expenditures	14,541,691	15,890,289	15,753,285	17,403,015	18,452,973
Cost per Pupil	6,217	6,797	6,915	7,643	8,147
Percentage of Change	N/A	9.3%	1.7%	10.5%	6.6%
Accrual Basis (1)					
Expenses	N/A	N/A	\$15,801,745	\$17,712,301	\$18,484,604
Cost per Pupil	N/A	N/A	6,937	7,779	8,161
Percentage of Change	N/A	N/A	N/A	12.1%	4.9%
Teaching Staff	169	170	170	175	173
Pupil to Teacher Ratio (2)					
Lakewood	15.9	16.5	14.9	14.8	15.7
State Average	18.1	18.0	16.9	16.9	18.5

Note: Information was not available prior to 2000.

Source: District Treasurer's Office

(1) Expenses exclude interest and fiscal charges

(2) Provided by Ohio Department of Education

Lakewood Local School District

<u>2005</u>	<u>2006</u>	<u>2007</u>
2,270	2,217	2,234
19,035,724	19,565,769	21,105,688
8,386	8,825	9,447
2.9%	5.2%	7.0%
\$18,348,210	\$18,969,499	\$19,753,451
8,083	8,556	8,842
(1.0%)	5.9%	3.3%
169	168	168
15.7	13.2	13.3
18.5	18.6	19.6

Lakewood Local School District

Operating Indicators by Function Last Five Years

	2003	2004	2005	2006
Governmental Activities				
Pupils				
Enrollment	2,277	2,265	2,270	2,217
Graduates	156	149	160	158
Percent of Students with Disabilities	13.0%	12.7%	13.1%	14.3%
Percent of Students with English as Second Language	0%	0%	0%	0%
Board of Education				
Regularly scheduled board meeting per year	12	12	12	12
Administration				
School Attendance Rate	94.4%	94.4%	94.1%	94.6%
Fiscal Services				
Purchase Orders Processed	2,900	2,622	2,208	2,217
Checks Issued (non payroll)	2,772	2,731	2,557	2,899
Operation and Maintenance of Plant				
District Square Footage Maintained	357,393	357,393	357,393	357,393
District Square Acreage Maintained	114	114	114	114
Pupil Transportation				
Average Daily Students Transported	1,167	1,581	1,966	1,727
Average Daily Bus Fleet Miles	1,647	2,483	2,446	2,722
Number of Buses	31	29	29	30
Extracurricular Activities				
High School Varsity Teams	16	16	16	16
Business-Type Activities				
Food Service				
Student Lunches Served Annually	188,040	205,185	210,782	222,440
Free/Reduced Student Lunches Served Annually	72,559	85,916	84,450	100,377

Note: Indicators by Function are not available prior to 2003.

Source: District Treasurer's Office and Ohio Department of Education Report Card Data

Lakewood Local School District

2007

2,234

160

14.0%

0%

12

94.6%

2,012

2,833

357,393

114

1,754

2,299

32

16

223,445

104,025

Lakewood Local School District

*Operating Indicators - Teacher Base Salaries
Last Eight Years*

Fiscal Year	2000	2001	2002	2003	2004
Minimum Salary	23,645	23,645	25,300	26,312	27,233
Maximum Salary	47,881	47,881	51,233	55,781	57,734
District Average Salary	35,632	37,042	37,133	40,345	42,455
County Average Salary	38,285	39,529	41,058	42,473	44,590
State Average Salary	41,713	42,892	44,266	45,515	47,495

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education
Last Eight Years*

Fiscal Year	2000	2001	2002	2003	2004
Bachelor's Degree	28	30	21	24	22
Bachelor + 15	72	69	69	66	56
Master's Degree	69	71	80	66	74
Master's Degree + 15	0	0	0	19	21
Total	169	170	170	175	173

Source: District Treasurer's Office

Lakewood Local School District

2005	2006	2007
27,914	28,961	29,830
59,177	61,542	63,389
44,987	49,866	49,866
45,638	46,289	48,809
49,438	50,772	53,536

2005	2006	2007
20	14	14
52	53	49
64	64	58
33	37	47
169	168	168

Lakewood Local School District

Capital Asset Statistics by Building Last Seven Years

	2001	2002	2003	2004	2005
Secondary					
Lakewood Local High School					
Square Footage	150,848	150,848	150,848	150,848	150,848
Capacity (students)	1,000	1,000	1,000	1,000	1,000
Enrollment	743	725	720	723	713
Middle					
Lakewood Local Middle School					
Square Footage	60,700	60,700	60,700	60,700	60,700
Capacity (students)	720	720	720	720	720
Enrollment	568	533	497	513	518
Intermediate					
Lakewood Local Intermediate School					
Square Footage	50,238	50,238	50,238	50,238	50,238
Capacity (students)	525	525	525	525	525
Enrollment	328	340	348	334	334
Elementary					
Lakewood Local Jackson Elementary School					
Square Footage	24,869	24,869	24,869	24,869	24,869
Capacity (students)	450	450	450	450	450
Enrollment	274	263	282	302	302
Lakewood Local Hebron Elementary School					
Square Footage	58,138	58,138	58,138	58,138	58,138
Capacity (students)	675	675	675	675	675
Enrollment	409	396	403	375	385
All Other					
Central Administration Building					
Square Footage	3,696	3,696	3,696	3,696	3,696
Transportation/Maintenance/Food Service Building					
Square Footage	8,904	8,904	8,904	8,904	8,904

Note: District opened a new high school and was realigned in 2001.

Source: District Treasurer's Office

Lakewood Local School District

2006	2007
150,848	150,848
1,000	1,000
697	691
60,700	60,700
720	720
524	525
50,238	50,238
525	525
317	336
24,869	24,869
450	450
290	304
58,138	58,138
675	675
388	378
3,696	3,696
8,904	8,904

Lakewood Local School District

Educational and Operating Statistics Last Ten Years

	1998	1999	2000	2001
Cost per Student (ODE) (1)				
Lakewood	5,360	5,758	6,451	6,330
Ohio (Average)	6,232	6,642	7,057	7,591
Attendance Rate				
Lakewood	93.70%	93.30%	93.80%	93.80%
Ohio (Average)	93.90%	94.20%	97.20%	93.90%
Graduation Rate				
Lakewood	80.40%	86.50%	89.10%	87.70%
Ohio (Average) (2)	79.90%	81.40%	80.70%	81.20%

Source:

District's Student Records and Ohio Department of Education

(1) ODE calculation is not based on GAAP financial reports.

(2) ODE reports the previous year's graduation rate in their current year State Report Card.

Lakewood Local School District

2002	2003	2004	2005	2006	2007
6,683	7,507	7,594	7,865	8,202	8,548
8,073	8,441	8,768	9,048	9,356	9,586
94.60%	94.40%	94.40%	94.10%	94.60%	94.60%
94.30%	94.50%	94.50%	94.30%	94.10%	94.10%
85.20%	91.50%	92.90%	96.30%	87.60%	94.70%
82.80%	83.90%	84.30%	85.90%	86.20%	86.10%





Mary Taylor, CPA
Auditor of State

LAKWOOD LOCAL SCHOOL DISTRICT

LICKING COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 11, 2007**