

**WEST GEAUGA LOCAL SCHOOL DISTRICT
GEAUGA COUNTY, OHIO**

AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2010

Charles E. Harris and Associates, Inc.
Certified Public Accountants and Government Consultants



Dave Yost • Auditor of State

Board of Education
West Geauga Local School District
8615 Cedar Road
Chesterland, Ohio 44026

We have reviewed the *Independent Auditor's Report* of the West Geauga Local School District, Geauga County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2009 through June 30, 2010. 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 West Geauga Local School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

February 18, 2011

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**WEST GEAUGA LOCAL SCHOOL DISTRICT
GEAUGA COUNTY
For the Year Ending June 30, 2010**

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

West Geauga Local School District
Geauga County
8615 Cedar Road
Chesterland, Ohio 44026

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District, Geauga County (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 26, 2010. 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 Controls Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and timely corrected.

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

Compliance and Other Matters

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

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

Charles E. Harris and Associates, Inc.

December 26, 2010

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

West Geauga Local School District
Geauga County
8615 Cedar Road
Chesterland, Ohio 44026

To the Board of Education:

Compliance

We have audited the compliance of the West Geauga Local School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the West Geauga Local School District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, 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.

Schedule of Federal Awards Expenditures

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the West Geauga Local School District as of and for the year ended June 30, 2010 and have issued our report thereon dated December 26, 2010. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements. The accompanying Schedule of Federal Awards Expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

CHARLES E. HARRIS & ASSOCIATES, INC.

December 26, 2010

**WEST GEAUGA LOCAL SCHOOL DISTRICT
GEAUGA COUNTY
Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2010**

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Receipts	Expenditures
U.S. Department of Agriculture				
Nutrition Cluster:				
<i>Direct Program</i>				
Non-Cash Assistance:				
National School Lunch Program - See Note 2	10.555	n/a	\$ 23,452	\$ 23,452
<i>Pass through Ohio Department of Education</i>				
Cash Assistance:				
National School Lunch Program	10.555	047225-LLP4-2009	\$ 66,952	\$ 66,952
Total Nutrition Cluster			<u>90,404</u>	<u>90,404</u>
U.S. Department of Agriculture			90,404	90,404
U.S. Department of Education				
<i>Pass through Ohio Department of Education</i>				
ARRA-IDEA-B	84.391	N/A	308,234	311,994
IDEA - Part B - FY09	84.027	047225-6BSF-2009	16,256	5,275
IDEA - Part B - FY10	84.027	047225-6BSF-2010	435,216	421,093
Total IDEA - Part B			<u>759,706</u>	<u>738,362</u>
Title IIA - FY10	84.186	047225-DRS1-2010	46,413	46,456
Title III-LEP - FY 09	84.365	N/A	-	455
Title III-LEP - FY 10	84.365	N/A	3,820	-
Total Title III LEP			<u>3,820</u>	<u>455</u>
Innovative Education Program Strategies	84.298	047225-C2S1-2009	3,030	605
Innovative Education Program Strategies	84.298	047225-C2S1-2010	3,832	6,074
Total Innovative Education Program Strategies			<u>6,862</u>	<u>6,679</u>
ARRA-State Fiscal Stabilization	84.394	N/A	243,385	243,385
Title I	84.010	047225-TRS1-2009	22,760	21,907
Title I	84.010	047225-TRS1-2010	44,966	44,614
Total Title I			<u>67,726</u>	<u>66,521</u>
Title II-D	84.318	047225-TRS1-2009	517	263
Title II-D	84.318	047225-TRS1-2010	56	-
Total Title II-D			<u>573</u>	<u>263</u>
Total U.S. Department of Education			<u>1,128,485</u>	<u>1,102,121</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$ 1,218,889</u>	<u>\$ 1,192,525</u>

See Notes to the Schedule of Federal Awards Expenditures

WEST GEAUGA LOCAL SCHOOL DISTRICT
GEAUGA COUNTY
Notes to the Schedule of Federal Awards Expenditures
For the Year Ended June 30, 2010

1. SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures includes the federal grant activity of the District and is presented on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Certain revenues are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is incurred.

2. FOOD DISTRIBUTION - COMMODITIES

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

3. CHILD NUTRITION CLUSTER

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

4. CFDA – Catalog of Federal Domestic Assistance

5. N/A – Not applicable.

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

**West Geauga Local School District
Lucas County
June 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unqualified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Program's Compliance Opinion</i>	Unqualified
(d)(1)(vi)	<i>Are there any reportable findings under Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	ARRA-State Fiscal Stabilization Fund-CFDA# 84.394 ARRA-IDEA Part B-CFDA # 84.391 IDEA Part B-CFDA# 84.027
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > \$300,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee?</i>	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None.

**WEST GEAUGA LOCAL SCHOOL DISTRICT
GEAUGA COUNTY
JUNE 30, 2010**

SCHEDULE OF PRIOR AUDIT FINDINGS

The prior audit report, for the year ending June 30, 2009, reported no material citations or recommendations.



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Fiscal Year Ended
June 30, 2010**



West Geauga Local School District

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2010

Prepared By:
Michele Tullai, Treasurer and
Treasurer's Office Staff

West Geauga Local School District

Comprehensive Annual Financial Report
For The Year Ended June 30, 2010

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West Geauga Local School District

Comprehensive Annual Financial Report
For The Year Ended June 30, 2010

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West Geauga Local School District

Comprehensive Annual Financial Report
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INTRODUCTORY SECTION



Administrative Offices
8615 Cedar Road
Chesterland, Ohio 44026
(440) 729-5900
FAX (440) 729-5939

December 26, 2010

Board of Education Members
West Geauga Local School District

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all school districts file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2010.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the School District has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Charles E. Harris & Associates Inc. (Certified Public Accountants and Government Consultants), have issued an unqualified (“clean”) opinion on the West Geauga Local School District’s financial statements for the year ended June 30, 2010. The Independent Auditors’ Report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Description of the School District

The West Geauga Local School District is located in western Geauga County and includes all of Chester and Russell townships and portions of surrounding townships (Munson, South Russell and Hunting Valley). The School District operates two elementary schools (K-5), one middle school (6-8) and one high school (9-12).

Chester and Russell townships are picturesque semi-rural residential communities with most of the residential areas zoned at three to five acre minimums in Russell Township and one to three acre minimums in Chester Township. Housing types range from modest homes selling for \$150,000 to multi-million dollar homes. West Geauga Local School District residents also enjoy the presence of West Geauga Commons, a recreational park located in Russell Township. The School District includes small commercial districts located at the intersection of State Routes 306 and 87 in Russell Township and around the intersection of State Routes 306 and 322 in Chester Township.

West Geauga High School
13401 Chillicothe Road
Chesterland, Ohio 44026
(440) 729-5950
FAX (440) 729-5959

West Geauga Middle School
8611 Cedar Road
Chesterland, Ohio 44026
(440) 729-5940
FAX (440) 729-5909

R.C. Lindsey Elementary
11844 Caves Road
Chesterland, Ohio 44026
(440) 729-5980
FAX (440) 729-5989

Westwood Elementary
13738 Caves Road
Novelty, Ohio 44072
(440) 729-5990
FAX (440) 729-5924

Organization of the School District

The School District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the West Geauga Board of Education, consisting of five members elected at large for staggered four-year terms.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education, as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide education services mandated by state and/or federal agencies.

Reporting Entity

West Geauga Local Schools has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, organizations and agencies that make up West Geauga Local Schools.

Excluded from the reporting entity because they are fiscally independent of the School District are West Geauga Athletic Boosters, West Geauga Band Boosters, West Geauga Parent Teacher Organizations and the West Geauga Educational Foundation.

The School District is associated with four jointly governed organizations and one insurance purchasing pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, the West Geauga Joint Recreation Council and the Ohio School Boards Association Workers' Compensation Group Rating Plan.

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

Economic Condition and Future Outlook

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increases result in an approximately equal value decrease in millage. Currently, the voted permanent millage in the School District has been reduced to the state minimum of 20 mills. As a result, West Geauga Local Schools, as well as school districts throughout Ohio, must place operating funding issues on the ballot at regular intervals (usually every three to four years) to keep pace with inflation and mandated programming and services.

West Geauga Local Schools will continue to keep a tight watch on funds and will do so with little revenue growth from year to year. Circumstances will necessitate continuing to manage our financial resources in a prudent and conservative manner coupled with a combination of cost reductions and the possibility of additional levies to create revenue growth.

Financial Information and Relevant Financial Policies

Long-Term Financial Planning

The challenge for West Geauga Local Schools to educate children on a stringent budget is getting even more difficult for our School District. The School District is at the 20 mill floor and currently has two emergency levies. Funds are being used to maintain current programs in the School District. The School District received approximately 70% of its revenue from local taxes, 22% from the state, 3% from the federal government and 5% from other sources.

Financial Policy

Pursuant to statute, the state prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with the financial report for the 1983 fiscal year.

Internal Accounting and Budgetary Control

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

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

Prior to the beginning of each fiscal year, the board of education adopts an appropriations measure for that fiscal year. By statute, permanent appropriations must be adopted upon receipt from the county auditor of an amended certificate of estimated resources based on final assessed values and tax rates.

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

All disbursements and transfers of cash between funds require appropriation authority from the board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the appropriate administrator and the superintendent and must be certified by the treasurer. Necessary funds are then encumbered, and purchase orders are released to vendors. Those requests, which exceed the available appropriation, are rejected until additional appropriations are secured.

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

Each account administrator is provided with monthly reports showing the status of the budget accounts for which he/she is responsible. In addition, an online inquiry system is available at each administrative cost center.

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

Major Initiatives and Accomplishments

The School District's average daily student enrollment was 2,245 for fiscal year 2010. The School District expenditure per pupil for fiscal year 2010 was \$11,332. The School District received an overall rating of “Excellent with Distinction” on the August 2010 Local Report Card issued by the Ohio Department of Education by scoring 26 out of 26 state indicators. Achievement test results in comparison with the state for fiscal year 2010 are as follows:

		<u>WG 10</u>	<u>WG 09</u>	<u>State 10</u>
3 rd Grade	Reading	92.1%	93.0%	78.4%
	Mathematics	83.9%	92.9%	76.9%
4 th Grade	Reading	91.1%	97.3%	81.0%
	Writing	N/C	95.2%	N/C
5 th Grade	Mathematics	91.1%	95.9%	76.2%
	Reading	88.3%	93.2%	71.8%
	Mathematics	86.4%	83.6%	67.0%
6 th Grade	Science	88.3%	93.8%	69.9%
	Social Studies	N/C	89.7%	N/C
	Reading	94.4%	96.1%	84.1%
	Mathematics	87.6%	87.6%	77.4%
7 th Grade	Reading	94.7%	93.4%	80.2%
	Mathematics	84.0%	90.9%	71.1%
	Writing	N/C	91.9%	80.5%
8 th Grade	Reading	93.1%	88.2%	80.9%
	Mathematics	93.6%	88.2%	69.2%
	Science	86.3%	86.3%	64.8%
	Social Studies	N/C	72.1%	N/C
10 th Grade OGT	Reading	95.3%	93.8%	83.0%
	Mathematics	94.4%	95.4%	80.4%
	Writing	94.4%	97.1%	84.1%
	Science	92.0%	91.7%	73.0%
	Social Studies	92.9%	92.9%	79.6%
11 th Grade OGT	Reading	97.5%	98.3%	91.6%
	Mathematics	97.1%	96.2%	89.2%
	Writing	98.3%	100%	93.2%
	Science	95.9%	96.2%	85.1%
	Social Studies	95.9%	97.4%	88.7%

Community

The mission of the West Geauga Local Schools is to help students reach their academic and career potential and pursue high ethical standards. To achieve this, we blend traditional practices with proven educational innovations, including technology, in an effort to achieve and maintain a standard of excellence.

While holding these high expectations for our students is not new, the way our schools' and student achievement is measured and reported has changed due to the new federal law known as the No Child Left Behind Act (NCLB). President George W. Bush signed NCLB into law in January 2002. The goal of this legislation is to improve the achievement of every child in every classroom in every school. As a result of this legislation, states are required to "raise the bar" by tracking adequate yearly progress (AYP) each year in order to meet the NCLB goal of having all students, including those with disabilities previously exempted, proficient in reading and math by the 2013-14 school year.

While AYP is based on state test results, we believe our students are learning much more than what's measured on a single test on a single day. And while the bar has been raised, making it more difficult to reach all 26 indicators, this new reporting system gives schools an opportunity to make sure that ALL students succeed by tracking and measuring individual student's progress.

The primary focus of West Geauga Local Schools continues to be on educational programming. The School District's programming serves our students, parents and community in an effort to continuously improve. This process involves assessing current programs, identifying areas in which to improve, developing options, selecting the best options, gathering measurable data and analyzing the results.

Thus, the challenge to provide the funds for our own programs with limited funding, in addition to providing money for unfunded government mandates at a time when state financial support is stagnant, remains a priority for the School District.

Other Information

National Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The School District was awarded the Certificate of Achievement for the fiscal year 2009 report. We believe that our current report conforms to the award requirements, and we are submitting it to GFOA for consideration.

Additional Information

For a more in depth discussion of the financial condition of the West Geauga Local School District, please refer to the Management's Discussion and Analysis and the Notes to the Basic Financial Statement of the Comprehensive Annual Financial Report.

Acknowledgements

The publication of this report significantly enhances the School District's accountability to the residents of the West Geauga Local School District. The preparation of this report would not have been possible without the work and support of Lennon & Company. In addition, the staff of the treasurer's office, various administrators and staff members of the School District, the Geauga County Auditor's Office staff and other outside agencies made possible the fair presentation of statistical data.

Finally, sincere appreciation is extended to the members of the West Geauga Board of Education for their support.

Respectfully submitted,



Michele Tullai
West Geauga Local School District Treasurer



Dr. Anthony Podojil
West Geauga Local School District Superintendent

Certificate of Achievement for Excellence in Financial Reporting

Presented to

West Geauga Local School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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

West Geauga Local School District

Principal Officials
June 30, 2010

Board of Education

Dr. William Beers President
Mr. Dean Patterson Vice President
Mr. Michael Kilroy Member
Mr. Ben Pintabona Member
Mrs. Sally Gillmore Member

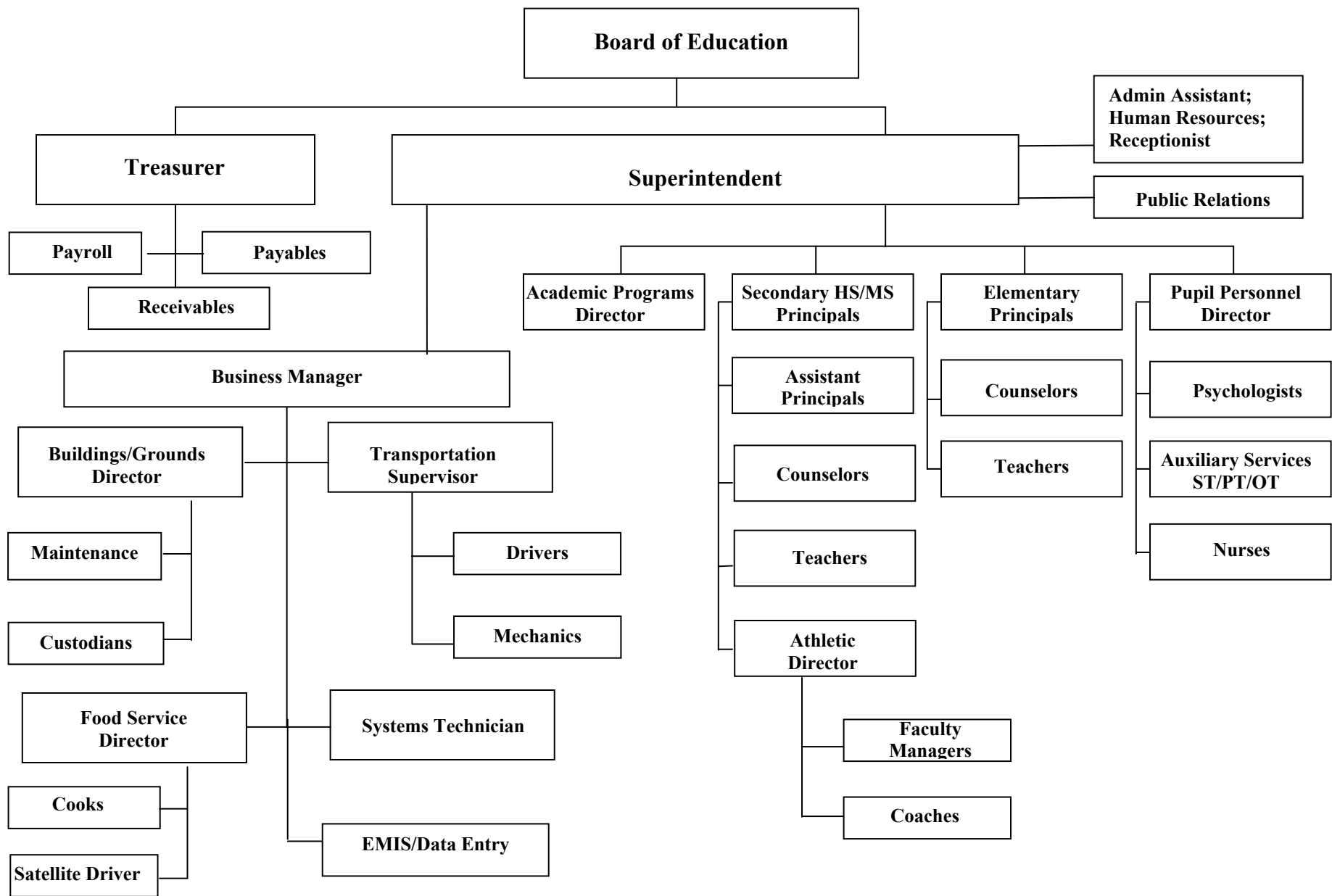
Treasurer

Mrs. Michele Tullai

Superintendent

Dr. Anthony Podojil

West Geauga Local School District





FINANCIAL SECTION

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

West Geauga Local School District
Geauga County
8615 Cedar Road
Chesterland, Ohio 44026

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of West Geauga Local School District, Geauga County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

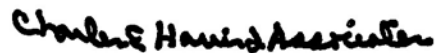
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District, Geauga County, Ohio, as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2010, on our consideration of the District's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal controls over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

The management's discussion and analysis information is not a required part of the basic financial statements but 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.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and budgetary schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and budgetary 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 and statistical sections 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 black ink that reads "Charles E. Harris". The signature is written in a cursive, slightly slanted style.

Charles E. Harris and Associates, Inc.
December 26, 2010

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

The discussion and analysis of the West Geauga Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- In total, net assets increased \$2,159,591. Net assets of governmental activities increased \$2,268,708, a 20.64% increase from 2009. Net assets of business-type activities decreased \$109,117, which represents an 8.51% decrease from 2009.
- General revenues accounted for \$25,786,569 in revenue or 87.06% of all revenues. Program specific revenues in the form of charges for services, operating grants, contributions and interest, and capital grants and contributions accounted for \$3,134,191 in revenue or 10.58% of all revenues. The total of all revenues was \$29,620,816 for 2010.
- The School District had \$26,436,986 of expenses related to government activities. \$3,134,191 of these expenses was offset by charges for services or operating and capital grants. General revenues supporting governmental activities (primarily property taxes, unrestricted grants and entitlements) of \$25,786,569 were adequate to provide for the balance of these programs resulting in a \$2,268,708 increase in net assets from \$10,991,910 in 2009 to \$13,260,618 in 2010.
- The School District had \$1,024,239 of expenses related to business-type activities. \$700,056 of these expenses was offset by charges for services or operating grants. The transfer supporting business-type activities of \$215,066 was not sufficient to provide for these programs resulting in a \$109,117 decrease in net assets from \$1,282,842 in 2009 to \$1,173,725 in 2010.
- The School District has two major governmental funds, the general fund and the debt service fund. The general fund had \$23,632,630 in revenues and \$23,983,255 in expenses. The general fund's balance decreased \$568,078 from \$4,834,098 as of June 30, 2009 to \$4,266,020 at June 30, 2010. The debt service's fund balance decreased \$477,921 from \$1,659,364 at June 30, 2009 to \$1,181,443 at June 30, 2010.

Using this Comprehensive Annual Financial Report

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

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

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

Reporting the School District as a Whole

The Statement of Net Assets and Statement of Activities

While reading these reports the most important questions asked about the School District's finances are, "How did we do financially during 2010?" and "Is the School District better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the School District as a whole and about its activities in a manner that helps to answer these questions. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the School District's net assets and changes in those assets. The change in net assets provides the reader a tool to assist in determining whether the School District's financial health is improving or diminishing. Non-financial factors such as property tax base, current property tax laws in Ohio which restrict revenue growth, student enrollment changes and facility conditions should be considered when reviewing the overall position of the School District.

In the Statement of Net Assets and the Statement of Activities the School District is divided into two types of activities, governmental activities and business-type activities. Governmental activities, the larger of the two, include instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. Business-type activities include those services that are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. Food services are included in business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Our analysis of the School District's major funds begins on page 8. Some funds are required to be established by State statute, while many other funds are established by the School District to help manage money for particular purposes and compliance with various grant provisions. The School District's three types of funds, governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

Most of the School 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 other financial assets that can readily be converted to cash.

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the School District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

Proprietary Funds

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

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School District, total assets exceeded liabilities by \$14,434,343 at June 30, 2010 and \$12,274,752 at June 30, 2009.

A comparative analysis of fiscal year 2010 to 2009 follows:

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Assets:						
Current assets	\$ 26,732,606	\$ 27,312,447	\$ 109,243	\$ 152,052	\$ 26,841,849	\$ 27,464,499
Capital assets	<u>15,799,104</u>	<u>15,370,662</u>	<u>1,200,169</u>	<u>1,204,409</u>	<u>16,999,273</u>	<u>16,575,071</u>
<i>Total assets</i>	<u>42,531,710</u>	<u>42,683,109</u>	<u>1,309,412</u>	<u>1,356,461</u>	<u>43,841,122</u>	<u>44,039,570</u>
Liabilities:						
Current liabilities	20,165,491	19,964,913	105,350	47,057	20,270,841	20,011,970
Long-term liabilities	<u>9,105,601</u>	<u>11,726,286</u>	<u>30,337</u>	<u>26,562</u>	<u>9,135,938</u>	<u>11,752,848</u>
<i>Total liabilities</i>	<u>29,271,092</u>	<u>31,691,199</u>	<u>135,687</u>	<u>73,619</u>	<u>29,406,779</u>	<u>31,764,818</u>
Net assets:						
Invested in capital						
assets, net of debt	8,359,303	5,900,292	1,200,169	1,204,409	9,559,472	7,104,701
Restricted	2,295,568	2,348,020	-	-	2,295,568	2,348,020
Unrestricted	<u>2,605,747</u>	<u>2,743,598</u>	<u>(26,444)</u>	<u>78,433</u>	<u>2,579,303</u>	<u>2,822,031</u>
<i>Total net assets</i>	<u>\$ 13,260,618</u>	<u>\$ 10,991,910</u>	<u>\$ 1,173,725</u>	<u>\$ 1,282,842</u>	<u>\$ 14,434,343</u>	<u>\$ 12,274,752</u>

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

The following table gives readers further details regarding the results of activities for the current and previous year and what makes up the changes in net assets.

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

	Changes in Net Assets			
	Governmental Activities		Business-type Activities	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Revenue:				
Program revenues:				
Charges for services	\$ 1,359,578	\$ 1,163,887	\$ 609,466	\$ 633,571
Operating grants, contributions, and interest	1,768,043	1,293,945	90,590	79,026
Capital grants and contributions	6,570	23,466	-	-
Total program revenue	<u>3,134,191</u>	<u>2,481,298</u>	<u>700,056</u>	<u>712,597</u>
General revenues:				
Property taxes	18,846,531	19,907,428	-	-
Grants and entitlements	6,790,611	7,049,554	-	-
Investment earnings	118,459	237,115	-	-
Miscellaneous	23,654	8,977	-	-
Capital contributions	7,314	-	-	-
Total general revenue	<u>25,786,569</u>	<u>27,203,074</u>	<u>-</u>	<u>-</u>
Total revenue	<u>28,920,760</u>	<u>29,684,372</u>	<u>700,056</u>	<u>712,597</u>
Expenses:				
Instruction:				
Regular	10,066,334	10,694,447	-	-
Special	3,538,688	3,077,259	-	-
Vocational	289,587	214,889	-	-
Student intervention services	24,156	15,000	-	-
Other	505,827	425,899	-	-
Support services:				
Pupils	2,008,819	2,264,365	-	-
Instructional staff	833,338	804,471	-	-
Board of education	70,832	68,921	-	-
Administration	1,886,260	1,840,520	-	-
Fiscal	674,803	585,951	-	-
Business	356,402	332,112	-	-
Operation and maintenance of plant	2,270,317	2,544,297	-	-
Pupil transportation	2,007,110	2,048,743	-	-
Central	82,197	83,631	-	-
Community services	455,226	524,520	-	-
Enterprise operations	1,257	100	-	-
Extracurricular activities	960,079	897,337	-	-
Interest and fiscal charges	405,754	518,186	-	-
Food services	-	-	764,410	710,305
Uniform school supplies	-	-	259,829	271,611
Total expenses	<u>26,436,986</u>	<u>26,940,648</u>	<u>1,024,239</u>	<u>981,916</u>
Total excess of revenues over (under) expenses before transfers	<u>2,483,774</u>	<u>2,743,724</u>	<u>(324,183)</u>	<u>(269,319)</u>
Transfers	<u>(215,066)</u>	<u>(170,569)</u>	<u>215,066</u>	<u>170,569</u>
Changes in net assets	<u>\$ 2,268,708</u>	<u>\$ 2,573,155</u>	<u>\$ (109,117)</u>	<u>\$ (98,750)</u>

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

A portion of the School District's net assets, \$2,295,568, represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted net assets, \$538,900 is restricted for set asides, \$107,482 is restricted for extracurricular activities, \$51,383 is restricted for auxiliary services, \$271,207 is restricted for capital projects, \$1,166,816 is restricted for debt service and \$159,780 is restricted for other purposes. The remaining balance of net assets of \$2,605,747 is unrestricted for governmental activities.

For the current fiscal year restricted for other purposes was broken down into specific categories and is now being reported as restricted for extracurricular activities, and restricted for auxiliary services. A comparative analysis will be presented in future years when prior year information is available.

Net assets of the School District's governmental activities increased \$2,268,708. This increase was mainly due to an increase in charges for services and total revenue exceeding total expenditures during the current fiscal year. Total governmental expenses of \$26,436,986 were primarily offset by program revenues of \$3,134,191 and general revenues of \$25,786,569. Program revenues supported 10.58% of the total governmental expenses.

The School District has carefully planned its financial existence by forecasting its revenues and expenses over the next five years. The School District's revenue growth is mostly dependent upon property tax increases. Property taxes made up 65.2% of revenues for governmental activities for the School District in fiscal year 2010. Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating cost.

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

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

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

	Governmental Activities			
	<u>Total Cost of Services 2010</u>	<u>Net Cost of Services 2010</u>	<u>Total Cost of Services 2009</u>	<u>Net Cost of Services 2009</u>
Program expenses:				
Instruction:				
Regular	\$ 10,066,334	\$ (9,228,620)	\$ 10,694,447	\$ (9,952,460)
Special	3,538,688	(2,756,488)	3,077,259	(2,772,482)
Vocational	289,587	(289,587)	214,889	(194,274)
Student intervention	24,156	(7,900)	15,000	(15,000)
Other	505,827	(372,235)	425,899	(425,899)
Support services:				
Pupils	2,008,819	(1,703,239)	2,264,365	(1,843,318)
Instructional staff	833,338	(646,801)	804,471	(790,097)
Board of education	70,832	(70,832)	68,921	(68,921)
Administration	1,886,260	(1,864,306)	1,840,520	(1,770,406)
Fiscal	674,803	(674,803)	585,951	(585,951)
Business	356,402	(356,402)	332,112	(332,112)
Operation and maintenance of plant	2,270,317	(2,263,165)	2,544,297	(2,531,818)
Pupil transportation	2,007,110	(1,998,828)	2,048,743	(2,013,193)
Central	82,197	(73,052)	83,631	(71,631)
Community services	455,226	(33,174)	524,520	(54,472)
Enterprise operations	1,257	(1,257)	100	700
Extracurricular activities	960,079	(556,352)	897,337	(519,830)
Interest and fiscal charges	405,754	(405,754)	518,186	(518,186)
Total expenses	<u>\$ 26,436,986</u>	<u>\$ (23,302,795)</u>	<u>\$ 26,940,648</u>	<u>\$ (24,459,350)</u>

Business-Type Activities

Business-type activities include food service operation, uniform supplies, and adult education. These programs had revenues of \$700,056, expenses of \$1,024,239, and transfers-in of \$215,066 for fiscal year 2010, and revenues of \$712,597, expenses of \$981,916, and transfers-in of \$170,569 for fiscal year 2009. The food service operations had expenses of \$764,410, revenues of \$470,188, and transfers-in of \$215,066 for fiscal year 2010, and expenses of \$710,305, revenues of \$463,338, and transfers-in of \$170,569 for fiscal year 2009. This resulted in a decrease to net assets for the fiscal year 2010 of \$79,156. The uniform supplies operations had expenses of \$259,829, revenues of \$229,868 for fiscal year 2010, and expenses of \$271,611, revenues of \$249,259 for fiscal year 2009. This resulted in a decrease to net assets for fiscal year 2010 of \$29,961. The adult education operations had no expenses or revenues for both fiscal years 2010 and 2009. Management assesses the performance of each of these funds to ensure that they are run efficiently.

The School District's Funds

The School District's governmental funds (as presented on the balance sheet on page 16) reported a combined fund balance of \$6,000,902, which is a \$825,343 decrease from last year's total of \$6,826,245. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2010 and 2009.

West Geauga Local School District
 Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

	Fund Balance <u>June 30, 2010</u>	Fund Balance <u>June 30, 2009</u>	Increase (Decrease) <u></u>
General	\$ 4,266,020	\$ 4,834,098	\$ (568,078)
Debt service	1,181,443	1,659,364	(477,921)
Other government	<u>553,439</u>	<u>332,783</u>	<u>220,656</u>
Total	<u>\$ 6,000,902</u>	<u>\$ 6,826,245</u>	<u>\$ (825,343)</u>

General Fund

The School District's general fund balance decreased by \$568,078 this was due to several factors. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

	2010 <u>Amount</u>	2009 <u>Amount</u>	Percent <u>Change</u>
Taxes	\$ 16,170,926	\$ 16,499,585	-2.0%
Intergovernmental	6,549,417	6,801,850	-3.7%
Interest	118,459	237,115	-50.0%
Tuition and fees	750,131	637,737	17.6%
Extracurricular activities	-	800	-100.0%
Gifts and donations	600	-	100.0%
Charges for services	13,746	16,310	-15.7%
Rent	5,702	6,291	-9.4%
Miscellaneous	<u>23,649</u>	<u>6,728</u>	251.5%
Total	<u>\$ 23,632,630</u>	<u>\$ 24,206,416</u>	

The property tax revenue and intergovernmental revenues decreased \$581,092 for the current fiscal year. Tuition and fees increased by \$112,394 due to an increase in student fees and extracurricular activity fees.

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

<u>Expenditures by Function</u>	2010 <u>Amount</u>	2009 <u>Amount</u>	Percent <u>Change</u>
Instruction	\$ 13,128,148	\$ 13,575,282	-3.3%
Support services	9,140,811	9,488,699	-3.7%
Extracurricular activities	534,847	505,579	5.8%
Operation of non-instructional services	1,257	100	1157.0%
Capital outlay	<u>1,178,192</u>	<u>415,371</u>	183.6%
	<u>\$ 23,983,255</u>	<u>\$ 23,985,031</u>	

Expenditures were down \$1,776 or 0.01% from the prior year. Expenditures related to instruction and support services were the primary cause to the decrease in expenditures.

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

Debt Service Fund

The School District's debt service fund balance decreased by \$477,921 due to expenditures exceeding revenues for the fiscal year. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenses of the fund include debt principal and interest payments as well as county auditor and treasurer fees. The remaining fund balance will be used to make upcoming debt payments as they become due.

Other Funds

Other governmental funds consist of special revenue and capital projects funds. The increase/decrease in fund balance is primarily due to project needs in the fiscal year.

General Fund Budget Information

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

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

For the general fund, final budget basis revenue was \$23,859,011, the original budget estimate of \$24,146,322. Of this \$287,311 difference, intergovernmental revenues were approximately \$288,782 under original estimates and property taxes and tuition and fees were \$46,192 and \$71,154 over original estimates. Such differences can be expected due to the use of estimates and the uncertainty of property taxes, the amounts of which are unknown during the original budgeting process.

The difference between the original budget appropriations and the final amended budget appropriations of the general fund were approximately \$383,649. This decrease was not attributed to any one significant item.

Actual revenue was \$24,057,235, which increased by \$198,224 from the final estimate. Even though the School District became aware of unexpected revenues, there was no intention of spending these additional revenues in any specific area, and expenditures were carefully monitored. Actual expenditures were \$258,725 under the final budget.

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

Capital Assets

The School District had \$16,999,273 invested in capital assets net of depreciation, with \$15,799,104 attributed to governmental activities. Acquisition for governmental activities totaled \$1,366,904 and depreciation was \$882,524. The majority of the additions were represented by acquisition of building improvements, furniture and equipment, and vehicles. Detailed information regarding capital asset activities is included in the notes to the financial statements (Note 8).

Debt Administration

At June 30, 2010, the School District had \$6,795,000 in outstanding bonds payable. Of this total, \$1,920,000 is due within one year and \$4,875,000 is due through fiscal year 2020. The School District paid \$1,905,000 in principal on bonds outstanding during the fiscal year. Detailed information regarding long term debt and notes payable activity is included in the Note 14 to the basic financial statements.

Under current state statutes, the School District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total value of real property. At June 30, 2010, the School District's general obligation debt was below the legal limit.

Restrictions and Other Limitations

The first challenge is for management to ensure resources can be preserved as long as possible. Operating and capital budgets are being utilized by management to manage financial resources effectively. The School District has convened a Finance Advisory Community Team (FACT) to develop a financial strategy for the West Geauga Local School District that balances community resources and expectations with federal and state mandates and required academic outcomes.

The second challenge facing the School District is based in the local economy. The School District has experienced minimal growth during the past several years. Projections indicate that the growth rate of the School District will remain level for the next five years. If this pattern changes, adjustments may have to be made to the financial models upon which time more information is known. Also, a sustained economic slowdown could result in revenue forecasts having to be revised downward. Either of these scenarios could cause the School District to scale down the educational program offerings or seek additional resources.

West Geauga Local School District
Management's Discussion and Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2010

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Treasurer Michele Tullai, West Geauga Local School District, 8615 Cedar Road, Chesterland, Ohio 44026 or call (440) 729-5900.

West Geauga Local School District

Statement of Net Assets

June 30, 2010

	Primary Government		Total
	Governmental Activities	Business - Type Activities	
Assets:			
Equity in pooled cash and cash equivalents	\$ 6,913,554	\$ 93,228	\$ 7,006,782
Receivables:			
Accounts	81,635	339	81,974
Intergovernmental	134,980	-	134,980
Taxes	19,594,082	-	19,594,082
Prepaid items	8,355	-	8,355
Inventory held for resale	-	13,324	13,324
Materials and supplies inventory	-	2,352	2,352
Capital assets:			
Nondepreciable capital assets	590,951	-	590,951
Depreciable capital assets, net	15,208,153	1,200,169	16,408,322
Total capital assets	15,799,104	1,200,169	16,999,273
Total assets	42,531,710	1,309,412	43,841,122
Liabilities:			
Accounts payable	151,955	45,870	197,825
Accrued wages	1,761,106	30,531	1,791,637
Intergovernmental payable	809,604	28,949	838,553
Early retirement incentive payable	25,000	-	25,000
Compensated absences payable	5,146	-	5,146
Deferred revenue	17,359,695	-	17,359,695
Accrued interest payable	52,985	-	52,985
Long-term liabilities:			
Due within one year	2,310,994	6,550	2,317,544
Due in more than one year	6,794,607	23,787	6,818,394
Total liabilities	29,271,092	135,687	29,406,779
Net assets:			
Invested in capital assets, net of related debt	8,359,303	1,200,169	9,559,472
Restricted for:			
Capital projects	271,207	-	271,207
Debt service	1,166,816	-	1,166,816
Set asides	538,900	-	538,900
Extracurricular activities	107,482	-	107,482
Auxiliary services	51,383	-	51,383
Other purposes	159,780	-	159,780
Unrestricted	2,605,747	(26,444)	2,579,303
Total net assets	\$ 13,260,618	\$ 1,173,725	\$ 14,434,343

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

West Geauga Local School District

Statement of Activities

For the Fiscal Year Ended June 30, 2010

	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities:				
Instruction:				
Regular	\$ 10,066,334	\$ 766,165	\$ 71,549	\$ -
Special	3,538,688	212,462	569,738	-
Vocational	289,587	-	-	-
Student intervention services	24,156	-	16,256	-
Other	505,827	-	133,592	-
Support services:				
Pupils	2,008,819	-	305,580	-
Instructional staff	833,338	-	186,537	-
Board of education	70,832	-	-	-
Administration	1,886,260	-	21,954	-
Fiscal	674,803	-	-	-
Business	356,402	-	-	-
Operation and maintenance of plant	2,270,317	5,702	-	1,450
Pupil transportation	2,007,110	8,282	-	-
Central	82,197	-	9,145	-
Operation of non-instructional services:				
Community services	455,226	-	416,932	5,120
Enterprise operations	1,257	-	-	-
Extracurricular activities	960,079	366,967	36,760	-
Interest and fiscal charges	405,754	-	-	-
Total governmental activities	26,436,986	1,359,578	1,768,043	6,570
Business-type Activities:				
Food service	764,410	379,598	90,590	-
Uniform supplies	259,829	229,868	-	-
Total Business-Type Activities	1,024,239	609,466	90,590	-
Totals	\$ 27,461,225	\$ 1,969,044	\$ 1,858,633	\$ 6,570

General Revenues:
 Property taxes levied for:
 General purposes
 Debt service
 Capital outlay
 Grants and entitlements not restricted to specific programs
 Investment earnings
 Miscellaneous
 Capital contributions
 Total general revenues

 Transfers
 Total general revenues and transfers

 Change in net assets

 Net assets beginning of year
 Net assets end of year

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

Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (9,228,620)	\$ -	\$ (9,228,620)
(2,756,488)	-	(2,756,488)
(289,587)	-	(289,587)
(7,900)	-	(7,900)
(372,235)	-	(372,235)
(1,703,239)	-	(1,703,239)
(646,801)	-	(646,801)
(70,832)	-	(70,832)
(1,864,306)	-	(1,864,306)
(674,803)	-	(674,803)
(356,402)	-	(356,402)
(2,263,165)	-	(2,263,165)
(1,998,828)	-	(1,998,828)
(73,052)	-	(73,052)
(33,174)	-	(33,174)
(1,257)	-	(1,257)
(556,352)	-	(556,352)
(405,754)	-	(405,754)
<u>(23,302,795)</u>	<u>-</u>	<u>(23,302,795)</u>
-	(294,222)	(294,222)
-	(29,961)	(29,961)
-	<u>(324,183)</u>	<u>(324,183)</u>
\$ (23,302,795)	\$ (324,183)	\$ (23,626,978)
11,452,809	-	11,452,809
2,413,096	-	2,413,096
4,980,626	-	4,980,626
6,790,611	-	6,790,611
118,459	-	118,459
23,654	-	23,654
7,314	-	7,314
<u>25,786,569</u>	<u>-</u>	<u>25,786,569</u>
(215,066)	215,066	-
<u>25,571,503</u>	<u>215,066</u>	<u>25,786,569</u>
2,268,708	(109,117)	2,159,591
10,991,910	1,282,842	12,274,752
<u>\$ 13,260,618</u>	<u>\$ 1,173,725</u>	<u>\$ 14,434,343</u>

West Geauga Local School District

Balance Sheet - Governmental Funds

June 30, 2010

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents	\$ 4,780,665	\$ 1,053,366	\$ 540,623	\$ 6,374,654
Receivables:				
Taxes	17,485,270	1,804,195	304,617	19,594,082
Accounts	81,136	-	499	81,635
Intergovernmental	-	-	134,980	134,980
Interfund	20,473	-	-	20,473
Prepaid items	8,355	-	-	8,355
Equity in pooled cash and cash equivalents (restricted)	538,900	-	-	538,900
Total assets	\$ 22,914,799	\$ 2,857,561	\$ 980,719	\$ 26,753,079
Liabilities:				
Accounts payable	\$ 135,968	\$ -	\$ 15,987	\$ 151,955
Accrued wages	1,700,093	-	61,013	1,761,106
Interfund payable	-	-	20,473	20,473
Intergovernmental payable	801,902	-	7,702	809,604
Early retirement incentive payable	25,000	-	-	25,000
Compensated absences payable	5,146	-	-	5,146
Deferred revenue	15,980,670	1,676,118	322,105	17,978,893
Total liabilities	18,648,779	1,676,118	427,280	20,752,177
Fund balances:				
Reserved:				
Reserved for encumbrances	512,441	-	243,264	755,705
Reserved for property tax	1,561,198	128,077	-	1,689,275
Reserved for textbooks and instructional materials	538,900	-	-	538,900
Unreserved, undesignated, reported in:				
General fund	1,653,481	-	-	1,653,481
Special revenue funds	-	-	268,934	268,934
Debt service fund	-	1,053,366	-	1,053,366
Capital projects funds	-	-	41,241	41,241
Total fund balances	4,266,020	1,181,443	553,439	6,000,902
Total liabilities and fund balances	\$ 22,914,799	\$ 2,857,561	\$ 980,719	\$ 26,753,079

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

West Geauga Local School District

Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities

June 30, 2010

Total governmental funds balances \$ 6,000,902

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

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the funds. 15,799,104

Other long-term assets that are not available to pay for current-period
expenditures and therefore are deferred in the funds:

Property taxes	\$ 545,112	
Intergovernmental	17,488	
Tuition and fees	56,598	
Total	<u>619,198</u>	619,198

In the statement of activities, interest is accrued on outstanding bonds, notes and lease
purchase agreements, whereas in governmental funds, an interest expenditure is
reported when due. (52,985)

Long-term liabilities that are not due and payable in the current period and
therefore are not reported in the funds:

General obligation bonds	\$ (6,795,000)	
Lease purchase agreements	(644,801)	
Early retirement incentives payable	(12,500)	
Compensated absences	(1,653,300)	
Total	<u>(9,105,601)</u>	(9,105,601)

Net assets of governmental activities

\$ 13,260,618

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

West Geauga Local School District

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

For the Fiscal Year Ended June 30, 2010

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 16,170,926	\$ 2,427,542	\$ 290,795	\$ 18,889,263
Intergovernmental	6,549,417	230,772	1,691,364	8,471,553
Interest	118,459	-	1,139	119,598
Tuition and fees	750,131	-	690	750,821
Extracurricular activities	-	-	512,437	512,437
Gifts and donations	600	-	76,874	77,474
Charges for services	13,746	-	-	13,746
Rent	5,702	-	-	5,702
Miscellaneous	23,649	-	20,275	43,924
Total revenues	<u>23,632,630</u>	<u>2,658,314</u>	<u>2,593,574</u>	<u>28,884,518</u>
Expenditures:				
Current:				
Instruction:				
Regular	9,304,225	-	237,783	9,542,008
Special	3,162,279	-	344,973	3,507,252
Vocational	289,587	-	-	289,587
Student intervention services	181	-	23,975	24,156
Other	371,876	-	133,951	505,827
Support services:				
Pupils	1,675,557	-	328,858	2,004,415
Instructional staff	620,287	-	186,299	806,586
Board of education	60,289	-	-	60,289
Administration	1,773,232	-	81,395	1,854,627
Fiscal	625,262	26,416	10,118	661,796
Business	348,028	-	-	348,028
Operation and maintenance of plant	2,105,909	-	62,693	2,168,602
Pupil transportation	1,862,655	-	140	1,862,795
Central	69,592	-	8,000	77,592
Operation of non-instructional services:				
Community services	-	-	414,139	414,139
Enterprise operations	1,257	-	-	1,257
Extracurricular activities	534,847	-	391,583	926,430
Capital outlay	1,178,192	-	151,398	1,329,590
Debt service:				
Principal retirement	-	2,688,069	-	2,688,069
Interest and fiscal charges	-	421,750	-	421,750
Total expenditures	<u>23,983,255</u>	<u>3,136,235</u>	<u>2,375,305</u>	<u>29,494,795</u>
Excess of revenues over (under) expenditures	<u>(350,625)</u>	<u>(477,921)</u>	<u>218,269</u>	<u>(610,277)</u>
Other financing sources (uses):				
Transfers in	-	-	2,387	2,387
Transfers out	(217,453)	-	-	(217,453)
Total other financing sources (uses)	<u>(217,453)</u>	<u>-</u>	<u>2,387</u>	<u>(215,066)</u>
Net change in fund balances	(568,078)	(477,921)	220,656	(825,343)
Fund balances beginning of year	4,834,098	1,659,364	332,783	6,826,245
Fund balances end of year	<u>\$ 4,266,020</u>	<u>\$ 1,181,443</u>	<u>\$ 553,439</u>	<u>\$ 6,000,902</u>

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

West Geauga 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, 2010

Net change in fund balances - total governmental funds \$ (825,343)

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 capital assets is allocated over their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Capital asset additions, net	\$ 1,329,590	
Capital contributions	7,314	
Depreciation expense	<u>(882,524)</u>	
Excess of depreciation expense over net capital asset additions		454,380

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (25,938)

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

Property taxes	\$ (42,733)	
Intergovernmental	15,063	
Tuition and fees	<u>56,598</u>	
Net change in deferred revenues during the year		28,928

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,688,069

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

Increase in compensated absences	\$ (67,384)	
Decrease in accrued interest	<u>15,996</u>	
Total reduced expenditures		<u>(51,388)</u>

Change in net assets of governmental activities \$ 2,268,708

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

West Geauga Local School District

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

For the Fiscal Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>				
Taxes	\$ 16,426,894	\$ 16,473,086	\$ 16,583,728	\$ 110,642
Intergovernmental	6,784,686	6,495,904	6,549,417	53,513
Interest	240,000	126,041	129,767	3,726
Tuition and fees	646,742	717,896	750,131	32,235
Extracurricular activities	2,000	-	-	-
Gifts and donations	600	600	600	-
Charges for services	16,000	16,000	13,746	(2,254)
Rent	5,800	6,025	6,197	172
Miscellaneous	23,600	23,459	23,649	190
Total revenues	<u>24,146,322</u>	<u>23,859,011</u>	<u>24,057,235</u>	<u>198,224</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	10,565,659	10,462,596	10,448,750	13,846
Special	3,524,747	3,297,519	3,251,664	45,855
Vocational	207,536	289,587	289,587	-
Student intervention services	-	211	211	-
Other	445,225	441,313	419,694	21,619
Support services:				
Pupils	1,547,009	1,710,935	1,706,640	4,295
Instructional staff	813,663	682,890	665,055	17,835
Board of education	67,600	74,917	60,289	14,628
Administration	1,775,396	1,836,884	1,813,389	23,495
Fiscal	1,150,789	790,389	776,277	14,112
Business	269,829	379,986	364,764	15,222
Operation and maintenance of plant	2,451,459	2,274,564	2,233,205	41,359
Pupil transportation	1,889,192	1,995,054	1,971,828	23,226
Central	65,630	76,552	70,427	6,125
Operation of non-instructional services:				
Enterprise operations	2,000	1,257	1,257	-
Extracurricular activities	481,010	553,921	553,921	-
Capital outlay	98,420	102,940	85,832	17,108
Total expenditures	<u>25,355,164</u>	<u>24,971,515</u>	<u>24,712,790</u>	<u>258,725</u>
Excess of revenues under expenditures	<u>(1,208,842)</u>	<u>(1,112,504)</u>	<u>(655,555)</u>	<u>456,949</u>
<u>Other financing sources (uses):</u>				
Refund of prior year expenditures	75,000	80,838	80,838	-
Refund of prior year receipts	-	(1,550)	(1,095)	455
Advances in	75,000	25,015	25,015	-
Advances out	(75,000)	(25,000)	(20,473)	4,527
Transfers out	(273,000)	(217,453)	(217,453)	-
Total other financing sources (uses)	<u>(198,000)</u>	<u>(138,150)</u>	<u>(133,168)</u>	<u>4,982</u>
Net change in fund balance	(1,406,842)	(1,250,654)	(788,723)	461,931
Fund balances at beginning of year	4,618,756	4,618,756	4,618,756	-
Prior year encumbrances appropriated	770,489	770,489	770,489	-
Fund balances at end of year	<u>\$ 3,982,403</u>	<u>\$ 4,138,591</u>	<u>\$ 4,600,522</u>	<u>\$ 461,931</u>

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

West Geauga Local School District

Statement of Fund Net Assets - Proprietary Funds

June 30, 2010

	Business-Type Activities			
	Food Service	Uniform Supplies	Adult Education	Total
<u>Assets:</u>				
Current assets:				
Equity in pooled cash and cash equivalents	\$ 11,888	\$ 81,328	\$ 12	\$ 93,228
Accounts receivable	339	-	-	339
Inventory held for resale	13,324	-	-	13,324
Material and supplies inventory	2,352	-	-	2,352
Total current assets	<u>27,903</u>	<u>81,328</u>	<u>12</u>	<u>109,243</u>
Noncurrent assets:				
Depreciable capital assets, net	<u>1,200,169</u>	-	-	<u>1,200,169</u>
Total assets	<u>\$ 1,228,072</u>	<u>\$ 81,328</u>	<u>\$ 12</u>	<u>\$ 1,309,412</u>
<u>Liabilities:</u>				
Current liabilities:				
Accounts payable	\$ 42,430	\$ 3,440	\$ -	\$ 45,870
Accrued wages	30,531	-	-	30,531
Intergovernmental payable	28,949	-	-	28,949
Compensated absences payable	30,337	-	-	30,337
Total liabilities	<u>132,247</u>	<u>3,440</u>	<u>-</u>	<u>135,687</u>
<u>Net assets:</u>				
Invested in capital assets	1,200,169	-	-	1,200,169
Unrestricted	(104,344)	77,888	12	(26,444)
Total net assets	<u>\$ 1,095,825</u>	<u>\$ 77,888</u>	<u>\$ 12</u>	<u>\$ 1,173,725</u>

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

West Geauga Local School District

Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds

For the Fiscal Year Ended June 30, 2010

	Business-Type Activities			Total
	Food Service	Uniform Supplies	Adult Education	
<u>Operating revenues:</u>				
Charges for services	\$ 101	\$ -	\$ -	\$ 101
Sales	379,497	229,868	-	609,365
Total operating revenues	<u>379,598</u>	<u>229,868</u>	<u>-</u>	<u>609,466</u>
<u>Operating expenses:</u>				
Salaries	246,158	-	-	246,158
Fringe benefits	132,655	-	-	132,655
Purchased services	355,960	-	-	355,960
Materials and supplies	2,087	259,829	-	261,916
Depreciation	26,342	-	-	26,342
Other	1,208	-	-	1,208
Total operating expenses	<u>764,410</u>	<u>259,829</u>	<u>-</u>	<u>1,024,239</u>
Operating loss	<u>(384,812)</u>	<u>(29,961)</u>	<u>-</u>	<u>(414,773)</u>
<u>Non-operating revenues:</u>				
Federal donated commodities	23,452	-	-	23,452
Intergovernmental	67,138	-	-	67,138
Total non-operating revenues	<u>90,590</u>	<u>-</u>	<u>-</u>	<u>90,590</u>
Loss before transfers	<u>(294,222)</u>	<u>(29,961)</u>	<u>-</u>	<u>(324,183)</u>
Transfers in	<u>215,066</u>	<u>-</u>	<u>-</u>	<u>215,066</u>
Change in net assets	(79,156)	(29,961)	-	(109,117)
Net assets beginning of year	1,174,981	107,849	12	1,282,842
Net assets end of year	<u>\$ 1,095,825</u>	<u>\$ 77,888</u>	<u>\$ 12</u>	<u>\$ 1,173,725</u>

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

West Geauga Local School District

Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended June 30, 2010

	<u>Business-Type Activities</u>			
	<u>Food Service</u>	<u>Uniform Supplies</u>	<u>Adult Education</u>	<u>Total</u>
<u>Cash flows from operating activities:</u>				
Cash received from customers	\$ 379,497	\$ 230,005	\$ -	\$ 609,502
Cash payments to suppliers for goods and services	(288,057)	(257,061)	-	(545,118)
Cash payments to employees for services	(241,532)	-	-	(241,532)
Cash payments for employee benefits	(120,044)	-	-	(120,044)
Net cash used for operating activities	<u>(270,136)</u>	<u>(27,056)</u>	<u>-</u>	<u>(297,192)</u>
<u>Cash flows from noncapital financing activities:</u>				
Operating grants	68,234	-	-	68,234
Transfer in	215,066	-	-	215,066
Advances out	(4,431)	-	-	-
Net cash provided by noncapital financing activities	<u>278,869</u>	<u>-</u>	<u>-</u>	<u>283,300</u>
<u>Cash flows from capital financing activities:</u>				
Acquisition of capital assets	(22,102)	-	-	(22,102)
Net cash used for capital financing activities	<u>(22,102)</u>	<u>-</u>	<u>-</u>	<u>(22,102)</u>
Net decrease in cash and cash equivalents	(13,369)	(27,056)	-	(40,425)
Cash and cash equivalents at beginning of year	25,257	108,384	12	133,653
Cash and cash equivalents at end of year	<u>\$ 11,888</u>	<u>\$ 81,328</u>	<u>\$ 12</u>	<u>\$ 93,228</u>
<u>Reconciliation of operating loss to net cash used for operating activities:</u>				
Operating loss	\$ (384,812)	\$ (29,961)	\$ -	\$ (414,773)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Depreciation	26,342	-	-	26,342
Federal donated commodities	23,452	-	-	23,452
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(101)	137	-	36
Inventory held for resale	5,053	-	-	5,053
Material and supplies inventory	263	-	-	263
Prepays	-	367	-	367
Increase (decrease) in liabilities:				
Accounts payable	42,430	2,401	-	44,831
Accrued wages	4,626	-	-	4,626
Intergovernmental payable	8,836	-	-	8,836
Compensated absences payable	3,775	-	-	3,775
Total adjustments	<u>114,676</u>	<u>2,905</u>	<u>-</u>	<u>117,581</u>
Net cash used for operating activities	<u>\$ (270,136)</u>	<u>\$ (27,056)</u>	<u>\$ -</u>	<u>\$ (297,192)</u>
Non-cash noncapital financing activities:				
Federal donated commodities	<u>\$ 23,452</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

West Geauga Local School District

Statement of Fiduciary Net Assets - Fiduciary Funds

June 30, 2010

	<u>Agency</u>
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	<u>\$ 53,880</u>
<u>Liabilities:</u>	
Accounts payable	\$ 450
Due to students	<u>53,430</u>
Total liabilities	<u>\$ 53,880</u>

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Note 1: Description of the School District

The West Geauga Local School District (the “School District”) operates under a locally elected five-member Board form of government and provides educational services as authorized by State or Federal agencies. The Board controls the School District’s four instructional facilities, staffed by 119 classified personnel, 166 certified teaching personnel including 20 administrative employees to provide services to students and other community members.

The School District is located in Geauga County, including all of Chesterland and Russell Townships and portions of Munson, South Russell, and Hunting Valley, Ohio. The enrollment for the School District during the 2010 fiscal year was 2,245. The School District operates two elementary schools (K-5), one middle school (6-8), and one high school (9-12).

Note 2: Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District’s accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” and Statement No. 39, “Determining Whether Certain Organizations Are Component Units”. When applying these standards, management has considered all potential component units. Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the debt, the issuance of debt, or the levying of taxes. Based upon the application of these criteria, the School District has no component units. The financial statements of the reporting entity include only those of the School District (the primary government). The School District is not involved in the budgeting or the management of Parent-Teacher Organizations or booster clubs. The School District is also not responsible for any debt and has no influence over these organizations or clubs. The following organizations are described due to their relationship to the School District.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Jointly Governed Organizations

Lake Geauga Computer Association – The Lake Geauga Computer Association (the “LGCA”) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 23 member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA’s continued existence is not dependent on West Geauga Local School District’s continued participation. In fiscal year 2010, the School District paid \$83,613 to the Association. To obtain financial information, write to Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

Ohio Schools Council – The Ohio Schools Council Association (Council) is a jointly governed organization among school districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council’s Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2010, the School District paid \$57,077 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

West Geauga Joint Recreation Council – The West Geauga Joint Recreation Council (the “Council”) is a jointly governed organization. The School District appoints one member of the six-member board. The purpose of the Council is to further athletic and recreational opportunities. The School District has not contributed to the Council in fiscal year 2010. The School District’s degree of control is limited to its representation on the board. The Council’s continued existence is not dependent on the School District’s continued participation. To obtain financial information, write to West Geauga Joint Recreational Board, P.O. Box 384, Chesterland, Ohio 44026.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal years. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the following categories governmental, proprietary and fiduciary.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

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

Debt Service Fund The debt service fund is used to account for the accumulation of resources, and the payment of, school improvement general obligation bond, or principal, interest, and related costs.

The other governmental funds of the School District account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds and grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds Proprietary funds are used to account for the School District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The following are the School District's proprietary funds:

Enterprise Funds The enterprise funds are used to account for any activity for which a fee is charged to external users for goods and services. The School District's major enterprise funds are:

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

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

Adult Education Fund This fund accounts for educational opportunities offered on a tuition basis to preschoolers, youths and adults living within the community.

Fiduciary Funds Fiduciary funds reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only agency fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

C. Basis of Presentation and Measurement Focus

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

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

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 School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program 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 School 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 School District.

Fund Financial Statements. Fund financial statements report detailed information about the School 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. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means that the resources collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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

Unearned Revenue and Deferred Revenue

Deferred revenue and unearned revenue arise when assets are recognized before revenue recognition criteria have been satisfied. Property taxes (excluding delinquent taxes) for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue on the statement of net assets. Grants and entitlements received before the eligibility requirements are met are recorded as unearned revenue on the statement of net assets.

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Expenditures/Expenses

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as donated commodities revenue.

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

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the 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 with the legal restriction that appropriations cannot exceed estimated resources, as certified. The specific timetable for fiscal year 2010 is as follows:

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the Geauga County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources, which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the School District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the original and final Amended Certificate issued for fiscal year 2010.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level for all funds, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. All funds, other than agency funds, are legally required to be budgeted and appropriated. Short-term inter-fund loans are not required to be budgeted since they represent a temporary cash flow resource, and are intended to be repaid.
6. Any revisions that alter the legal level of budgetary control for a fund must be approved by the Board of Education.
7. Formal budgetary integration is employed as a management control device during the year for all funds, consistent with the general obligation bond indenture and other statutory provisions.
8. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations, which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal 2010.
9. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the legal level of budgetary control for the fund.

F. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Interest in the pool is presented as “equity in pooled cash and cash equivalents” on the financial statements.

During fiscal year 2010, investments were limited to STAROhio (the State Treasury Asset Reserve of Ohio).

Under existing Ohio statutes, all investment earnings accrue to the general fund except those specifically related to certain trust funds, unless the Board specifically allows the interest to be recorded in other funds. The Board of Education has passed a resolution to allow interest to also be recorded in other funds as indicated in Note 5.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are reported as investments.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2010, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

H. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Restricted assets may include unexpended revenues restricted for the purchase of school buses, and amounts required to be set aside by the School District for the purchase of textbooks or for the acquisition or construction of capital assets. Restricted assets may also include amounts set aside as a reserve for budget stabilization, which is now optional as determined by the School District. See Note 16 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserves.

I. Inventory

On the government-wide financial statements supply inventories are presented at cost on a first-in, first-out basis when used.

On fund financial statements, inventories of proprietary funds which are inventories held for resale, are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventories consist of donated food, purchased food, school supplies held for resale and expensed when used.

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets utilized by the enterprise fund is also capitalized.

All reported capital assets, other than land, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	7-20 years	N/A
Buildings and improvements	10-100 years	10-100 years
Furniture and equipment	5-20 years	5-20 years
Vehicles	5-15 years	N/A

K. Interfund Balances

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

L. Compensated Absences

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at year end, taking into consideration any limits in the School District’s termination policy. The School District reports a liability for accumulated unused sick leave for classified, certified and administrative employees who will be eligible to retire at the end of the fiscal year.

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

Compensated absences are reported in the governmental funds only if they have matured. Thus, the only part of the compensated absence liability that would be reported in a governmental fund would be the amount of reimbursable unused leave payable to employees who had terminated their employment as of the end of the fiscal year. In the food service enterprise fund, the entire amount of compensated absences is recorded as a fund liability.

M. Accrued Liabilities and Long-Term Obligations

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

N. Fund Balance Reserves

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

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

O. Net Assets

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

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service, classroom materials and fees for uniform school supplies, and extracurricular activities and miscellaneous for adult education. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Revenues and expenditures not meeting this definition are reported as non-operating.

Q. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

R. Estimates

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

Note 3: Accountability and compliance

Fund Deficits - The following funds had deficit fund balances/net assets at June 30, 2010:

Special revenue funds:		
Title I	\$	402
Classroom reduction		2,708

The deficit fund balances in the title I and classroom reduction special revenue funds were a result of the application of GAAP, namely accounts payable and encumbrances at June 30, 2010. These deficits will be eliminated with future revenues.

Note 4: Budgetary Basis of Accounting

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

The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP basis).

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP basis).

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	
	<u>General</u>
GAAP basis	\$ (568,078)
<u>Increase (decrease) due to:</u>	
Revenue accruals	630,167
Expenditure accruals	(131,769)
Encumbrances (budget basis) outstanding at year end	<u>(719,043)</u>
Budget basis	<u>\$ (788,723)</u>

Note 5: Deposits and Investments

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

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

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

Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the School District's deposits may not be returned to it. Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution. In accordance with Chapter 135 of the Ohio Revised Code, any public depository receiving deposits pursuant to an award of District funds shall be required to pledge as security for repayment of all public moneys. The School District's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

As of June 30, the carrying amount of the School District's deposits was \$7,056,036. The School District's bank balance of \$7,249,569 was exposed to custodial credit risk as follows:

Uninsured and collateral held by pledging bank's trust department in the School District's name	\$ 6,572,808
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West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Investments

Investments are reported at fair value. As of June 30, 2010, the School District had the following investments:

<u>Investment type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
STAROhio	\$ 4,626	56.0 ⁽²⁾	AAAm ⁽¹⁾

⁽¹⁾ Standard and Poor's rating
⁽²⁾ Days (Average)

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with Securities Exchange Commission as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2010.

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The School District's investment policy addresses interest rate risk requiring that the School District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The School District investment policy also limits security purchases to those that mature five years unless specifically matched to a specific cash flow.

Credit Risk is addressed by the School District's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that portfolio be diversified both by types of investment and issuer. All investments of the School District are registered and carry a rating AAA by Standard & Poor's.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2010 amounted to \$118,459, which includes \$27,464 assigned from other School District funds.

Note 6: Property Taxes

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the School District. Property tax revenue received during calendar 2010 for real and public utility property taxes represents collections of calendar 2009 taxes. Property tax payments received during calendar 2010 for tangible personal property (other than public utility property) are for calendar 2010 taxes.

2010 real property taxes are levied after April 1, 2010, on the assessed value listed as of January 1, 2010, the lien date. Assessed values are established by State law at 35% of appraised market value.

Public utility tangible property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2010 public utility property taxes became a lien December 31, 2009, are levied after April 1, 2010, and are collected in 2010 with real property taxes.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. 2010 tangible personal property taxes are levied after April 1, 2009, on the value listed as of December 31, 2009. Collections are made in 2010. In prior years, tangible personal property was assessed at 25% of true value for capital assets and 23% of true value for inventory.

The assessed values upon which fiscal year 2010 taxes were collected are:

	<u>2010 First Half Collections</u>		<u>2009 Second Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 647,578,970	97.35%	\$ 648,413,770	97.54%
Public Utility Personal	17,645,940	2.65%	16,380,570	2.46%
Total Assessed Value	<u>\$ 665,224,910</u>	<u>100.00%</u>	<u>\$ 664,794,340</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed Valuation	\$ 54.68		\$ 55.50	

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

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including West Geauga Local School District. The County Auditor periodically advances to the School District its portion of taxes. Second-half real property tax payments collected by the County by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which became measurable as of June 30, 2010 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, they are not intended to finance current fiscal year operations. The receivable is therefore offset by a credit to unearned revenue for that portion not intended to finance current year operations. The amount available to the School District as an advance at June 30, 2010, was \$1,689,275. \$1,561,198 was available to the general fund and \$128,077 was available to the bond retirement debt service fund.

Note 7: Receivables

Receivables at June 30, 2010, consisted of taxes, and accounts (rent, student fees and intergovernmental receivables). All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes the stable condition of the state programs and the current fiscal year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables follows:

Nonmajor special revenue funds:	
Auxiliary services	\$ 36,379
Title VI-B	79,720
Title I	11,803
Drug free schools	2,242
Classroom reduction	<u>4,836</u>
Total receivables	<u>\$ 134,980</u>

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Note 8: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance 7/1/2009	Additions	Disposals	Balance 6/30/2010
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 366,380	\$ -	\$ -	\$ 366,380
Construction in progress	141,956	82,615	-	224,571
Total capital assets, not being depreciated	<u>508,336</u>	<u>82,615</u>	<u>-</u>	<u>590,951</u>
Capital assets, being depreciated:				
Land improvements	2,829,557	11,577	-	2,841,134
Building and improvements	17,803,906	35,261	-	17,839,167
Furniture and equipment	4,861,709	1,015,945	(554,275)	5,323,379
Vehicles	2,262,423	191,506	(210,464)	2,243,465
Total capital assets, being depreciated	<u>27,757,595</u>	<u>1,254,289</u>	<u>(764,739)</u>	<u>28,247,145</u>
Less accumulated depreciation:				
Land improvements	(1,844,797)	(75,465)	-	(1,920,262)
Building and improvements	(6,253,659)	(274,534)	-	(6,528,193)
Furniture and equipment	(3,602,225)	(395,130)	533,991	(3,463,364)
Vehicles	(1,194,588)	(137,395)	204,810	(1,127,173)
Total accumulated depreciation	<u>(12,895,269)</u>	<u>(882,524)</u>	<u>738,801</u>	<u>(13,038,992)</u>
Total capital assets, being depreciated	<u>14,862,326</u>	<u>371,765</u>	<u>(25,938)</u>	<u>15,208,153</u>
Governmental activities capital assets, net	<u>\$ 15,370,662</u>	<u>\$ 454,380</u>	<u>\$ (25,938)</u>	<u>\$ 15,799,104</u>
Business-type Activities				
Building and improvements	\$ 1,694,925	\$ -	\$ -	\$ 1,694,925
Equipment	251,861	22,102	(11,155)	262,808
Total capital assets	<u>1,946,786</u>	<u>22,102</u>	<u>(11,155)</u>	<u>1,957,733</u>
Less accumulated depreciation:				
Building and improvements	(492,032)	(22,807)	-	(514,839)
Equipment	(250,345)	(3,535)	11,155	(242,725)
Total accumulated depreciation	<u>(742,377)</u>	<u>(26,342)</u>	<u>11,155</u>	<u>(757,564)</u>
Capital assets, net	<u>\$ 1,204,409</u>	<u>\$ (4,240)</u>	<u>\$ -</u>	<u>\$ 1,200,169</u>

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 515,262
Special	20,430
Support services:	
Pupils	1,436
Instructional staff	20,878
Board of education	10,543
Administration	10,132
Fiscal	3,217
Business	4,587
Operation and maintenance of plant	78,898
Pupil transportation	139,092
Central services	4,106
Community services	41,087
Extracurricular activities	<u>32,856</u>
Total depreciation expense	<u>\$ 882,524</u>

Note 9: Interfund Payables, Receivables and Transfers

Interfund receivable/payable consisted of the following at June 30, 2010 as reported on the fund statement:

Due to general fund from:	
Nonmajor governmental funds	\$ 20,473

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30, 2010. These interfund balances will be repaid once the anticipated revenues are received.

Interfund transfers for the year ended June 30, 2010, consisted of the following:

Transfers from general fund to:	
Nonmajor governmental funds	\$ 2,387
Business-type activity funds:	
Food service fund	<u>215,066</u>
Total transfers from general fund	<u>\$ 217,453</u>

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 10: Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Professional liability insurance is provided by a major carrier and has limits of \$3,000,000 for each occurrence and \$4,000,000 general aggregate, including employee benefit liability limits, qualified school groups, and employers' liability.

Property and fleet insurance is provided by a major carrier. Property insurance includes boiler and machinery coverage as well as commercial inland marine coverage with a blanket limit of \$60,952,808 with a \$2,500 deductible. Fleet insurance has a limit of \$3,000,000 with a \$100 deductible for comprehensive and \$250 for collision coverage.

Settled claims have not exceeded coverage in any of the last three years. There has not been a significant reduction in coverage from the prior year.

B. Medical

The School District has elected to contract with a major carrier to provide medical benefits for employees through a fully insured program. The maintenance of these benefits is accounted for in the general fund.

C. Workers' Compensation

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

Note 11: Defined Benefit Pension Plans

A. School Employees Retirement System

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund and Health Care Fund) of the system. For fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension and death benefits. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$508,564, \$276,736 and \$327,436 respectively; 50 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

B. State Teachers Retirement System

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio 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 a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$1,449,210, \$1,384,292, and \$1,354,971 respectively; 83.2 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$72,349 made by the School District and \$51,678 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2010, several members of the Board of Education have elected Social Security. The Board's liability is 6.2 % of wages paid. The remaining Board members contribute to SERS.

Note 12: Post-Employment Benefits

A. School Employee Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2010, 0.46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$69,687, \$195,922, and \$198,728 respectively; 84.4 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$30,243, \$22,833, and \$23,593 respectively; 50 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

B. State Teachers Retirement System

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$111,478, \$106,484, and \$104,229 respectively; 83.2 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

Note 13: Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty two days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and most administrators do not earn vacation time. All certified and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made to classified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 286 days. Classified employees are paid within 120 days of the retirement date. Upon retirement, payment is made to certified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 300 days. Certified employees are paid over a three year period with the first payment deferred until August of the year following their effective retirement date. Upon retirement, payment is made to administrators for a scheduled percentage based upon their years of West Geauga service.

B. Early Retirement Incentive

The West Geauga Local School District Board of Education approved an Early Retirement Incentive program in fiscal year 1998 for certified employees. The Retirement Incentive is based upon first-time retirement eligibility under STRS and notification of retirement in writing by March 15. The retirement incentive is paid in two installments in August of each year following the effective retirement date. Classified employees also receive a retirement incentive that is paid in January of the year following the date of retirement as long as the employees meet the criteria for retirement and notifies the Board on or before June 30. The payments are made from the general fund.

Note 14: Long-Term Obligations

The original issue date, interest rates, and original issuance amount for each of the City's bonds follows:

<u>Debt Issue</u>	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
General Obligation Bonds:			
Public Library	1986	7.625%	\$ 630,000
School Improvement Refunding	2001	4.9% - 8.25%	4,360,000
School Improvement Refunding	2004	3.5% - 3.95%	8,425,000
Various Purpose Improvement	2005	3% - 5.25%	2,275,000
Lease Purchase Agreements:			
Bleachers	2006	4.739%	440,000
Roof	2006	4.739%	935,000

The changes in long-term obligations of the School District during fiscal year 2010 were as follows:

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

	Balance 7/1/2009	Increases	Decreases	Balance 6/30/2010	Amounts Due Within One Year
Governmental Activities:					
<u>General Obligation Bonds</u>					
Public Library	\$ 70,000	\$ -	\$ (70,000)	\$ -	\$ -
School Improvement Refunding	3,910,000	-	(900,000)	3,010,000	1,000,000
School Improvement Refunding	3,020,000	-	(785,000)	2,235,000	765,000
Various Purpose Improvement	1,700,000	-	(150,000)	1,550,000	155,000
Total General Obligation Bonds	<u>8,700,000</u>	<u>-</u>	<u>(1,905,000)</u>	<u>6,795,000</u>	<u>1,920,000</u>
<u>Other Long-term Obligations</u>					
Note payable	587,500	-	(587,500)	-	-
Lease purchase agreements:					
Bleachers	268,918	-	(62,582)	206,336	65,583
Roof	571,452	-	(132,987)	438,465	139,365
Compensated absences	1,585,916	196,764	(129,380)	1,653,300	173,546
Early retirement incentives	12,500	-	-	12,500	12,500
Total Other Long-term Obligation	<u>3,026,286</u>	<u>196,764</u>	<u>(912,449)</u>	<u>2,310,601</u>	<u>390,994</u>
Total Governmental Activities	<u>\$ 11,726,286</u>	<u>\$ 196,764</u>	<u>\$ (2,817,449)</u>	<u>\$ 9,105,601</u>	<u>\$ 2,310,994</u>
Business-type Activities:					
Compensated absences	<u>\$ 26,562</u>	<u>\$ 9,504</u>	<u>\$ (5,729)</u>	<u>\$ 30,337</u>	<u>\$ 6,550</u>

The bonds and loan will be paid from the debt service fund. Compensated absences and special termination benefits will be paid from the fund from which the person is paid, which is primarily the general fund.

During fiscal year, 2001, the School District issued \$4,360,000 in refunding bonds with interest rates varying from 4.90% - 8.25% and are due in 2013.

During fiscal year 2005, the School District refunded School Improvement Bonds which were originally issued in 1994 at rates of 3.80% - 8.10% and were due in 2012. The Refunding Bonds were issued in October 2004 in the amount of \$8,425,000 at rates of 3.50%-3.95% and are due in 2012.

In 2005, the School District issued \$2,275,000 of Various Purpose Improvement Bonds. A portion of the Bond proceeds paid off the Various Purpose Improvement Notes issued during 2004. The monies will be used as part of the House Bill 264 Energy Conservation Project at the School District.

The \$587,500 note was issued during June 2005 and matured in December 2009 with an interest rate of 4.00%.

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

In 2006, the School District entered into two lease purchase agreements for \$1,375,000. The monies will be used for construction on the roof and bleachers.

The School District's overall legal debt margin was \$52,668,550 with an unvoted debt margin of \$647,579 at June 30, 2010. Principal and interest requirements to retire the bonds outstanding and the tax anticipation note at June 30, 2010, are as follows:

Fiscal Year	<u>Principal</u>		<u>Interest</u>		Total
	General Obligation Bonds	Lease Purchase Agreements	General Obligation Bonds	Lease Purchase Agreements	
2011	\$ 1,920,000	\$ 204,948	\$ 288,846	\$ 28,160	\$ 2,441,954
2012	2,005,000	214,776	202,085	18,331	2,440,192
2013	1,800,000	225,077	102,561	8,032	2,135,670
2014	170,000	-	44,925	-	214,925
2015	180,000	-	37,450	-	217,450
2016-2020	<u>720,000</u>	<u>-</u>	<u>80,775</u>	<u>-</u>	<u>800,775</u>
Total	<u>\$ 6,795,000</u>	<u>\$ 644,801</u>	<u>\$ 756,642</u>	<u>\$ 54,523</u>	<u>\$ 8,250,966</u>

Note 15: Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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 school district at June 30, 2010.

B. Litigation

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

Note 16: Set Aside Calculations

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

West Geauga Local School District

Notes to Basic Financial Statements

June 30, 2010

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

	Capital Improvement Reserve	Textbook/ Instructional Materials Reserve
Set-aside reserve balance as of June 30, 2009	\$ -	\$ 333,558
Current year set-aside requirement	378,362	378,362
Qualifying disbursements	<u>(436,700)</u>	<u>(173,020)</u>
Total	<u>\$ (58,338)</u>	<u>\$ 538,900</u>
Set-aside balance carried forward to future fiscal years	<u>\$ -</u>	<u>\$ 538,900</u>
Set-aside reserve cash balance as of June 30, 2010	<u>\$ -</u>	<u>\$ 538,900</u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirements of future years. This negative balance is therefore not presented as being carried forward to future years.

Note 17: New Accounting and Reporting Standards

In June 2007, the GASB issued Statement No. 51, "Accounting and Reporting for Intangible Assets." This statement establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The School District has considered the implications of this statement and has determined that it has no impact on the financial statements or note disclosures for the current period.

In June 2008, the GASB issued Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments." This statement enhances the usefulness and comparability of derivative instrument information reported by state and local governments. This Statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The School District has considered the implications of this statement and has determined that it has no impact on the financial statements or note disclosures for the current period.

In December 2009, the GASB issued Statement No. 58, "Accounting and Financial Reporting for Chapter 8 Bankruptcies." This statement establishes accounting and financial reporting guidance for governments that have petitioned for protections from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The School District has considered the implications of this statement and has determined that it has no impact on the financial statements or note disclosures for the current period.

**Combining Statements and
Individual Fund Schedules**

West Geauga Local School District

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special Trust Fund This fund accounts for monies from local donations for the purpose of scholarships for students.

Rotary Fund This fund accounts for monies from local sources which provides for field trips for the students.

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

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

Education Foundation Fund This fund accounts for local monies received for specific grant requests made by staff members to the Educational Foundation.

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

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

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

Data Communication Fund This fund accounts for State monies appropriated for Ohio Educational Computer Network Connections.

SchoolNet Professional Development Fund This fund accounts for State monies to assist staff in gaining knowledge of technology.

Miscellaneous State Grants Fund This fund accounts for other State Grants which are not required to be accounted for in a separate fund.

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

State Fiscal Stabilization Fund This fund accounts for federal funds provided to support and restore funding for elementary, secondary, and postsecondary education and, as applicable, early childhood education programs and services.

West Geauga Local School District

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds (continued)

Title III Limited English Proficiency Fund To account for funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

Title I Fund To account for federal funds for services provided to meet special educational needs of educationally deprived children.

Title V Fund This fund accounts for Federal monies used to support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

Drug Free Schools Fund This fund accounts for Federal monies used to support the implementation of programs for drug abuse education and prevention.

Classroom Reduction Fund This fund accounts for Federal monies to hire additional classroom teachers in grades 1-3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund This fund accounts for other Federal Grants which are not required to be accounted for in a separate fund.

Nonmajor Capital Projects Fund

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

SchoolNet Fund To account for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

West Geauga Local School District

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 280,633	\$ 259,990	\$ 540,623
Cash and cash equivalents:			
Receivables:			
Taxes	-	304,617	304,617
Accounts	499	-	499
Intergovernmental	134,980	-	134,980
Total assets	<u>\$ 416,112</u>	<u>\$ 564,607</u>	<u>\$ 980,719</u>
<u>Liabilities and fund equity:</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 10,987	\$ 5,000	\$ 15,987
Accrued wages	61,013	-	61,013
Interfund payable	20,473	-	20,473
Intergovernmental payable	7,702	-	7,702
Deferred revenue	17,488	304,617	322,105
Total liabilities	<u>117,663</u>	<u>309,617</u>	<u>427,280</u>
<u>Fund balance:</u>			
Reserved for encumbrances	29,515	213,749	243,264
Unreserved:			
Undesignated, reported in:			
Special revenue funds	268,934	-	268,934
Capital projects funds	-	41,241	41,241
Total fund balances	<u>298,449</u>	<u>254,990</u>	<u>553,439</u>
Total liabilities and fund balances	<u>\$ 416,112</u>	<u>\$ 564,607</u>	<u>\$ 980,719</u>

West Geauga Local School District

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

For the Fiscal Year Ended June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Taxes	\$ -	\$ 290,795	\$ 290,795
Intergovernmental	1,604,144	87,220	1,691,364
Interest	1,139	-	1,139
Tuition and fees	690	-	690
Extracurricular activities	512,437	-	512,437
Gifts and donations	76,874	-	76,874
Miscellaneous	20,275	-	20,275
Total revenues	<u>2,215,559</u>	<u>378,015</u>	<u>2,593,574</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	237,783	-	237,783
Special	344,973	-	344,973
Student intervention services	23,975	-	23,975
Other	133,951	-	133,951
Support services:			
Pupils	328,858	-	328,858
Instructional staff	180,359	5,940	186,299
Administration	81,395	-	81,395
Fiscal	-	10,118	10,118
Operation and maintenance of plant	-	62,693	62,693
Pupil transportation	140	-	140
Central	8,000	-	8,000
Operation of non-instructional services:			
Operation of community services	414,139	-	414,139
Extracurricular activities	391,583	-	391,583
Capital outlay	26,160	125,238	151,398
Total expenditures	<u>2,171,316</u>	<u>203,989</u>	<u>2,375,305</u>
Excess of revenues over expenditures	<u>44,243</u>	<u>174,026</u>	<u>218,269</u>
<u>Other financing sources:</u>			
Transfers in	2,387	-	2,387
Net change in fund balances	46,630	174,026	220,656
Fund balances at beginning of year	251,819	80,964	332,783
Fund balances at end of year	<u>\$ 298,449</u>	<u>\$ 254,990</u>	<u>\$ 553,439</u>

West Geauga Local School District

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2010

	Special Trust	Rotary	Public School Support	Other Grants
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 56,623	\$ 12,698	\$ 23,702	\$ 27,012
<u>Receivables:</u>				
Accounts	-	-	-	499
Intergovernmental	-	-	-	-
Total assets	\$ 56,623	\$ 12,698	\$ 23,702	\$ 27,511
 <u>Liabilities and fund equity:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ 2,296	\$ 225	\$ 212
Accrued wages	-	-	-	-
Interfund payable	-	6,350	-	-
Intergovernmental payable	-	805	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	9,451	225	212
 <u>Fund equity:</u>				
<u>Fund balances:</u>				
Reserved for encumbrances	176	64	10	2,336
<u>Unreserved:</u>				
Undesignated, reported in:				
Special revenue funds	56,447	3,183	23,467	24,963
Total fund balances	56,623	3,247	23,477	27,299
Total liabilities and fund balances	\$ 56,623	\$ 12,698	\$ 23,702	\$ 27,511

<u>Education Foundation</u>	<u>District Managed Activities</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Data Communication</u>	<u>School Net Professional Development</u>
\$ 2,300	\$ 112,130	\$ 18,317	\$ -	\$ 1,145	\$ 1
-	-	-	-	-	-
-	-	36,379	-	-	-
<u>\$ 2,300</u>	<u>\$ 112,130</u>	<u>\$ 54,696</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 1</u>
\$ -	\$ 4,648	\$ 3,296	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	17	-	-	-
-	-	-	-	-	-
-	<u>4,648</u>	<u>3,313</u>	-	-	-
-	5,101	4,476	-	-	-
<u>2,300</u>	<u>102,381</u>	<u>46,907</u>	<u>-</u>	<u>1,145</u>	<u>1</u>
<u>2,300</u>	<u>107,482</u>	<u>51,383</u>	<u>-</u>	<u>1,145</u>	<u>1</u>
<u>\$ 2,300</u>	<u>\$ 112,130</u>	<u>\$ 54,696</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 1</u>

(Continued)

West Geauga Local School District

Combining Balance Sheet - Nonmajor Special Revenue Funds

June 30, 2010

	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>State Fiscal Stabilization</u>	<u>Title III Limited English Proficiency</u>
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 5,000	\$ 17,308	\$ -	\$ 3,845
<u>Receivables:</u>				
Accounts	-	-	-	-
Intergovernmental	-	79,720	-	-
Total assets	<u>\$ 5,000</u>	<u>\$ 97,028</u>	<u>\$ -</u>	<u>\$ 3,845</u>
 <u>Liabilities and fund equity:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	45,630	-	-
Interfund payable	5,000	6,724	-	-
Intergovernmental payable	-	6,371	-	-
Deferred revenue	-	13,602	-	-
Total liabilities	<u>5,000</u>	<u>72,327</u>	<u>-</u>	<u>-</u>
 <u>Fund equity:</u>				
<u>Fund balances:</u>				
Reserved for encumbrances	5,000	12,207	-	-
<u>Unreserved:</u>				
Undesignated, reported in:				
Special revenue funds	(5,000)	12,494	-	3,845
Total fund balances	<u>-</u>	<u>24,701</u>	<u>-</u>	<u>3,845</u>
Total liabilities and fund balances	<u>\$ 5,000</u>	<u>\$ 97,028</u>	<u>\$ -</u>	<u>\$ 3,845</u>

<u>Title I</u>	<u>Title V</u>	<u>Drug Free Schools</u>	<u>Classroom Reduction</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 351	\$ -	\$ -	\$ 145	\$ 56	\$ 280,633
-	-	-	-	-	499
<u>11,803</u>	<u>-</u>	<u>2,242</u>	<u>4,836</u>	<u>-</u>	<u>134,980</u>
<u>\$ 12,154</u>	<u>\$ -</u>	<u>\$ 2,242</u>	<u>\$ 4,981</u>	<u>\$ 56</u>	<u>\$ 416,112</u>
\$ 310	\$ -	\$ -	\$ -	\$ -	\$ 10,987
7,959	-	-	7,424	-	61,013
-	-	2,242	157	-	20,473
401	-	-	108	-	7,702
<u>3,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,488</u>
<u>12,556</u>	<u>-</u>	<u>2,242</u>	<u>7,689</u>	<u>-</u>	<u>117,663</u>
-	-	-	145	-	29,515
<u>(402)</u>	<u>-</u>	<u>-</u>	<u>(2,853)</u>	<u>56</u>	<u>268,934</u>
<u>(402)</u>	<u>-</u>	<u>-</u>	<u>(2,708)</u>	<u>56</u>	<u>298,449</u>
<u>\$ 12,154</u>	<u>\$ -</u>	<u>\$ 2,242</u>	<u>\$ 4,981</u>	<u>\$ 56</u>	<u>\$ 416,112</u>

West Geauga Local School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2010

	Special Trust	Rotary	Public School Support	Other Grants
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest	786	-	-	-
Tuition and fees	-	690	-	-
Extracurricular activities	-	143,559	-	3,596
Gifts and donations	2,455	1,650	16,955	13,864
Miscellaneous	-	-	18,589	-
Total revenues	<u>3,241</u>	<u>145,899</u>	<u>35,544</u>	<u>17,460</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	-	155,230	12,978	11,263
Special	-	-	-	-
Student intervention services	-	-	-	-
Other	-	-	-	-
Support services:				
Pupils	-	-	-	-
Instructional staff	-	-	-	282
Administration	-	7,488	19,364	-
Pupil transportation	-	-	140	-
Central	-	-	-	-
Operation of community services	3,124	-	-	4,832
Extracurricular activities	-	-	79	7,802
Capital outlay	-	-	-	1,450
Total expenditures	<u>3,124</u>	<u>162,718</u>	<u>32,561</u>	<u>25,629</u>
Excess of revenues over (under) expenditures	<u>117</u>	<u>(16,819)</u>	<u>2,983</u>	<u>(8,169)</u>
<u>Other financing sources:</u>				
Transfers in	-	2,387	-	-
Net change in fund balances	117	(14,432)	2,983	(8,169)
Fund balances at beginning of year	56,506	17,679	20,494	35,468
Fund balances at end of year	<u>\$ 56,623</u>	<u>\$ 3,247</u>	<u>\$ 23,477</u>	<u>\$ 27,299</u>

Education Foundation	District Managed Activities	Auxiliary Services	Management Information Systems	Data Communication	School Net Professional Development
\$ -	\$ -	\$ 418,460	\$ 5,000	\$ 9,145	\$ -
-	-	353	-	-	-
-	-	-	-	-	-
-	365,282	-	-	-	-
5,251	36,699	-	-	-	-
-	1,686	-	-	-	-
<u>5,251</u>	<u>403,667</u>	<u>418,813</u>	<u>5,000</u>	<u>9,145</u>	<u>-</u>
7,247	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,000	-	-
-	-	-	-	8,000	-
-	-	376,999	-	-	-
-	383,702	-	-	-	-
-	18,140	5,120	-	-	-
<u>7,247</u>	<u>401,842</u>	<u>382,119</u>	<u>5,000</u>	<u>8,000</u>	<u>-</u>
<u>(1,996)</u>	<u>1,825</u>	<u>36,694</u>	<u>-</u>	<u>1,145</u>	<u>-</u>
-	-	-	-	-	-
(1,996)	1,825	36,694	-	1,145	-
<u>4,296</u>	<u>105,657</u>	<u>14,689</u>	<u>-</u>	<u>-</u>	<u>1</u>
<u>\$ 2,300</u>	<u>\$ 107,482</u>	<u>\$ 51,383</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 1</u>

(Continued)

West Geauga Local School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2010

	Miscellaneous State Grants	Title VI-B	State Fiscal Stabilization	Title III Limited English Proficiency
<u>Revenues:</u>				
Intergovernmental	\$ -	\$ 809,568	\$ 243,385	\$ 3,820
Interest	-	-	-	-
Tuition and fees	-	-	-	-
Extracurricular activities	-	-	-	-
Gifts and donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	809,568	243,385	3,820
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	276,983	-	-
Student intervention services	-	23,975	-	-
Other	-	-	133,951	-
Support services:				
Pupils	-	328,858	-	-
Instructional staff	665	60,662	109,434	455
Administration	-	49,543	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of community services	-	27,147	-	-
Extracurricular activities	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	665	767,168	243,385	455
Excess of revenues over (under) expenditures	(665)	42,400	-	3,365
<u>Other financing sources:</u>				
Transfers in	-	-	-	-
Net change in fund balances	(665)	42,400	-	3,365
Fund balances at beginning of year	665	(17,699)	-	480
Fund balances at end of year	\$ -	\$ 24,701	\$ -	\$ 3,845

<u>Title I</u>	<u>Title V</u>	<u>Drug Free Schools</u>	<u>Classroom Reduction</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 53,840	\$ -	\$ 9,104	\$ 51,249	\$ 573	\$ 1,604,144
-	-	-	-	-	1,139
-	-	-	-	-	690
-	-	-	-	-	512,437
-	-	-	-	-	76,874
-	-	-	-	-	20,275
<u>53,840</u>	<u>-</u>	<u>9,104</u>	<u>51,249</u>	<u>573</u>	<u>2,215,559</u>
-	-	3,366	47,699	-	237,783
67,990	-	-	-	-	344,973
-	-	-	-	-	23,975
-	-	-	-	-	133,951
-	-	-	-	-	328,858
987	2	1,862	5,747	263	180,359
-	-	-	-	-	81,395
-	-	-	-	-	140
-	-	-	-	-	8,000
2,037	-	-	-	-	414,139
-	-	-	-	-	391,583
-	-	1,450	-	-	26,160
<u>71,014</u>	<u>2</u>	<u>6,678</u>	<u>53,446</u>	<u>263</u>	<u>2,171,316</u>
<u>(17,174)</u>	<u>(2)</u>	<u>2,426</u>	<u>(2,197)</u>	<u>310</u>	<u>44,243</u>
-	-	-	-	-	2,387
(17,174)	(2)	2,426	(2,197)	310	46,630
16,772	2	(2,426)	(511)	(254)	251,819
<u>\$ (402)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,708)</u>	<u>\$ 56</u>	<u>\$ 298,449</u>

West Geauga Local School District

Combining Balance Sheet - Nonmajor Capital Projects Funds

June 30, 2010

	Permanent Improvement	SchoolNet	Total Nonmajor Capital Projects Funds
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 259,018	\$ 972	\$ 259,990
Receivables:			
Taxes	304,617	-	304,617
Total assets	<u>\$ 563,635</u>	<u>\$ 972</u>	<u>\$ 564,607</u>
<u>Liabilities:</u>			
Accounts payable	\$ 5,000	\$ -	\$ 5,000
Deferred revenue	304,617	-	304,617
Total liabilities	<u>309,617</u>	<u>-</u>	<u>309,617</u>
<u>Fund balance:</u>			
Reserved for encumbrances	213,749	-	213,749
Unreserved:			
Undesignated, reported in:			
Capital projects funds	40,269	972	41,241
Total fund balance	<u>254,018</u>	<u>972</u>	<u>254,990</u>
Total liabilities and fund balance	<u>\$ 563,635</u>	<u>\$ 972</u>	<u>\$ 564,607</u>

West Geauga Local School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds

For the Fiscal Year Ended June 30, 2010

	Permanent Improvement	SchoolNet	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>			
Taxes	\$ 290,795	\$ -	\$ 290,795
Intergovernmental	87,220	-	87,220
Total revenues	<u>378,015</u>	<u>-</u>	<u>378,015</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	5,940	-	5,940
Fiscal	10,118	-	10,118
Operation and maintenance of plant	62,693	-	62,693
Capital outlay	125,238	-	125,238
Total expenditures	<u>203,989</u>	<u>-</u>	<u>203,989</u>
Net change in fund balances	174,026	-	174,026
Fund balances at beginning of year	<u>79,992</u>	<u>972</u>	<u>80,964</u>
Fund balances at end of year	<u>\$ 254,018</u>	<u>\$ 972</u>	<u>\$ 254,990</u>

West Geauga Local School District

Debt Service Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Taxes	\$ 2,564,266	\$ 2,564,265	\$ (1)
Intergovernmental	230,772	230,772	-
Total revenues	<u>2,795,038</u>	<u>2,795,037</u>	<u>(1)</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Fiscal	26,416	26,416	-
Debt service:			
Principal retirement	2,688,069	2,688,069	-
Interest and fiscal charges	421,750	421,750	-
Total expenditures	<u>3,136,235</u>	<u>3,136,235</u>	<u>-</u>
Net change in fund balance	(341,197)	(341,198)	(1)
Fund balance at beginning of year	1,394,564	1,394,564	-
Fund balance at end of year	<u>\$ 1,053,367</u>	<u>\$ 1,053,366</u>	<u>\$ (1)</u>

West Geauga Local School District

Special Trust - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Interest	\$ 664	\$ 786	\$ 122
Gifts and donations	2,455	2,455	-
Total revenues	<u>3,119</u>	<u>3,241</u>	<u>122</u>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Community service	3,331	3,300	31
Excess of revenues under expenditures	<u>(212)</u>	<u>(59)</u>	<u>153</u>
<u>Other financing sources:</u>			
Refund of prior year expenditures	<u>350</u>	<u>350</u>	<u>-</u>
Net change in fund balance	138	291	153
Fund balance at beginning of year	56,156	56,156	-
Fund balance at end of year	<u>\$ 56,294</u>	<u>\$ 56,447</u>	<u>\$ 153</u>

West Geauga Local School District

Rotary - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Tuition and fees	\$ 690	\$ 690	\$ -
Extracurricular activities	143,559	143,559	-
Gifts and donations	1,650	1,650	-
Total revenues	<u>145,899</u>	<u>145,899</u>	<u>-</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	157,638	152,483	5,155
Support services:			
Administration	7,768	7,768	-
Operation of non-instructional services			
Enterprise operations	143	-	143
Total expenditures	<u>165,549</u>	<u>160,251</u>	<u>5,298</u>
Excess of revenues under expenditures	<u>(19,650)</u>	<u>(14,352)</u>	<u>5,298</u>
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	180	180	-
Refund of prior year receipts	(841)	(841)	-
Advances in	6,350	6,350	-
Transfers in	1,884	2,387	503
Total other financing sources (uses)	<u>7,573</u>	<u>8,076</u>	<u>503</u>
Net change in fund balance	(12,077)	(6,276)	5,801
Fund balance at beginning of year	17,974	17,974	-
Prior year encumbrances appropriated	400	400	-
Fund balance at end of year	<u>\$ 6,297</u>	<u>\$ 12,098</u>	<u>\$ 5,801</u>

West Geauga Local School District

Public School Support - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Gifts and donations	\$ 16,954	\$ 16,955	\$ 1
Miscellaneous	17,737	18,589	852
Total revenues	<u>34,691</u>	<u>35,544</u>	<u>853</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	20,050	12,570	7,480
Support services:			
Administration	23,429	19,454	3,975
Pupil transportation	140	140	-
Extracurricular activities	100	79	21
Total expenditures	<u>43,719</u>	<u>32,243</u>	<u>11,476</u>
Excess of revenues over (under) expenditures	<u>(9,028)</u>	<u>3,301</u>	<u>12,329</u>
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	5	5	-
Refund of prior year receipts	(208)	(208)	-
Total other financing sources (uses)	<u>(203)</u>	<u>(203)</u>	<u>-</u>
Net change in fund balance	(9,231)	3,098	12,329
Fund balance at beginning of year	19,644	19,644	-
Prior year encumbrances appropriated	950	950	-
Fund balance at end of year	<u>\$ 11,363</u>	<u>\$ 23,692</u>	<u>\$ 12,329</u>

West Geauga Local School District

Other Grants - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Extracurricular activities	\$ 3,596	\$ 3,596	\$ -
Gifts and donations	13,864	13,864	-
Total revenues	<u>17,460</u>	<u>17,460</u>	<u>-</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	16,128	13,842	2,286
Support services:			
Instructional staff	300	282	18
Operation of non-instructional services:			
Community service	18,290	5,889	12,401
Extracurricular activities	13,359	12,925	434
Total expenditures	<u>48,077</u>	<u>32,938</u>	<u>15,139</u>
Excess of revenues under expenditures	<u>(30,617)</u>	<u>(15,478)</u>	<u>15,139</u>
<u>Other financing sources:</u>			
Refund of prior year expenditures	16	16	-
Net change in fund balance	(30,601)	(15,462)	15,139
Fund balance at beginning of year	32,798	32,798	-
Prior year encumbrances appropriated	7,308	7,308	-
Fund balance at end of year	<u>\$ 9,505</u>	<u>\$ 24,644</u>	<u>\$ 15,139</u>

West Geauga Local School District

Education Foundation - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Gifts and donations	\$ 5,250	\$ 5,251	\$ 1
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	7,551	5,381	2,170
Excess of revenues under expenditures	(2,301)	(130)	2,171
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	753	753	-
Refund of prior year receipts	(1,866)	(1,866)	-
Total other financing sources (uses)	(1,113)	(1,113)	-
Net change in fund balance	(3,414)	(1,243)	2,171
Fund balance at beginning of year	3,543	3,543	-
Fund balance at end of year	\$ 129	\$ 2,300	\$ 2,171

West Geauga Local School District

District Managed Activities - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Extracurricular activities	\$ 365,031	\$ 365,282	\$ 251
Gifts and donations	36,699	36,699	-
Miscellaneous	1,686	1,686	-
Total revenues	<u>403,416</u>	<u>403,667</u>	<u>251</u>
<u>Expenditures:</u>			
Current:			
Extracurricular activities	493,391	413,388	80,003
Excess of revenues over (under) expenditures	<u>(89,975)</u>	<u>(9,721)</u>	<u>80,254</u>
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	2,215	2,215	-
Net change in fund balance	(87,760)	(7,506)	80,254
Fund balance at beginning of year	103,523	103,523	-
Prior year encumbrances appropriated	9,078	9,078	-
Fund balance at end of year	<u>\$ 24,841</u>	<u>\$ 105,095</u>	<u>\$ 80,254</u>

West Geauga Local School District

Auxiliary Services - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 382,081	\$ 382,081	\$ -
Interest	228	353	125
Total revenues	<u>382,309</u>	<u>382,434</u>	<u>125</u>
<u>Expenditures:</u>			
Current:			
Operation of non-instructional services:			
Community service	410,369	400,169	10,200
Excess of revenues under expenditures	<u>(28,060)</u>	<u>(17,735)</u>	<u>10,325</u>
<u>Other financing sources (uses):</u>			
Refund of prior year expenditures	40	40	-
Refund of prior year receipts	<u>(1,257)</u>	<u>(1,257)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,217)</u>	<u>(1,217)</u>	<u>-</u>
Net change in fund balance	(29,277)	(18,952)	10,325
Fund balance at beginning of year	1,264	1,264	-
Prior year encumbrances appropriated	28,242	28,242	-
Fund balance at end of year	<u>\$ 229</u>	<u>\$ 10,554</u>	<u>\$ 10,325</u>

West Geauga Local School District

Management Information Systems - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 5,000	\$ 5,000	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Administration	5,000	5,000	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

West Geauga Local School District

Data Communication - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 9,145	\$ 9,145	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Central	8,000	8,000	-
Net change in fund balance	1,145	1,145	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	<u>\$ 1,145</u>	<u>\$ 1,145</u>	<u>\$ -</u>

West Geauga Local School District

SchoolNet Professional Development - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	1	1	-
Fund balance at end of year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>

West Geauga Local School District

Miscellaneous State Grants - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	2,988	2,988	-
Pupil transportation	5,000	5,000	-
Total expenditures	7,988	7,988	-
Excess of revenues under expenditures	(7,988)	(7,988)	-
<u>Other financing sources (uses):</u>			
Refund of prior year receipts	(665)	(665)	-
Advances in	5,000	5,000	-
Total other financing sources (uses)	4,335	4,335	-
Net change in fund balance	(3,653)	(3,653)	-
Fund balance at beginning of year	653	653	-
Prior year encumbrances appropriated	3,000	3,000	-
Fund balance at end of year	\$ -	\$ -	\$ -

West Geauga Local School District

Title VI-B - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 759,706	\$ 759,706	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	255,387	255,387	-
Student intervention services	21,322	21,322	-
Support services:			
Pupils	333,699	333,699	-
Instructional staff	61,819	61,819	-
Administration	51,195	51,195	-
Operation of non-instructional services:			
Community service	27,147	27,147	-
Total expenditures	750,569	750,569	-
Excess of revenues over expenditures	9,137	9,137	-
<u>Other financing sources (uses):</u>			
Advances in	6,724	6,724	-
Advances out	(15,288)	(15,288)	-
Total other financing sources (uses)	(8,564)	(8,564)	-
Net change in fund balance	573	573	-
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	4,528	4,528	-
Fund balance at end of year	\$ 5,101	\$ 5,101	\$ -

West Geauga Local School District

State Fiscal Stabilization - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 243,385	\$ 243,385	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Other	133,951	133,951	-
Support services:			
Instructional staff	109,434	109,434	-
Total expenditures	243,385	243,385	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

West Geauga Local School District

Title III Limited English Proficiency - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 3,820	\$ 3,820	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	3,951	455	3,496
Net change in fund balance	(131)	3,365	3,496
Fund balance at beginning of year	480	480	-
Fund balance at end of year	<u>\$ 349</u>	<u>\$ 3,845</u>	<u>\$ 3,496</u>

West Geauga Local School District

Title I - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 67,726	\$ 67,726	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	63,807	63,807	-
Support services:			
Instructional staff	987	987	-
Operation of non-instructional services:			
Community service	2,037	2,037	-
Total expenditures	66,831	66,831	-
Excess of revenues over expenditures	895	895	-
<u>Other financing uses:</u>			
Advances out	(2,617)	(2,617)	-
Net change in fund balance	(1,722)	(1,722)	-
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	1,763	1,763	-
Fund balance at end of year	\$ 41	\$ 41	\$ -

West Geauga Local School District

Title V - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	2	2	-
Net change in fund balance	(2)	(2)	-
Fund balance at beginning of year	2	2	-
Fund balance at end of year	\$ -	\$ -	\$ -

West Geauga Local School District

Drug Free Schools - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 6,862	\$ 6,862	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	3,404	3,404	-
Support services:			
Instructional staff	1,862	1,862	-
Operation and maintenance of plant	1,412	1,412	-
Total expenditures	6,678	6,678	-
Excess of revenues over expenditures	184	184	-
<u>Other financing sources (uses):</u>			
Advances in	2,242	2,242	-
Advances out	(2,426)	(2,426)	-
Total other financing sources (uses)	(184)	(184)	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

West Geauga Local School District

Classroom Reduction - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 46,413	\$ 46,413	\$ -
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	40,702	40,702	-
Support services:			
Instructional staff	5,892	5,892	-
Total expenditures	46,594	46,594	-
Excess of revenues under expenditures	(181)	(181)	-
<u>Other financing sources (uses):</u>			
Advances in	157	157	-
Total other financing sources (uses)	157	157	-
Net change in fund balance	(24)	(24)	-
Fund balance at beginning of year	24	24	-
Fund balance at end of year	\$ -	\$ -	\$ -

West Geauga Local School District

Miscellaneous Federal Grants - Special Revenue Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 573	\$ 573	\$ -
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	263	263	-
Excess of revenues over expenditures	310	310	-
<u>Other financing uses:</u>			
Advances out	(254)	(254)	-
Net change in fund balance	56	56	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ 56	\$ 56	\$ -

West Geauga Local School District

Permanent Improvement - Capital Projects Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Taxes	\$ 290,795	\$ 290,795	\$ -
Intergovernmental	94,757	87,220	(7,537)
Total revenues	<u>385,552</u>	<u>378,015</u>	<u>(7,537)</u>
<u>Expenditures:</u>			
Current:			
Support services:			
Instructional staff	27,351	5,940	21,411
Fiscal	10,220	10,118	102
Operation and maintenance of plant	114,314	104,001	10,313
Pupil transportation	90,473	90,473	-
Capital outlay	<u>211,999</u>	<u>207,206</u>	<u>4,793</u>
Total expenditures	<u>454,357</u>	<u>417,738</u>	<u>36,619</u>
Excess of revenues under expenditures	<u>(68,805)</u>	<u>(39,723)</u>	<u>29,082</u>
<u>Other financing sources:</u>			
Refund of prior year expenditures	<u>121</u>	<u>121</u>	<u>-</u>
Net change in fund balance	(68,684)	(39,602)	29,082
Fund balance at beginning of year	71,651	71,651	-
Prior year encumbrances appropriated	8,220	8,220	-
Fund balance at end of year	<u>\$ 11,187</u>	<u>\$ 40,269</u>	<u>\$ 29,082</u>

West Geauga Local School District

SchoolNet - Capital Projects Fund

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

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Total revenues	\$ -	\$ -	\$ -
<u>Expenditures:</u>			
Total expenditures	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	972	972	-
Fund balance at end of year	<u>\$ 972</u>	<u>\$ 972</u>	<u>\$ -</u>

West Geauga Local School District

Food Service - Enterprise Fund

Schedule of Revenues, Expense and Changes in Fund Equity -
Budget (Non-GAAP Basis) and Actual

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Operating revenues:</u>			
Sales	\$ 379,356	\$ 379,497	\$ 141
<u>Operating expenses:</u>			
Salaries	241,532	241,532	-
Fringe benefits	126,753	126,752	1
Purchased services	285,918	284,761	1,157
Materials and supplies	1,415	997	418
Capital outlay new	26,160	26,160	-
Capital outlay replacement	495	495	-
Other	1,208	1,208	-
Total operating expenses	683,481	681,905	1,576
Operating loss	(304,125)	(302,408)	1,717
<u>Non-operating revenues:</u>			
Federal and state subsidies	68,234	68,234	-
Loss before transfers and advances	(235,891)	(234,174)	1,717
<u>Other financing sources (uses):</u>			
Advances out	(4,431)	(4,431)	-
Transfers in	215,066	215,066	-
Total other financing sources (uses)	210,635	210,635	-
Net change in fund equity	(25,256)	(23,539)	1,717
Fund equity at beginning of year	4,432	4,432	-
Prior year encumbrances appropriated	20,824	20,824	-
Fund equity at end of year	\$ -	\$ 1,717	\$ 1,717

West Geauga Local School District

Uniform Supplies - Enterprise Fund

Schedule of Revenues, Expense and Changes in Fund Equity -
Budget (Non-GAAP Basis) and Actual

For the Fiscal Year Ended June 30, 2010

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Operating revenues:</u>			
Sales	\$ 230,005	\$ 230,005	\$ -
<u>Operating expenses:</u>			
Purchased services	884	-	884
Materials and supplies	300,531	260,667	39,864
Total operating expenses	301,415	260,667	40,748
Loss before refund of prior year expense	(71,410)	(30,662)	40,748
<u>Other financing sources:</u>			
Refund of prior year expense	15	15	-
Net change in fund equity	(71,395)	(30,647)	40,748
Fund equity at beginning of year	102,702	102,702	-
Prior year encumbrances appropriated	5,668	5,668	-
Fund equity at end of year	<u>\$ 36,975</u>	<u>\$ 77,723</u>	<u>\$ 40,748</u>

West Geauga Local School District

Adult Education - Enterprise Fund

Schedule of Revenues, Expense and Changes in Fund Equity -
Budget (Non-GAAP Basis) and Actual

For the Fiscal Year Ended June 30, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Operating revenues:</u>			
Total operating revenues	\$ -	\$ -	\$ -
<u>Operating expenses:</u>			
Total operating expenses	-	-	-
Net change in fund equity	-	-	-
Fund equity at beginning of year	12	12	-
Fund equity at end of year	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ -</u>

West Geauga Local School District

Statement of Changes in Assets and Liabilities - Agency Fund

For the Fiscal Year Ended June 30, 2010

	<u>Beginning Balance July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance June 30, 2010</u>
Student Activities:				
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 52,253	\$ 110,514	\$ 108,887	\$ 53,880
<u>Liabilities:</u>				
Accounts payable	\$ 974	\$ 450	\$ 974	\$ 450
Due to students	51,279	111,488	109,337	53,430
Total liabilities	<u>\$ 52,253</u>	<u>\$ 111,938</u>	<u>\$ 110,311</u>	<u>\$ 53,880</u>



STATISTICAL SECTION

Statistical Section

This part of the School District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2 - S12
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source.	S13 - S18
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S19 - S23
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S24 - S25
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S26 - S32

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

West Geauga Local School District

Net Assets by Component - Last Eight Fiscal Years (1)

June 30, 2010

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:					
Invested in capital assets, net of related debt	\$ 974,708	\$ 1,660,293	\$ 705,718	\$ 1,837,934	\$ 2,092,443
Restricted for:					
Capital projects	339,551	-	1,608,274	1,935,798	819,111
Debt service	1,444,674	1,477,350	2,128,389	1,850,260	1,835,052
Extracurricular activities	-	-	-	-	-
Auxiliary services	-	-	-	-	-
Other purposes	50,787	63,535	22,985	25,576	224,354
Set asides	-	-	-	-	-
Unrestricted (deficit)	<u>(2,454,790)</u>	<u>(2,657,113)</u>	<u>15,172</u>	<u>(3,674,775)</u>	<u>1,418,626</u>
Total net assets - governmental activities	<u>354,930</u>	<u>544,065</u>	<u>4,480,538</u>	<u>1,974,793</u>	<u>6,389,586</u>
Business-type activities:					
Invested in capital assets, net of related debt	-	595,066	1,302,145	1,277,136	1,252,455
Unrestricted (deficit)	<u>620,476</u>	<u>(27,424)</u>	<u>(16,188)</u>	<u>116,534</u>	<u>150,458</u>
Total net assets - business - type activities	<u>620,476</u>	<u>567,642</u>	<u>1,285,957</u>	<u>1,393,670</u>	<u>1,402,913</u>
Primary government:					
Invested in capital assets, net of related debt	974,708	2,255,359	2,007,863	3,115,070	3,344,898
Restricted for:					
Debt service	1,444,674	1,477,350	2,128,389	1,850,260	1,835,052
Capital projects	339,551	-	1,608,274	1,935,798	819,111
Extracurricular activities	-	-	-	-	-
Auxiliary services	-	-	-	-	-
Other purposes	50,787	63,535	22,985	25,576	224,354
Unrestricted (deficit)	<u>(1,834,314)</u>	<u>(2,684,537)</u>	<u>(1,016)</u>	<u>(3,558,241)</u>	<u>1,569,084</u>
Total net assets - primary government	<u>\$ 975,406</u>	<u>\$ 1,111,707</u>	<u>\$ 5,766,495</u>	<u>\$ 3,368,463</u>	<u>\$ 7,792,499</u>

(1) Will be reported for the last ten years when there are enough years of information available.

Table 1

	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$	3,745,774	\$ 5,900,292	\$ 8,359,303
	530,309	98,565	271,207
	1,677,685	1,643,188	1,166,816
	-	-	107,482
	-	-	51,383
	347,708	272,709	159,780
	188,696	333,558	538,900
	1,928,583	2,743,598	2,605,747
	<u>8,418,755</u>	<u>10,991,910</u>	<u>13,260,618</u>
	1,228,371	1,204,409	1,200,169
	153,221	78,433	(26,444)
	<u>1,381,592</u>	<u>1,282,842</u>	<u>1,173,725</u>
	4,974,145	7,104,701	9,559,472
	1,677,685	1,643,188	1,166,816
	530,309	98,565	271,207
	-	-	107,482
	-	-	51,383
	347,708	272,709	159,780
	2,081,804	2,822,031	2,579,303
\$	<u>9,611,651</u>	<u>\$ 11,941,194</u>	<u>\$ 13,895,443</u>

West Geauga Local School District

Changes in Net Assets - Last Eight Fiscal Years (1)

June 30, 2010

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Expenses					
Governmental activities:					
Regular instruction	\$ 9,252,284	\$ 9,791,785	\$ 10,173,341	\$ 11,284,889	\$ 10,353,894
Special instruction	1,679,235	2,185,290	2,288,866	2,505,389	2,679,904
Vocational instruction	261,332	342,768	390,495	185,821	180,952
Student intervention services	-	-	-	-	-
Other instruction	328,953	546,664	322,298	391,716	375,634
Pupil	1,660,194	1,813,446	1,700,703	1,790,903	1,919,449
Instructional staff	790,613	803,286	814,183	870,190	784,377
Board of education	62,082	64,333	51,367	44,858	48,817
Administration	2,451,753	1,667,237	1,612,665	1,640,485	1,835,968
Fiscal	506,582	578,176	590,209	735,376	779,457
Business	169,774	163,048	169,750	190,818	187,079
Operation and maintenance of plant	2,103,318	2,089,865	2,819,479	1,757,726	2,426,892
Pupil transportation	1,560,380	1,740,675	1,761,637	1,782,371	1,919,444
Central services	96,266	95,619	78,217	67,306	91,810
Community services	521,942	526,011	441,421	472,983	516,393
Enterprise operations	-	-	-	-	-
Extracurricular activities	695,640	766,421	735,399	765,699	779,025
Facilities acquisition and construction services	-	-	44,011	977,742	-
Interest and fiscal charges	952,036	1,005,459	812,376	673,506	630,801
Total governmental activities expenses	<u>23,092,384</u>	<u>24,180,083</u>	<u>24,806,417</u>	<u>26,137,778</u>	<u>25,509,896</u>
Business-type activities:					
Food service	444,457	505,037	681,896	647,620	666,096
Uniform supplies	160,824	164,637	179,733	115,780	242,615
Adult education	5,732	2	-	-	-
Total business-type activities expenses	<u>611,013</u>	<u>669,676</u>	<u>861,629</u>	<u>763,400</u>	<u>908,711</u>
Total primary government expenses	<u>\$ 23,703,397</u>	<u>\$ 24,849,759</u>	<u>\$ 25,668,046</u>	<u>\$ 26,901,178</u>	<u>\$ 26,418,607</u>
Program revenues					
Governmental activities:					
Charges for services:					
Regular instruction	\$ 2,151,924	\$ 152,457	\$ 342,736	\$ 81,152	\$ 276,947
Special instruction	6,475	9,987	8,343	-	-
Other instruction	-	-	-	5,035	-
Pupil support	3,600	-	-	-	-
Board of education	640,027	12,422	-	-	-
Administration	-	-	-	9,904	7,227
Operation and maintenance of plant	-	-	-	-	7,696
Pupil transportation	8,282	5,238	11,777	9,412	12,654
Community services	35,088	3,401	16,383	-	-
Extracurricular activities	253,225	314,563	311,563	392,610	274,319
Operating grants and contributions:					
Regular instruction	134,587	80,831	48,126	31,367	202,659
Special instruction	296,389	314,372	532,114	640,076	58,104
Vocational instruction	28,202	-	-	-	-
Student intervention services instruction	-	-	-	-	-
Other instruction	-	-	-	-	-
Pupils	-	-	-	-	413,498
Instructional staff support	54,115	62,625	71,304	56,364	17,415
Administration	-	-	-	-	65,699

Table 2

	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$	10,540,611	\$ 10,694,447	\$ 10,066,334
	2,528,956	3,077,259	3,538,688
	201,165	214,889	289,587
	-	15,000	24,156
	411,484	425,899	505,827
	2,143,840	2,264,365	2,008,819
	830,321	804,471	833,338
	60,464	68,921	70,832
	1,770,671	1,840,520	1,886,260
	636,471	585,951	674,803
	201,183	332,112	356,402
	2,715,582	2,544,297	2,270,317
	1,914,042	2,048,743	2,007,110
	85,407	83,631	82,197
	479,862	524,520	455,226
	-	100	1,257
	838,562	897,337	960,079
	-	-	-
	620,617	518,186	405,754
	<u>25,979,238</u>	<u>26,940,648</u>	<u>26,436,986</u>
	688,011	710,305	764,410
	249,160	271,611	259,829
	-	-	-
	<u>937,171</u>	<u>981,916</u>	<u>1,024,239</u>
\$	<u>26,916,409</u>	<u>\$ 27,922,564</u>	<u>\$ 27,461,225</u>

\$	429,548	\$ 642,853	\$ 766,165
	-	156,787	212,462
	-	-	-
	-	-	-
	-	-	-
	10,325	7,501	-
	8,371	6,291	5,702
	8,090	12,084	8,282
	-	-	-
	313,654	338,371	366,967
	219,384	99,134	71,549
	151,317	147,990	569,738
	-	20,615	-
	-	-	16,256
	-	-	133,592
	486,236	421,047	305,580
	20,407	14,374	186,537
	60,333	62,613	21,954

(Continued)

West Geauga Local School District

Changes in Net Assets - Last Eight Fiscal Years (1)

June 30, 2010

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Fiscal	9,560	9,308	7,982	8,469	-
Operation and maintenance of plant	406,911	435,454	431,366	425,558	-
Pupil transportation	41,079	-	-	-	-
Central	7,000	12,000	12,000	12,000	12,000
Community services	-	-	-	-	446,464
Enterprise operations	-	-	-	-	-
Extracurricular activities	-	-	-	-	11,467
Capital grants and contributions:					
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	26,427
Community services	-	-	-	-	-
Total governmental activities program revenues	<u>4,076,464</u>	<u>1,412,658</u>	<u>1,793,694</u>	<u>1,671,947</u>	<u>1,832,576</u>
Business-type activities:					
Charges for services:					
Food service	394,619	409,201	420,539	419,854	410,561
Uniform supplies	166,435	171,497	169,299	210,483	235,142
Adult education	3,840	2,000	-	-	-
Operating grants and contributions:					
Food service	29,445	34,111	43,189	60,776	65,453
Total business-type activities program revenues	<u>594,339</u>	<u>616,809</u>	<u>633,027</u>	<u>691,113</u>	<u>711,156</u>
Total primary government program revenues	<u>\$ 4,670,803</u>	<u>\$ 2,029,467</u>	<u>\$ 2,426,721</u>	<u>\$ 2,363,060</u>	<u>\$ 2,543,732</u>
Net (expense)/revenue					
Governmental activities	\$ (19,015,920)	\$ (22,767,425)	\$ (23,012,723)	\$ (24,465,831)	\$ (23,677,320)
Business-type activities	(16,674)	(52,867)	(228,602)	(72,287)	(197,555)
Total primary government net (expense)/revenue	<u>\$ (19,032,594)</u>	<u>\$ (22,820,292)</u>	<u>\$ (23,241,325)</u>	<u>\$ (24,538,118)</u>	<u>\$ (23,874,875)</u>
General revenues and other changes in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$ 12,431,877	\$ 12,369,741	\$ 17,665,219	\$ 12,786,535	\$ 17,873,911
Debt service	33,974	3,516,457	3,156,687	1,783,847	2,978,363
Capital projects	504,592	556,237	649,873	294,544	303,448
Grants and entitlements not restricted to specific programs	6,194,312	6,356,770	6,381,823	6,652,326	6,597,341
Earnings on investments	59,244	42,538	117,274	293,555	443,321
Miscellaneous	116,479	114,817	86,891	329,279	102,527
Capital contributions	-	-	-	-	-
Transfers	-	-	(170,000)	(180,000)	(206,798)
Total governmental activities	<u>19,340,478</u>	<u>22,956,560</u>	<u>27,887,767</u>	<u>21,960,086</u>	<u>28,092,113</u>
Business-type activities:					
Earnings on investments	66	33	-	-	-
Miscellaneous	-	-	19,029	-	-
Transfers	-	-	170,000	180,000	206,798
Total business-type activities	<u>66</u>	<u>33</u>	<u>189,029</u>	<u>180,000</u>	<u>206,798</u>
Total primary government	<u>\$ 19,340,544</u>	<u>\$ 22,956,593</u>	<u>\$ 28,076,796</u>	<u>\$ 22,140,086</u>	<u>\$ 28,298,911</u>
Change in net assets					
Governmental activities	\$ 324,558	\$ 189,135	\$ 4,875,044	\$ (2,505,745)	\$ 4,414,793
Business-type activities	(16,608)	(52,834)	(39,573)	107,713	9,243
Total primary government change in net assets	<u>\$ 307,950</u>	<u>\$ 136,301</u>	<u>\$ 4,835,471</u>	<u>\$ (2,398,032)</u>	<u>\$ 4,424,036</u>

(1) Will be reported for the last ten years when there are enough years of information available.

Table 2

<u>2008</u>	<u>2009</u>	<u>2010</u>
-	-	-
80,122	6,188	-
-	-	-
12,000	12,000	9,145
463,219	470,048	416,932
-	800	-
22,699	39,136	36,760
-	-	1,450
13,050	23,466	-
-	-	5,120
<u>2,298,755</u>	<u>2,481,298</u>	<u>3,134,191</u>
389,662	384,312	379,598
231,307	249,259	229,868
-	-	-
<u>65,566</u>	<u>79,026</u>	<u>90,590</u>
<u>686,535</u>	<u>712,597</u>	<u>700,056</u>
<u>\$ 2,985,290</u>	<u>\$ 3,193,895</u>	<u>\$ 3,834,247</u>
\$ (23,680,483)	\$ (24,459,350)	\$ (23,302,795)
(250,636)	(269,319)	(324,183)
<u>\$ (23,931,119)</u>	<u>\$ (24,728,669)</u>	<u>\$ (23,626,978)</u>
\$ 15,513,341	\$ 16,814,672	\$ 11,452,809
2,750,325	2,807,697	2,413,096
300,056	285,059	4,980,626
6,853,798	7,049,554	6,790,611
508,802	237,115	118,459
12,645	8,977	23,654
-	-	7,314
(229,315)	(170,569)	(215,066)
<u>25,709,652</u>	<u>27,032,505</u>	<u>25,571,503</u>
-	-	-
-	-	-
<u>229,315</u>	<u>170,569</u>	<u>215,066</u>
<u>229,315</u>	<u>170,569</u>	<u>215,066</u>
<u>\$ 25,938,967</u>	<u>\$ 27,203,074</u>	<u>\$ 25,786,569</u>
\$ 2,029,169	\$ 2,573,155	\$ 2,268,708
(21,321)	(98,750)	(109,117)
<u>\$ 2,007,848</u>	<u>\$ 2,474,405</u>	<u>\$ 2,159,591</u>

West Geauga Local School District

Program Revenues of Governmental Activities by Function/Program - Last Eight Fiscal Years (1)

June 30, 2010

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental activities:					
Instruction:					
Regular	\$ 2,286,511	\$ 233,288	\$ 390,862	\$ 112,519	\$ 479,606
Special	302,864	324,359	540,457	640,076	58,104
Vocational	28,202	-	-	-	-
Student intervention services	-	-	-	-	-
Other	-	-	-	5,035	-
Support services:					
Pupil	3,600	-	-	-	413,498
Instructional staff	54,115	62,625	71,304	56,364	17,415
Board of education	640,027	12,422	-	-	-
Administration	-	-	-	9,904	72,926
Fiscal	9,560	9,308	7,982	8,469	-
Operation and maintenance of plant	406,911	435,454	431,366	425,558	7,696
Pupil transportation	49,361	5,238	11,777	9,412	39,081
Central	7,000	12,000	12,000	12,000	12,000
Community services	35,088	3,401	16,383	-	446,464
Enterprise operations	-	-	-	-	-
Extracurricular activities	253,225	314,563	311,563	392,610	285,786
Total governmental activities	<u>4,076,464</u>	<u>1,412,658</u>	<u>1,793,694</u>	<u>1,671,947</u>	<u>1,832,576</u>
Business-type activities:					
Food service	424,064	443,312	463,728	480,630	476,014
Uniform supplies	166,435	171,497	169,299	210,483	235,142
Adult education	3,840	2,000	-	-	-
Total business-type activities	<u>594,339</u>	<u>616,809</u>	<u>633,027</u>	<u>691,113</u>	<u>711,156</u>
Total primary governmental program revenues	<u>\$ 4,670,803</u>	<u>\$ 2,029,467</u>	<u>\$ 2,426,721</u>	<u>\$ 2,363,060</u>	<u>\$ 2,543,732</u>

(1) Will be reported for the last ten years when there are enough years of information available.

Table 3

	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$	648,932	\$ 741,987	\$ 837,714
	151,317	304,777	782,200
	-	20,615	-
	-	-	16,256
	-	-	133,592
	486,236	421,047	305,580
	20,407	14,374	186,537
	-	-	-
	70,658	70,114	21,954
	-	-	-
	88,493	12,479	7,152
	21,140	35,550	8,282
	12,000	12,000	9,145
	463,219	470,048	422,052
	-	800	-
	<u>336,353</u>	<u>377,507</u>	<u>403,727</u>
	<u>2,298,755</u>	<u>2,481,298</u>	<u>3,134,191</u>
	455,228	633,571	470,188
	231,307	79,026	229,868
	-	-	-
	<u>686,535</u>	<u>712,597</u>	<u>700,056</u>
\$	<u><u>2,985,290</u></u>	<u><u>3,193,895</u></u>	<u><u>3,834,247</u></u>

West Geauga Local School District

Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years

June 30, 2010

Table 4

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 14,531,836	\$ 13,754,881	\$ 13,015,191	\$ 16,412,828	\$ 21,457,011	\$ 14,841,150	\$ 21,079,961	\$ 18,622,281	\$ 19,593,926	\$ 18,889,263
Intergovernmental	6,209,962	6,312,409	7,144,536	7,298,979	7,484,715	7,749,341	7,853,819	8,163,764	8,273,526	8,471,553
Tuition and fees	25,955	28,643	1,993,399	9,987	48,474	109,702	143,728	296,717	639,967	750,821
Transportation fees	-	-	8,282	5,238	11,777	-	-	-	-	-
Interest	330,107	120,531	59,244	42,538	117,274	293,555	451,737	513,410	240,153	119,598
Extracurricular activities	285,669	351,558	333,599	402,083	395,234	373,647	395,267	433,306	482,883	512,437
Gifts and donations	101,418	-	-	-	-	-	61,962	181,553	121,684	77,474
Rent	24,851	-	-	-	-	-	7,536	8,533	6,291	5,702
Charges for services	-	-	-	18,204	21,095	-	16,393	17,438	16,310	13,746
Classroom materials and fees	16,480	-	-	-	-	-	-	-	-	-
Miscellaneous	37,465	167,316	201,843	108,775	125,441	143,496	43,735	26,352	28,217	43,924
Refund for prior year expenditures	-	14,001	54,272	17,218	153,489	287,072	-	-	-	-
Total revenues	21,563,743	20,749,339	22,810,366	24,315,850	29,814,510	23,797,963	30,054,138	28,263,354	29,402,957	28,884,518
Expenditures										
Current:										
Instruction:										
Regular	7,957,835	8,568,229	8,807,196	9,224,754	9,660,731	9,810,466	9,926,219	10,112,374	10,237,068	9,542,008
Special	1,462,611	1,499,810	1,699,336	2,148,161	2,290,299	2,540,051	2,662,670	2,488,878	3,054,767	3,507,252
Vocational	333,248	210,065	255,184	336,620	374,643	196,594	180,952	201,165	214,889	289,587
Student intervention services	-	-	-	-	-	-	-	-	15,000	24,156
Other	-	147,317	328,953	546,664	322,298	391,716	375,634	411,484	425,899	505,827
Support services:										
Pupils	1,445,722	1,489,124	1,655,603	1,771,572	1,721,167	1,817,375	1,900,344	2,111,677	2,260,011	2,004,415
Instructional staff	742,306	808,079	751,703	782,377	818,954	857,253	748,915	795,902	786,011	806,586
Board of education	60,929	41,356	38,617	40,868	31,984	34,315	38,274	49,921	58,378	60,289
Administration	2,055,134	1,789,320	1,840,156	1,633,792	1,643,107	1,711,426	1,910,087	1,776,370	1,843,252	1,854,627
Fiscal	462,425	506,482	503,578	570,535	585,373	744,869	774,986	630,507	582,198	661,796
Business	130,595	145,290	168,347	162,249	167,507	191,854	189,169	199,100	327,419	348,028
Operation and maintenance of plant	2,029,836	2,232,246	2,289,873	2,203,188	3,088,188	2,206,736	2,477,775	2,641,474	2,416,580	2,168,602
Pupil transportation	1,194,197	1,539,042	1,536,060	1,697,636	1,665,844	1,888,445	1,794,955	1,754,442	1,894,539	1,862,795
Central	92,200	94,443	81,499	81,448	64,649	56,040	80,327	76,574	77,600	77,592

(Continued)

West Geauga Local School District

Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years

June 30, 2010

Table 4

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operation of non-instructional services:										
Community services	607,342	536,993	572,078	575,105	502,142	425,148	441,561	405,634	478,797	414,139
Enterprise operations	-	-	-	-	-	-	-	-	100	1,257
Extracurricular activities	688,894	746,504	676,093	760,813	747,934	748,321	751,647	805,064	865,225	926,430
Capital outlay	792,195	-	-	-	44,011	977,742	1,813,796	958,172	1,097,567	1,329,590
Debt service:										
Principal retirement	1,305,000	540,000	1,100,000	1,215,000	9,735,000	1,520,000	2,432,431	2,500,580	2,554,119	2,688,069
Interest and fiscal charges	1,162,207	1,007,329	962,491	884,484	777,563	754,886	730,266	633,514	532,395	421,750
Refund of prior year receipts	-	3,389	16,322	4,110	716	9,706	-	-	-	-
Total expenditures	<u>22,522,676</u>	<u>21,905,018</u>	<u>23,283,089</u>	<u>24,639,376</u>	<u>34,242,110</u>	<u>26,882,943</u>	<u>29,230,008</u>	<u>28,552,832</u>	<u>29,721,814</u>	<u>29,494,795</u>
Excess of revenues over (under) expenditures	<u>(958,933)</u>	<u>(1,155,679)</u>	<u>(472,723)</u>	<u>(323,526)</u>	<u>(4,427,600)</u>	<u>(3,084,980)</u>	<u>824,130</u>	<u>(289,478)</u>	<u>(318,857)</u>	<u>(610,277)</u>
Other financing sources (uses)										
Issuance of bonds	4,605,209	-	-	-	10,700,000	-	-	-	-	-
Issuance of lease purchase agreement	-	-	-	-	-	1,375,000	-	-	-	-
Issuance of notes	-	-	-	-	2,350,000	-	-	-	-	-
Payment to refunded bond escrow agent	(4,497,637)	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	192,000	-	-	-	-	-	-	-	-	-
Transfers in	-	141,138	142,545	2,340,308	18,466	591	215,783	207,459	-	2,387
Transfers out	-	(141,138)	(145,545)	(2,340,308)	(188,466)	(180,591)	(422,581)	(436,774)	(170,569)	(217,453)
Total other financing sources (uses)	<u>299,572</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>12,880,000</u>	<u>1,195,000</u>	<u>(206,798)</u>	<u>(229,315)</u>	<u>(170,569)</u>	<u>(215,066)</u>
Net change in fund balances	<u>\$ (659,361)</u>	<u>\$ (1,155,679)</u>	<u>\$ (475,723)</u>	<u>\$ (323,526)</u>	<u>\$ 8,452,400</u>	<u>\$ (1,889,980)</u>	<u>\$ 617,332</u>	<u>\$ (518,793)</u>	<u>\$ (489,426)</u>	<u>\$ (825,343)</u>
Debt service as a percentage of noncapital expenditures	11.35%	7.06%	8.86%	8.52%	30.74%	8.78%	11.54%	11.36%	10.78%	11.04%

West Geauga Local School District

Fund Balances, Governmental Funds - Last Ten Fiscal Years

June 30, 2010

Table 5

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund										
Reserved	\$ 1,269,308	\$ 915,547	\$ 1,222,531	\$ 1,542,114	\$ 5,608,433	\$ 2,598,257	\$ 3,603,609	\$ 2,803,465	\$ 2,864,189	\$ 2,612,539
Unreserved (deficit)	<u>(133,876)</u>	<u>(761,602)</u>	<u>(1,544,498)</u>	<u>(1,454,105)</u>	<u>(325,413)</u>	<u>578,955</u>	<u>1,296,585</u>	<u>1,979,817</u>	<u>1,969,909</u>	<u>1,653,481</u>
Total general fund	<u>1,135,432</u>	<u>153,945</u>	<u>(321,967)</u>	<u>88,009</u>	<u>5,283,020</u>	<u>3,177,212</u>	<u>4,900,194</u>	<u>4,783,282</u>	<u>4,834,098</u>	<u>4,266,020</u>
All other governmental funds										
Reserved	771,279	1,345,910	1,543,983	897,784	3,575,172	3,666,748	622,410	307,426	301,107	371,341
Unreserved, undesignated, Reported in:										
Special revenue funds	308,020	211,839	145,856	185,918	124,912	186,942	152,776	290,162	223,732	268,934
Debt service fund	-	-	-	-	-	-	1,503,541	1,450,719	1,394,564	1,053,366
Capital projects funds	<u>187,510</u>	<u>370,269</u>	<u>241,367</u>	<u>114,002</u>	<u>223,008</u>	<u>186,230</u>	<u>655,543</u>	<u>484,082</u>	<u>72,744</u>	<u>41,241</u>
Total all other governmental funds	<u>1,266,809</u>	<u>1,928,018</u>	<u>1,931,206</u>	<u>1,197,704</u>	<u>3,923,092</u>	<u>4,039,920</u>	<u>2,934,270</u>	<u>2,532,389</u>	<u>1,992,147</u>	<u>1,734,882</u>
Total governmental funds	<u>\$ 2,402,241</u>	<u>\$ 2,081,963</u>	<u>\$ 1,609,239</u>	<u>\$ 1,285,713</u>	<u>\$ 9,206,112</u>	<u>\$ 7,217,132</u>	<u>\$ 7,834,464</u>	<u>\$ 7,315,671</u>	<u>\$ 6,826,245</u>	<u>\$ 6,000,902</u>

West Geauga Local School District

Assessed and Estimated Actual Value of Taxable Property

Last Ten Collection Years

Table 6

Collection Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Ratio	Weighted Average Tax Rate
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value		
2010	\$ 647,578,970	\$ 1,850,225,629	\$ 17,645,940	\$ 20,052,205	\$ -	\$ -	\$ 665,224,910	\$ 1,870,277,833	35.57%	35.57%
2009	648,413,770	1,852,610,771	16,380,570	18,614,284	-	-	664,794,340	1,871,225,056	35.53%	35.53%
2008	645,288,850	1,843,682,429	15,485,390	17,597,034	2,321,190	3,713,904	663,095,430	1,864,993,367	35.55%	35.55%
2007	640,836,780	1,830,962,229	17,516,110	19,904,670	2,478,680	20,234,122	660,831,570	1,871,101,021	35.32%	35.32%
2006	639,887,180	1,828,249,086	16,065,980	18,257,340	5,184,420	27,650,240	661,137,580	1,867,244,106	35.41%	35.41%
2005	573,741,140	1,639,260,400	17,117,120	19,451,272	6,360,100	25,440,400	597,218,360	1,684,152,072	35.46%	35.46%
2004	566,927,270	1,619,792,200	17,311,410	19,672,057	8,610,270	34,441,080	592,848,950	1,673,905,337	35.42%	35.42%
2003	558,995,410	1,597,129,743	17,196,620	19,541,613	8,511,190	34,044,760	584,703,220	1,650,716,115	35.42%	35.42%
2002	507,603,620	1,450,296,057	18,999,890	21,590,784	8,432,440	33,729,760	535,035,950	1,505,616,601	35.54%	35.54%
2001	501,425,900	1,432,645,429	22,866,870	25,985,080	7,559,400	30,237,600	531,852,170	1,488,868,109	35.72%	35.72%

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Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment. General business inventory tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, the 2 1/2% and the homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

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

West Geauga Local School District

Property Tax Rates - Direct and Overlapping Governments

Last Ten Years

Table 7

Year	Direct Rates				Overlapping Rates				Total Levy
	Operating Millage	Permanent Improvement Millage	Debt Service Millage	Total School District	Recreation District	Russell Township	Library	Gauga County Levy	
2010	\$ 51.39	\$ 1.00	\$ 2.29	\$ 54.68	\$ 0.20	\$ 22.85	\$ 1.00	\$ 15.10	\$ 93.83
2009	51.50	1.00	3.00	55.50	0.20	22.85	1.00	15.10	94.65
2008	51.50	1.00	3.00	55.50	0.20	22.10	1.00	15.10	93.90
2007	51.60	1.00	3.10	55.70	0.20	22.10	1.00	15.10	94.10
2006	51.60	1.00	3.10	55.70	0.20	21.09	1.00	15.10	93.09
2005	48.70	1.00	3.55	53.25	0.20	21.09	1.00	15.10	90.64
2004	48.90	1.00	3.55	53.45	0.20	21.09	1.00	15.10	90.84
2003	45.45	1.00	3.55	50.00	0.20	21.09	1.00	14.60	86.89
2002	45.72	1.00	4.05	50.77	0.20	21.09	1.00	14.40	87.46
2001	45.72	1.00	4.05	50.77	0.20	20.15	1.00	13.40	85.52

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

West Geauga Local School District

Property Tax Levies and Collections - Real and Tangible Personal Property (1)

Last Ten Years

Table 8

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection (4)	Total Collection as a Percent of Current Levy
2009	\$ 22,545,996	\$ 533,122	\$ 23,079,118	\$ 21,922,546	97.23%	\$ 541,041	\$ 22,463,587	99.63%
2008	22,648,059	590,588	23,238,647	21,724,249	95.92%	522,292	22,246,541	98.23%
2007	22,928,324	794,327	23,722,651	22,153,206	96.62%	201,715	22,354,921	97.50%
2006	22,969,920	684,742	23,654,662	21,989,239	95.73%	487,531	22,476,770	97.85%
2005	19,069,597	733,130	19,802,727	18,578,759	97.43%	543,808	19,122,567	100.28%
2004	18,987,484	737,347	19,724,831	18,518,737	97.53%	504,130	19,022,867	100.19%
2003	16,700,725	514,487	17,215,212	16,262,840	97.38%	293,960	16,556,800	99.14%
2002	15,769,050	484,802	16,253,852	15,477,378	98.15%	295,452	15,772,830	100.02%
2001	15,776,428	518,965	16,295,393	15,535,593	98.47%	267,483	15,803,076	100.17%
2000	16,877,420	481,787	17,359,207	16,565,053	98.15%	271,805	16,836,858	99.76%

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2010 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions are brought on in one lump sum.
- (4) This amount includes penalties and interest as this is the way reported by the county.

West Geauga Local School District

Principal Taxpayers: Real Estate Tax

As of December 31, 2009 and December 31, 2000

Table 9

<u>Name of Taxpayer</u>	<u>December 31, 2009</u>		
	Assessed	<u>Rank</u>	Percent of
	<u>Value (1)</u>		Total Assessed
Nash, Lucia	\$ 1,820,630	1	0.28%
Colnsolidated Investment Corporation	1,702,810	2	0.26%
Petronzio Management Company LLC	1,431,550	3	0.22%
West Geauga Plaza LLC	1,396,500	4	0.22%
Cianci, Angelo	1,357,850	5	0.21%
Waxman, Gary	1,218,570	6	0.19%
Miller, David Paul	1,030,960	7	0.16%
Eutrophia Farm Ltd	977,780	8	0.15%
Vadas, Robert	969,720	9	0.15%
Pitorek, Larry J & Loretta M	794,820	10	0.12%
Total	<u>\$ 12,701,190</u>		<u>1.96%</u>
Assessed valuation for West Geauga Local School District	<u>\$ 647,578,970</u>		

<u>Name of Taxpayer</u>	<u>December 31, 2000</u>		
	Assessed	<u>Rank</u>	Percent of
	<u>Value (2)</u>		Total Assessed
Petronzio Management	\$ 1,542,040	1	0.31%
Consolidated Investment	1,323,010	2	0.27%
West Geauga Plaza LLC	1,312,510	3	0.27%
Lucia S. Nash	1,128,070	4	0.23%
Robert J. Vados	831,260	5	0.17%
Angelo Anna Cianci	739,240	6	0.15%
John R. Fairfield	708,270	7	0.14%
Munson Realty Company	683,800	8	0.14%
Larry Pitorak	653,110	9	0.13%
Jon A. Lindseth	640,510	10	0.13%
Total	<u>\$ 9,561,820</u>		<u>1.94%</u>
Assessed valuation for West Geauga Local School District	<u>\$ 494,080,470</u>		

Source: Geauga County Auditor.

(1) Assessed values are for the 2010 collection year.

(2) Assessed values are for the 2001 collection year.

West Geauga Local School District

Principal Taxpayers: Tangible Personal Property Tax

As of December 31, 2008 (4) and December 31, 2000

Table 10

<u>Name of Taxpayer</u>	<u>December 31, 2008 (3)</u>		
	<u>Assessed Value (1)</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Ohio Bell Telephone Co	\$ 479,620	1	20.66%
Windstream Western Reserve Inc	341,560	2	14.71%
Truline Industries Inc	191,770	3	8.26%
Riser Foods Company	149,770	4	6.45%
New Par	131,800	5	5.68%
Discount Drug Mart Inc	101,510	6	4.37%
Channel Products Inc	93,310	7	4.02%
Sprintcom Inc	60,960	8	2.63%
Revco Discount Drug Center Inc	56,540	9	2.44%
Admar Distributing Co Inc	54,790	10	2.36%
Total	\$ 1,661,630		71.59%
Assessed valuation for West Geauga Local School District	\$ 2,321,190		

<u>Name of Taxpayer</u>	<u>December 31, 2000</u>		
	<u>Assessed Value (2)</u>	<u>Rank</u>	<u>Percent of Total Assessed Value</u>
Truline Industries, Inc.	\$ 495,930	1	6.65%
Channel Products, Inc.	399,410	2	5.35%
Discount Drug Mart, Inc.	309,560	3	4.15%
General Bookbinding Company	260,950	4	3.50%
Admar Distributing Company, Inc.	245,660	5	3.29%
Parnassos LP	218,560	6	2.93%
Rite Aid of Ohio, Inc.	210,580	7	2.82%
OCI Leasing, Inc.	180,110	8	2.41%
Revco Discount Drug Center, Inc.	177,770	9	2.38%
Riser Foods Company	156,180	10	2.09%
Total	\$ 2,654,710		35.58%
Assessed valuation for West Geauga Local School District	\$ 7,462,270		

Source: Geauga County Auditor.

- (1) Assessed values are for the 2010 collection year.
- (2) Assessed values are for the 2001 collection year.
- (3) The School District's total assessed value is an estimate provided by the County Auditor that is reduced to reflect collections based upon the phase out of personal property. Reduced valuation amounts are not available by individual taxpayers.
- (4) 2008 is the last year this information is available as tangible personal property was phased out.

West Geauga Local School District

Principal Taxpayers: Public Utilities Tax

As of December 31, 2009 and December 31, 2000

Table 11

<u>Name of Taxpayer</u>	<u>December 31, 2009 (3)</u>		
	Assessed	<u>Rank</u>	Percent of
	<u>Value (1)</u>		Total Assessed
Cleveland Electric Illuminating Co/First Engery	\$ 12,585,660	1	71.32%
AmericanTransmission Systems Inc	3,618,280	2	20.50%
East Ohio Gas Co	1,422,690	3	8.06%
Total	<u>\$ 17,626,630</u>		<u>99.89%</u>
Assessed valuation for West Geauga Local School District	<u>\$ 17,645,940</u>		

<u>Name of Taxpayer</u>	<u>December 31, 2000</u>		
	Assessed	<u>Rank</u>	Percent of
	<u>Value (2)</u>		Total Assessed
Cleveland Electric Illuminating Company	\$ 17,150,270	1	72.30%
East Ohio Gas Company	2,460,020	2	10.37%
Ohio Bell Telephone Company	1,879,320	3	7.92%
Western Reserve Telephone Company	1,019,920	4	4.30%
Total	<u>\$ 22,509,530</u>		<u>94.90%</u>
Assessed valuation for West Geauga Local School District	<u>\$ 23,719,970</u>		

Source: Geauga County Auditor.

- (1) Assessed values are for the 2010 collection year.
- (2) Assessed values are for the 2001 collection year.
- (3) The School District's total assessed value is an estimate provided by the County Auditor that is reduced to reflect collections based upon the phase out of personal property. Reduced valuation amounts are not available by individual taxpayers.

West Geauga Local School District

Computation of Direct and Overlapping Debt

June 30, 2010

Table 12

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Direct:			
West Geauga Local School District	\$ 6,795,000	100.00%	\$ 6,795,000
Overlapping:			
Geauga County	3,999,297	21.51%	860,249
Hunting Valley Village	5,750,000	12.87%	740,025
Chester Township	-	100.00%	-
Munson Township	-	11.17%	-
Russell Township	1,764,999	95.56%	1,686,633
Geauga County Library District	-	23.23%	-
Geauga County Park District	-	21.51%	-
Geauga-Trumbull Jt. Solid Waste	550,000	10.04%	55,220
West Geauga Recreation District	-	100.00%	-
Total	<u>\$ 18,859,296</u>		<u>\$ 10,137,127</u>

Source: Ohio Municipal Advisory Council.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year.

West Geauga Local School District

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Table 13

Fiscal Year	Governmental Activities				Total Primary Government	West Geauga LSD Area Personal Income	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Energy Conservation Bonds	Tax Anticipation Notes	Lease Purchase Agreements				
2010	\$ 6,795,000	\$ -	\$ -	\$ 644,801	\$ 7,439,801	NA	NA	\$ 441.77
2009	8,700,000	-	587,500	840,370	10,127,870	NA	NA	601.38
2008	10,480,000	-	1,175,000	1,026,989	12,681,989	\$ 781,455,959	1.62%	753.04
2007	12,215,000	-	1,762,500	1,205,069	15,182,569	877,303,040	1.73%	901.52
2006	13,890,000	-	2,350,000	1,375,000	17,615,000	858,790,671	2.05%	1,045.96
2005	15,410,000	-	2,350,000	-	17,760,000	788,046,215	2.25%	1,054.57
2004	14,365,000	80,000	-	-	14,445,000	724,004,791	2.00%	857.73
2003	15,500,000	160,000	-	-	15,660,000	767,068,185	2.04%	929.87
2002	16,520,000	240,000	-	-	16,760,000	613,927,935	2.73%	995.19
2001	16,980,000	320,000	-	-	17,300,000	675,053,427	2.56%	1,027.25

NA - Information not available.

West Geauga Local School District

Ratio of Net General Obligation Bonded Debt to Assessed Value and Bonded Debt per Capita

Last Ten Fiscal Years

Table 14

Fiscal Year	Net General Obligation Bonded Debt (1)	Assessed Value	Population (2)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2010	\$ 5,613,557	\$ 665,224,910	16,841	0.84%	\$ 333.33
2009	7,040,636	664,794,340	16,841	1.06%	418.07
2008	8,773,118	663,095,430	16,841	1.32%	520.94
2007	10,313,276	660,831,570	16,841	1.56%	612.39
2006	12,039,740	661,137,580	16,841	1.82%	714.91
2005	13,281,611	597,218,360	16,841	2.22%	788.65
2004	13,651,053	592,848,950	16,841	2.30%	810.58
2003	14,240,902	584,703,220	16,841	2.44%	845.61
2002	15,511,014	535,035,950	16,841	2.90%	921.03
2001	16,686,029	531,852,170	16,841	3.14%	990.80

Sources:

(1) School District records.

(2) U.S. Census Data.

West Geauga Local School District

Computation of Legal Debt Margin

Last Ten Fiscal Years

	2001	2002	2003	2004	2005
Tax Valuation (2)	<u>\$ 531,852,170</u>	<u>\$ 535,035,950</u>	<u>\$ 584,703,220</u>	<u>\$ 592,848,950</u>	<u>\$ 597,218,360</u>
Debt limit - 9% of assessed value	47,866,695	48,153,236	52,623,290	53,356,406	53,749,652
Amount of debt applicable to debt limit:					
General obligation bonds	16,980,000	16,520,000	15,500,000	14,365,000	15,410,000
Energy conservation bonds	320,000	240,000	160,000	80,000	-
Less: amount available in debt service fund	<u>(613,971)</u>	<u>(1,248,986)</u>	<u>(1,419,098)</u>	<u>(793,947)</u>	<u>(2,128,389)</u>
Total amount of debt subject to the limit	<u>16,686,029</u>	<u>15,511,014</u>	<u>14,240,902</u>	<u>13,651,053</u>	<u>13,281,611</u>
Exemptions:					
Energy conservation bonds	<u>320,000</u>	<u>240,000</u>	<u>160,000</u>	<u>80,000</u>	<u>-</u>
Amount of debt subject to the limit	<u>16,366,029</u>	<u>15,271,014</u>	<u>14,080,902</u>	<u>13,571,053</u>	<u>13,281,611</u>
Overall debt margin	<u>\$ 31,500,666</u>	<u>\$ 32,882,222</u>	<u>\$ 38,542,388</u>	<u>\$ 39,785,353</u>	<u>\$ 40,468,041</u>
Debt limit - .10% of assessed value (1)	\$ 531,852	\$ 535,036	\$ 584,703	\$ 592,849	\$ 597,218
Amount of debt applicable	-	-	-	-	-
Unvoted debt margin	<u>\$ 531,852</u>	<u>\$ 535,036</u>	<u>\$ 584,703</u>	<u>\$ 592,849</u>	<u>\$ 597,218</u>
Additional limit for unvoted energy conservation bonds:					
Debt limit -.9% of assessed valuation	\$ 4,786,670	\$ 4,815,324	\$ 5,262,329	\$ 5,335,641	\$ 5,374,965
Energy conservation bonds	320,000	240,000	160,000	80,000	-
Additional unvoted debt margin	<u>\$ 4,466,670</u>	<u>\$ 4,575,324</u>	<u>\$ 5,102,329</u>	<u>\$ 5,255,641</u>	<u>\$ 5,374,965</u>

Sources: School District Financial Records.

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

(2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

Table 15

2006	2007	2008	2009	2010
<u>\$ 639,887,180</u>	<u>\$ 640,836,780</u>	<u>\$ 645,288,850</u>	<u>\$ 648,413,770</u>	<u>\$ 647,578,970</u>
57,589,846	57,675,310	58,075,997	58,357,239	58,282,107
13,890,000	12,215,000	10,480,000	8,700,000	6,795,000
-	-	-	-	-
<u>(1,850,260)</u>	<u>(1,901,724)</u>	<u>(1,706,882)</u>	<u>(1,659,364)</u>	<u>(1,181,443)</u>
<u>12,039,740</u>	<u>10,313,276</u>	<u>8,773,118</u>	<u>7,040,636</u>	<u>5,613,557</u>
-	-	-	-	-
<u>12,039,740</u>	<u>10,313,276</u>	<u>8,773,118</u>	<u>7,040,636</u>	<u>5,613,557</u>
<u>\$ 45,550,106</u>	<u>\$ 47,362,034</u>	<u>\$ 49,302,879</u>	<u>\$ 51,316,603</u>	<u>\$ 52,668,550</u>
\$ 639,887	\$ 640,837	\$ 645,289	\$ 648,414	\$ 647,579
-	-	-	-	-
<u>\$ 639,887</u>	<u>\$ 640,837</u>	<u>\$ 645,289</u>	<u>\$ 648,414</u>	<u>\$ 647,579</u>
\$ 5,758,985	\$ 5,767,531	\$ 5,807,600	\$ 5,835,724	\$ 5,828,211
-	-	-	-	-
<u>\$ 5,758,985</u>	<u>\$ 5,767,531</u>	<u>\$ 5,807,600</u>	<u>\$ 5,835,724</u>	<u>\$ 5,828,211</u>

West Geauga Local School District

Demographic Statistics

Last Ten Fiscal Years

Table 16

Year	Geauga County Population (1)	West Geauga LSD Area Population (2)	West Geauga LSD Area Personal Income	West Geauga LSD Area Personal Income Per Capita (3)	Geauga County School Enrollment (4)	Unemployment Rate (5)
2010	95,676	16,841	NA	NA	2,245	7.30%
2009	95,676	16,841	NA	NA	2,186	7.90%
2008	95,676	16,841	\$ 781,455,959	\$ 46,402	2,249	6.30%
2007	95,676	16,841	877,303,040	52,093	2,427	4.30%
2006	95,218	16,841	858,790,671	50,994	2,485	4.20%
2005	94,602	16,841	788,046,215	46,793	2,517	4.20%
2004	93,941	16,841	724,004,791	42,991	2,530	3.70%
2003	92,980	16,841	767,068,185	45,548	2,650	3.70%
2002	92,180	16,841	613,927,935	36,454	2,552	3.60%
2001	90,895	16,841	675,053,427	40,084	2,523	2.70%

Sources:

(1) Estimated figure from the U.S. Census Bureau

(2) U.S. Census Bureau

(3) U.S. Census Bureau. Information presented is for Chesterland. Information for the townships of Munson, Russell and Hunting Valley Village were not available.

(4) School District records.

(5) Ohio Bureau of Employment Services.

NA - Information not available.

West Geauga Local School District

Principal Employers

2009 and 2000

Table 17

Employer	Nature of Business	<u>2009 (3)</u>		Percentage of Total Employment
		Number of Employees	Rank	
Kraftmaid Cabinetry Inc./Masco Corp.	Manufacturer	2,647	1	31.17%
University Hospital Health Systems	Hospital	1,203	2	14.17%
Gauga County	Government	1,080	3	12.72%
Walmart	Retailer	853	4	10.05%
Great Lakes Cheese	Cheese Packager	600	5	7.07%
West Geauga School District	School District	450	6	5.30%
Giant Eagle	Retailer	431	7	5.08%
Kenston Local School District	School District	429	8	5.05%
Dillen Products	Manufacturer	415	9	4.89%
Chardon Local School District	School District	383	10	4.51%
Total		<u>8,491</u>		<u>100.00%</u>

Employer	Nature of Business	<u>2000</u>		Percentage of Total Employment
		Number of Employees	Rank	
Kraftmaid, Inc.	Manufacturer	2,862	1	30.63%
Six Flags, Inc.	Amusement park	2,300	2	24.61%
Gauga County	Government	1,028	3	11.00%
Duramax, Inc.	Manufacturer	803	4	8.59%
University Hospital Health Systems	Hospital	605	5	6.47%
Dillon Products, Inc.	Manufacturer	408	6	4.37%
Great Lakes Cheese	Cheese Packager	400	7	4.28%
Carlisle Engineered Products	Manufacturer	380	8	4.07%
Kinetico, Inc.	Manufacturer	290	9	3.10%
Burton Rubber Processing	Manufacturer	269	10	2.88%
Total		<u>9,345</u>		<u>100.00%</u>

Source: Gauga County Auditor.

(1) Principal employers listed are the ten largest employers within the County. The top employers within the School District is not available.

(2) Includes seasonal employees.

(3) 2010 information is not yet available.

West Geauga Local School District

Building Statistics by Function/Program

June 30, 2010

Table 18

Lindsey Elementary School

Constructed in 1965 with an addition in 1969 & 1996

Total Building Square Footage	58,106
Enrollment Grades K-5	439
Student Capacity	534
Regular Instruction Classrooms	27
Regular Instruction Teachers	26
Special Instruction Teachers	3

Westwood Elementary School

Constructed in 1959 with an addition in 1960 & 1996

Total Building Square Footage	60,400
Enrollment Grades K-5	426
Student Capacity	575
Regular Instruction Classrooms	26
Regular Instruction Teachers	26
Special Instruction Teachers	2

West Geauga Middle School

Constructed in 1962 with additions in 1963, 1964, & 1996

Total Building Square Footage	113,416
Enrollment Grades 6-8	555
Student Capacity	727
Regular Instruction Classrooms	57
Regular Instruction Teachers	34
Special Instruction Teachers	6

West Geauga High School

Constructed in 1954 with additions in 1956,1958,1961,1966,1969,& 1996.

Total Building Square Footage	162,520
Enrollment Grades 9-12	919
Student Capacity	1,003
Regular Instruction Classrooms	61
Regular Instruction Teachers	40
Special Instruction Teachers	4

Source: West Geauga Local School District.

West Geauga Local School District

Per Pupil Cost

Last Ten Fiscal Years

Table 19

<u>Year</u>	<u>Government wide Expenditures (1)</u>	<u>Average Daily Student Enrollment (2)</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Students Receiving Reduced or No Cost Lunches</u>	<u>% of Students Receiving Reduced or No Cost Lunches</u>
2010	\$ 27,461,225	2,245	\$ 12,232	-4.24%	137	16.39	213	9.49%
2009	27,922,564	2,186	12,773	6.73%	140	15.61	137	6.27%
2008	26,916,409	2,249	11,968	9.95%	146	15.40	110	4.89%
2007	26,418,607	2,427	10,885	0.55%	144	16.85	135	5.56%
2006	26,901,178	2,485	10,825	6.15%	144	17.31	118	4.75%
2005	25,668,046	2,517	10,198	3.83%	148	17.06	108	4.29%
2004	24,849,759	2,530	9,822	9.81%	148	17.09	99	3.91%
2003	23,703,397	2,650	8,945	24.03%	160	16.53	63	2.38%
2002	18,404,284	2,552	7,212	0.64%	154	16.57	63	2.47%
2001	18,080,199	2,523	7,166	9.06%	148	17.05	54	2.14%

Source: School District Records, Ohio Department of Education.

(1) Note: Years 2000 - 2002, are presented based on general fund expenditures, the remaining years are based on government wide expenditures.

(2) Based upon EMIS information provided to the Ohio Department of Education.

West Geauga Local School District

School District Employees by Function/Program

Last Six Fiscal Years

Table 20

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Regular instruction						
Elementary classroom teachers	48	46	55	55	52	52
Middle school classroom teachers	36	34	35	35	34	34
High school classroom teachers	47	47	45	45	40	40
Special instruction						
Elementary classroom teachers	8	9	8	8	5	5
Gifted education teachers	5	6	6	6	1	1
Middle school classroom teachers	4	4	6	6	6	6
High school classroom teachers	1	1	1	1	4	4
Tutors	3	4	3	1	1	1
Vocational instruction - HS classroom teachers	2	1	1	1	1	1
Pupil support services						
Guidance counselors	6	5	5	6	6	6
Nurses	3	2	2	2	2	2
Admin - psychologists	2	2	2	2	2	2
Speech and language pathologists	2	1	1	1	3	3
Non-teaching support staff elementary	11	11	11	11	15	13
Non-teaching support staff middle school	3	3	3	3	5	4
Non-teaching support staff high school	3	3	3	3	7	9
Admin - central (contract)	1	1	1	1	1	1
Instructional support service						
Librarians	1	1	1	1	2	2
Non-teaching support staff elementary	2	2	2	2	2	2
Non-teaching support staff high school	1	1	1	1	1	1
Admin - central	1	1	1	1	1	1
Administration						
Admin - elementary	2	2	2	2	2	2
Admin - middle school	2	2	2	2	2	2
Admin - high school	2	2	2	2	2	2
Staff - central	7	6	6	6	7	7
Admin - central	1	1	1	1	1	1
Fiscal						
Staff - central	3	3	3	3	3	3
Admin - central	1	1	1	1	1	1
Business - central	2	2	2	2	2	2
Operation of plant						
Custodial department	19	17	16	17	17	17
Maintenance department	3	3	3	3	3	3
Admin - central	1	1	1	1	1	1
Support services - transportation						
Bus drivers	35	35	34	35	35	34
Bus aides	1	1	1	1	2	2
Mechanics	2	2	2	2	2	2
Admin - central	2	2	2	2	1	1
Food service program						
Elementary	3	3	3	3	3	3
Middle school	3	3	3	3	3	3
High school cooks	11	10	10	10	10	11
Admin - central (contract)	1	1	1	1	1	1
Extracurricular - athletic department	1	1	1	1	1	1
Totals	<u>292</u>	<u>283</u>	<u>289</u>	<u>290</u>	<u>290</u>	<u>289</u>

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

Source: Treasurer's Office, West Geauga Local School District.

West Geauga Local School District

Teachers' Salaries

Last Ten Fiscal Years Table 21

Fiscal <u>Year</u>	West Geauga Local School Average <u>Salary</u>	Statewide Average <u>Salary</u>
2001	\$ 44,789	\$ 42,995
2002	45,698	43,755
2003	46,947	45,645
2004	50,125	47,659
2005	52,721	49,438
2006	55,404	50,772
2007	57,531	53,536
2008	57,829	53,410
2009	59,468	54,656
2010	60,465	55,958

Source: Ohio Department of Education.

West Geauga Local School District

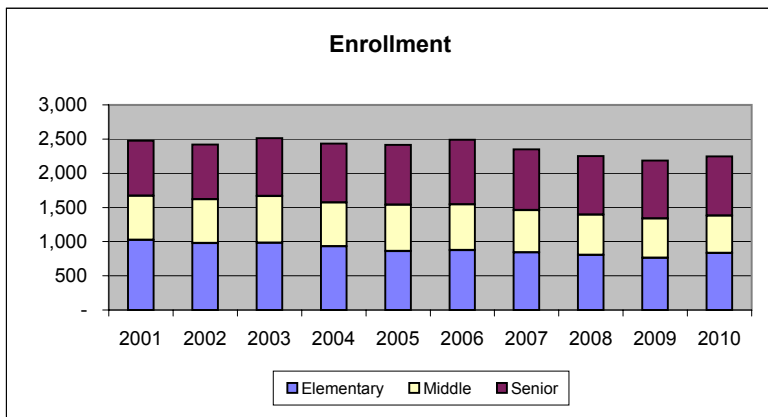
Enrollment Statistics (1)

Last Ten Fiscal Years Table 22

<u>Fiscal Year</u>	<u>Elementary Schools</u>	<u>Middle School</u>	<u>High School</u>	<u>Total</u>
2001	1,023	647	805	2,475
2002	977	642	802	2,421
2003	985	679	847	2,511
2004	931	640	864	2,435
2005	862	678	877	2,417
2006	875	668	947	2,490
2007	841	619	891	2,351
2008	806	588	855	2,249
2009	761	579	846	2,186
2010	833	547	865	2,245

(1) Ohio Department of Education enrollment statistics does not include open enrollment students.

Source: Ohio Department of Education.



West Geauga Local School District

Average Number of Students per Teacher

Last Ten Fiscal Years

Table 23

Fiscal <u>Year</u>	West Geauga LSD <u>Average</u>	State <u>Average</u>
2001	17.05	18.00
2002	16.57	16.90
2003	16.53	16.50
2004	17.09	18.50
2005	17.06	18.50
2006	17.31	18.60
2007	16.85	19.60
2008	15.40	18.60
2009	15.61	NA
2010	16.39	NA

Source: Ohio Department of Education.

NA - Information not available.

West Geauga Local School District

Attendance and Graduation Rates

Last Ten Fiscal Years

Table 24

<u>Fiscal Year</u>	<u>West Geauga LSD Attendance Rate</u>	<u>State Average</u>	<u>West Geauga LSD Graduation Rate</u>	<u>State Average</u>
2001	95.60%	93.90%	97.40%	81.10%
2002	95.70%	94.30%	97.00%	82.70%
2003	95.60%	94.50%	99.00%	84.30%
2004	95.70%	94.50%	96.30%	85.90%
2005	95.30%	94.30%	97.70%	86.20%
2006	95.20%	94.10%	98.20%	86.10%
2007	95.30%	94.10%	97.70%	86.90%
2008	95.40%	94.20%	> 95%	84.60%
2009	> 95%	94.30%	> 95%	83.00%
2010	> 95%	94.20%	NA	NA

Source: Ohio Department of Education.

NA - Information is not available.



Dave Yost • Auditor of State

WEST GEAUGA LOCAL SCHOOL DISTRICT

GEAUGA 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
MARCH 3, 2011