

Mary Taylor, CPA
Auditor of State



Dave Yost • Auditor of State

January 18, 2011

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 10, 2011. Thus, I am certifying this audit report for release under the signature of my predecessor.

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DAVE YOST
Auditor of State

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**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010
(CASH BASIS)**

Federal Grantor/ Pass Through Grantor Program Title	Grant Award Year	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
Non-Cash Assistance (Food Distribution)				
National School Lunch Program	2010	10.555	\$ 167,899	\$ 167,899
Nutrition Cluster:				
School Breakfast Program	2010	10.553	356,999	356,999
National School Lunch Program	2010	10.555	983,298	983,298
Summer Food Service Program for Children	2010	10.559	40,034	40,034
Total Nutrition Cluster			<u>1,380,331</u>	<u>1,380,331</u>
Team Nutrition Grant	2010	10.574	6,000	3,558
Total U.S. Department of Agriculture			<u>1,554,230</u>	<u>1,551,788</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	2009/2010	84.010	1,596,283	1,744,245
Title I Grants to Local Educational Agencies - ARRA	2010	84.389	106,578	106,244
Total Title I Grants to Local Educational Agencies			<u>1,702,861</u>	<u>1,850,489</u>
Special Education Cluster:				
Special Education - Grants to States	2009/2010	84.027	2,278,473	2,332,019
Special Education - Grants to States - ARRA	2010	84.391	1,254,897	1,254,794
Total Special Education - Grants to States			<u>3,533,370</u>	<u>3,586,813</u>
Special Education - Preschool Grant	2009/2010	84.173	30,306	28,953
Special Education - Preschool Grant - ARRA	2010	84.392	7,513	7,513
Total Special Education - Preschool Grant			<u>37,819</u>	<u>36,466</u>
Total Special Education Cluster			<u>5,274,050</u>	<u>5,473,768</u>
Safe and Drug-Free Schools and Communities - State Grants	2009/2010	84.186	35,145	36,614
State Grants for Innovative Programs	2009/2010	84.298	3,074	4,915
Education Technology State Grants	2009/2010	84.318	14,709	11,584
Advanced Placement Program	2010	84.330	880	880
English Language Acquisition Grants - Limited English Proficient	2009/2010	84.365	238,837	237,549
Improving Teacher Quality State Grants	2009/2010	84.367	377,849	389,225
State Fiscal Stabilization Fund	2010	84.394	2,102,387	2,102,387
Total U.S. Department of Education			<u>8,046,931</u>	<u>8,256,922</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Jobs and Family Service:</i>				
Refugee and Immigrant Assistance - Discretionary Grants	2009/2010	93.576	13,526	16,907
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
<i>Passed Through Upper Arlington City School District:</i>				
Learn and Save America - School and Community Based Programs	2009/2010	94.004	5,000	5,679
Total Federal Awards of Receipts and Expenditures			<u>\$ 9,619,687</u>	<u>\$ 9,831,296</u>

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

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the entitlement amount of the commodities received.

NOTE C – FOOD DONATION PROGRAM

The District reports commodities consumed on the Schedule at the entitlement value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.



Mary Taylor, CPA

Auditor of State

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

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

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2010 which collectively comprise the District's basic financial statements and have issued our report thereon December 3, 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion 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 grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 3, 2010.

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



Mary Taylor, CPA
Auditor of State

December 3, 2010



Mary Taylor, CPA

Auditor of State

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

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

To the Board of Education:

Compliance

We have audited the compliance of Westerville City School District, Franklin County, Ohio (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of the District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings and questioned costs 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 District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned cost lists this instance as Finding 2010-01.

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 the requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 was not designed to 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. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings and questioned costs as item 2010-01. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Federal Awards of Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 3, 2010. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards of Receipts and Expenditures Schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Government, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Westerville City School District
Franklin County
Independent Accountants' Report on Compliance with Requirements
Applicable to Each Major Federal Program, Internal Control
Over Compliance in Accordance with OMB Circular A-133, and
Federal Awards of Receipts and Expenditures Schedule
Page 3

This schedule was subjected to the auditing procedures applied in the audit of the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 3, 2010

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**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
OMB CIRCULAR A -133 § .505
JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	Yes
(d)(1)(vii)	Major Programs (list):	Title I (CFDA # 84.010 and 84.389) Special Education Cluster (CFDA # 84.027, 84.173, 84.391 and 84.392) State Fiscal Stabilization Fund (CFDA # 84.394) Improving Teacher Quality State Grants (CFDA # 84.367)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
OMB CIRCULAR A -133 § .505
JUNE 30, 2010
(Continued)**

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

Questioned Cost/Non-compliance/Significant Deficiency

Finding Number	2010-001
CFDA Title and Number	State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act (Education Stabilization Fund) - #84.394
Federal Award Number / Year	31-6401135/2010
Federal Agency	The United States Department of Education
Pass-Through Agency	The Ohio Department of Education

2 C.F.R. part 225, Appendix A section C.1.c.indicates that to be allowable under Federal awards, costs must be authorized or not prohibited under State or local laws or regulations.

Ohio Revised Code Section 3313.24(A) requires that the board of education of each local, exempted village, or city school district shall fix the compensation of its treasurer, which shall be paid from the general fund of the district.

During fiscal year 2010, \$132,732 of the District Treasurers salary and benefits was allocated as an expenditure to the State Fiscal Stabilization Grant and therefore not allowed by State and Federal guidelines.

We recommend that the District consult with their contacts at the Ohio Department of Education regarding all questionable grant expenditure prior to allocating costs to those grants.

Officials’ Response and Corrective Action Plan:

The District used the State Fiscal Stabilization Funds (SFSF) to pay for administrative salaries and benefits for FY 2010. In order to minimize the number of transactions, we charged the salary/benefits of the highest paid administrators in order to reduce the number that needed to be coded to the SFSF funds. The Treasurer’s salary and benefits were included in the list of those charged against the SFSF. As soon as the District discovered that the salary/benefits of the Treasurer could not be charged against the SFSF, on August 31, 2010, the Assistant Treasurer made a correcting entry and moved those expenses back to the General Fund. The District was diligent in monitoring the communication sent out by the Ohio Department of Education and did not see any mention of the requirement that the Treasurer’s salary/benefits must be paid from the General Fund. The District later discovered that there was information posted to the Ohio Department of Education’s website that was not included in any communication sent out to the districts. The District has made the necessary changes to ensure that we are processing only allowable expenses against the SFSF funds.

Westerville City School District

Westerville, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2010

Issued By:

Office of the Treasurer

Prepared By:

J. Scott Gooding II

Treasurer/CFO

Laura A. Hendricks, CPA

Assistant Treasurer

Westerville City School District

Westerville, Ohio



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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
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For the Fiscal Year Ended June 30, 2010

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Comprehensive Annual Financial Report
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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
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Westerville City School District

Westerville, Ohio



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Westerville City Schools

336 South Otterbein Avenue, Westerville, OH 43081
Main Office (614) 797-5700 Fax (614) 797-5775

Department of Treasurer/Fiscal Services
J. Scott Gooding II, Treasurer/CFO

Vision

Our vision is
to be the benchmark
of educational
excellence.

December 3, 2010

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

Mission

Our mission is
to prepare students
to contribute
to the competitive
and changing world
in which we live.

As the Superintendent and Treasurer/CFO of the Westerville City School District (the District), it is our pleasure to present the ninth Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR, for the year ended June 30, 2010, contains financial statements, supplemental statements, and statistical information, providing complete and full disclosure of all material financial aspects of the District for the 2010 fiscal year.

Values

- Respect
- Inclusiveness
- Community
- Communication
- Collaboration
- Innovation
- Nurturing
- Trust
- Accountability

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

THE DISTRICT AND ITS FACILITIES

The Westerville City School District (the District) is located in Central Ohio, immediately northeast of the City of Columbus. Encompassing 52 square miles, the District includes land in the City of Westerville, Village of Minerva Park, City of Columbus, Franklin County, and Delaware County. Westerville is a growing residential suburb with a school district enrollment of 14,925, and the District's estimated population is 80,702 (Mid Ohio Regional Planning Commission). The District is currently comprised of 23 schools: 16 elementary schools, four middle schools, and three high schools. The District is culturally and economically diverse, and its residents are well educated and expect a high quality education for their children. Many residents are area leaders in business, the professions, and the arts. Westerville is the home of Otterbein College, a 4-year liberal arts institution.

Westerville City Schools considers student achievement its top priority. For its core subject areas, the District has adopted the Ohio Department of Education's Academic Content Standards, which ensure that written curriculum, classroom instruction and assessments of learning all match – an alignment that research suggests makes a powerful impact on student achievement. We use these standards as a foundation to develop our courses of study.

Westerville's collaborative focus on student achievement has paid off in ways that will open doors to a successful future for its graduates. We have implemented a number of programs that nurture the whole child by promoting safety and wellness, enhancing learning and providing a continuum of services, from prevention through intervention and family support.

We also believe that fostering character is an important part of each student's education. The Westerville Way, which focuses on one inspirational word each month, was created to support shared values. Because students are also strongly encouraged to participate in community service activities, our local, national, and global neighbors have benefited.

Partnerships are important. In the Westerville school district, parents and community members are actively encouraged to connect with their schools. In conjunction with the Westerville Area Chamber of Commerce, the Adopt-a-School program, which began in 1985, offers long-term opportunities for local businesses and schools to work together. A significant increase has occurred in the number of Adopt-a-School partners, thanks to the teamwork of civic leaders and school staff.

It takes hard work and dedication on the part of many individuals to serve the needs of 14,925 students. In addition to being educated, pupils must be transported, fed and sheltered in a safe and clean environment. Our secretaries, bus drivers, custodians, food service workers, maintenance experts and grounds crews excel at making operations run smoothly every day.

With challenge comes opportunity. As our student population grows and diversifies, our enthusiastic teachers and support staff are prepared to meet the changing needs of pupils who attend Westerville City Schools. The number of students with disabilities served by the district has increased steadily over the years. We now provide a continuum of support for 1,819 students with disabilities in the special education programs for school-age and preschool-age children. In addition, Westerville's 1,263 non-English or limited-English speaking pupils now represent 8.4% of the student population. Eighty-two different languages are spoken by the district's English-as-a-Second-Language (ESL) students. They are served by a staff of 60 ESL teachers, paraprofessionals and bilingual aides.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

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

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

ECONOMIC DEVELOPMENT AND OUTLOOK

The City of Westerville is located in the northeast quadrant of Ohio's fastest growing metropolitan area and is a vital city of 37,000 residents within 12.97 square miles that abut the City of Columbus, Ohio's capital. The City has immediate access to I-71 and I-270. Settled in 1806, Westerville's historic legacy serves as a constant backdrop to its steady residential and corporate growth. New and existing businesses enjoy the character of the cobblestone streets in Uptown Westerville and a business climate poised for the 21st century. Residents enjoy 335 acres of parkland in 26 different locations plus the family recreational activities along the nine-mile Hoover Reservoir, just east of the city. In *CNNMoney.com: Best Places to Live*, Westerville was ranked 15th in the top 100 list for Best Places to Live in the United States of America. The Westerville Parks & Recreation was named a National Gold Medal Winner.

The City of Westerville continues to enjoy consistent growth as small to medium to Fortune 500 firms are selecting Westerville as the best location to grow their businesses. A unique spirit of public-private commitment pervades the business climate in Westerville and fosters this growth. From the moment a company begins to consider one of Westerville's many diverse office parks, Westerville officials, administrators, and staff are working to maximize their opportunities for success.

Westerville is ideally suited for commerce. We are within 500 miles of over half the U.S. and Canadian population, and Pittsburg, Cleveland, Cincinnati and Indianapolis are all less than 200 miles from Westerville. The Columbus Outerbelt, just south of downtown Westerville, connects to north-south Interstate 71 and east-west Interstate 70. Port Columbus International Airport, only 10 miles away, is served by 10 airlines and their regional affiliates - offering 170 daily non-stop flights to 34 destinations. Not much further away, Rickenbacker International Airport offers first-class cargo transportation and has been designated a Foreign Trade Zone.

Westerville enjoys its location in Franklin and Delaware counties and this offers our employers access to the workforce in both counties. And as the fastest growing county in the state, Delaware County offers Westerville employers an ever-increasing applicant pool - so important in today's hiring environment. Many nearby training institutions also serve as employment resources, including The Ohio State University, Capital University, Franklin University, Ohio Dominican College, Ohio Wesleyan University, Columbus State Community College, DeVry Institute of Technology, and our own Otterbein College.

The City of Westerville is the only Central Ohio suburb to own and operate its own electric and water utilities. This means lower rates to businesses and residents in the City of Westerville as well as service that is truly exceptional.

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

Ohio's seasonally adjusted unemployment rate remained the same at 10.5% in June 2010 from June 2009. The national unemployment rate also remained the same at 9.5% in June 2010 from June 2009. The projected September 2010 labor force in the State of Ohio numbered at 5,919,762 (US Department of Labor – Bureau of Labor Statistics).

ORGANIZATION OF THE DISTRICT / PROFILE OF THE GOVERNMENT

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

Board members are elected at large for staggered four-year terms. The Board meets regularly on the second and fourth Monday of each month. At the first meeting of each year, the Board elects one of its members as president and one as vice-president to serve as such for one year. The Board members on June 30, 2010, were as follows:

Board Member	Service as a Board Member		
	Began	Expires	
Kristi Robbins	01/01/06	12/31/13	President
Jeff Gale	01/01/08	12/31/11	Vice-President
Cindy Crowe	01/01/00	12/31/11	Member
Kevin Hoffman	01/01/02	12/31/13	Member
Denise Pope	01/01/09	12/31/13	Member

The Superintendent of Schools is the Chief Executive and Administrative Officer for the Westerville Board of Education. Dr. J. Daniel Good, in this capacity, directs and supervises the work of all the schools, offices, and employees of the Board, except the Treasurer and the Treasurer's Assistants. Dr. Good (Dan) assumed the role of CEO on June 1, 2008. It is Dan's 28th year in service to public education having served in the roles of teacher, administrator, state official, and Chief Executive Officer.

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The Treasurer is the chief financial officer (CFO) of the District and is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. J. Scott Gooding II was appointed as Treasurer/CFO on June 1, 2004. Mr. Gooding has been in the government finance profession for 13 ½ years.

EMPLOYEE RELATIONS

The District currently has approximately 1,700 full-time and part-time employees. Four organizations represent District employees. For collective bargaining purposes, the Westerville Education Association (WEA) represents certificated employees, which include teachers and educational specialists. Classified employees are divided into three bargaining unions: the bus drivers and mechanics are represented by Ohio Association of Public School Employees (OAPSE #719); the custodial/maintenance staff and food service staff are represented by Ohio Association of Public School Employees (OAPSE #138); and the clerical staff is represented by the Westerville Education Support Staff Association (WESSA). In the opinion of School District officials, labor relations are good.

Certified Staff

The teaching or certified staff is represented by the Westerville Education Association (WEA), which is affiliated with the Ohio Education Association (OEA) and the National Education Association (NEA). The Board has bargained with the WEA since September 1, 1997. The Board and the WEA signed a two-year agreement effective September 1, 2007 through August 31, 2009. The settlement granted the certified staff an annual salary increase of 2.65% and 2.65%, effective September 1, 2007, and September 1, 2008, respectively. In recognition of a projected budget deficit, the Board of Education and the Westerville Education Association agreed on a new contract that provided a 12-month base salary freeze for all teachers, which was in effect from September 1, 2009 to August 31, 2010.

Classified Staff

Classified employees are represented by three unions: bus drivers and mechanics are represented by the Ohio Association of Public School Employees (OAPSE #719), the custodial, maintenance and food service staff are represented by OAPSE #138, and the clerical staff is represented by Westerville Educational Support Staff Association (WESSA). The OAPSE #138 wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years. The OAPSE #719 wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years. The WESSA wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years.

DISTRICT MAJOR INITIATIVES AND EVENTS

Our vision: To be the benchmark of educational excellence.

Our mission: To prepare students to contribute to the competitive and changing world in which we live.

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Our values: The Westerville School District and those who represent it acknowledge that an educational institution must promote, uphold and reflect the values for which it stands, as well as those for which its community stands, in all work and learning environments under its care. Driven by a vision to be the benchmark of educational excellence, the Westerville School District strives daily to exemplify the following organizational values: Respect, Inclusiveness, Community, Communication, Collaboration, Innovation, Nurturing, Trust, and Accountability.

Our number one priority is student achievement

We believe that in the process of learning, students need support from teachers and other adults based on the student's needs and experiences, and the difficulty of the task. We recognize that children learn and master knowledge and skills at different rates and through differentiated instructional strategies as they progress through school. Through a partnership with the teacher and staff, the parent, and the student, it is our goal to help every child learn the knowledge and skills essential for success in school and life. Our district offers a wide variety of programs and services to successfully meet the needs of our students:

- **Assessment & Alternative Education Services** - responsible for all district-wide assessments and testing protocol as well as state/district/building report card data. This office also provides services that include intervention programs for at-risk students, home school approvals, educational options, and post-secondary options for those students who wish to challenge themselves.
- **Curriculum & Instruction** - responsible for course of study development and textbook adoptions in all curricular areas (English Language Arts, Mathematics, Science, Social Studies, Foreign Language, Visual & Performing Arts, Technology, Health, and Physical Education), instructional strategies and teacher professional development to improve student achievement. This also includes our International Baccalaureate Programme (a two-year international curriculum with a goal to provide students with the skills and attitudes necessary for success in higher education and employment); our Magnet School Program (schools of choice for students entering grades 1 - 5 at Emerson, Hanby, Central College and Longfellow, and grades 1 and 2 at Robert Frost); and our Career-Technical Educational Program (16 career fields/groups of occupations and broad industries based on common characteristics).
- **Educational Options for Success (EOS)** - an alternative high school program serving the needs of students who have been expelled, are overage and under-credited, and who have dropped out or are considering dropping out of school. Since its inception in February 2000, EOS has met the needs of more than 800 students and helped facilitate the graduation of more than 65 percent of these students.
- **English as a Second Language (ESL)** - responsible for offering ESL classes for approximately 1,200 students with limited English proficiency. Pupils in this program come from more than 80 countries and speak some 70 languages. Qualifying students, upon enrolling in the district, are evaluated to determine the level of support needed.

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- **Gifted Services** - responsible for identifying and working to meet the needs of our gifted students by developing, delivering and encouraging ability-appropriate academic challenges as well as social/emotional support for the student.
- **Special Education**- consistent with school districts across Ohio, twelve percent of Westerville's students have been identified as disabled and in need of special education. Students with disabilities in Westerville represent a diverse range of socio-economic and ethnic membership; of cognitive potential, from gifted to severely impaired; and type of disability, from individuals adversely affected by speech errors, to individuals with traumatic brain injury. We continue to search for the best intervention strategies to use with all children, including children with disabilities, and our goal is that we will increasingly graduate students who are ready to continue a lifetime of learning and the highest level of individual independence possible. Early identification and intervention are critical to closing the gap reflected above.

Our Goal: The Best Staff are Recruited, Selected, Developed and Retained

As of August 30, 2010, 1,701 individuals were employed at Westerville City Schools. That number includes 1,031 teachers, 595 classified staff, and 75 administrators. In addition, 302 certificated substitutes were on call, as were 244 classified substitutes. In recognition of a projected budget deficit, the Board of Education and the Westerville Education Association agreed on a new contract that provided a 12-month base salary freeze for all teachers, which was in effect from September 1, 2009 to August 31, 2010. The Westerville City School District uses an Online Application process for all positions, which is accessible 24 hours a day, seven days a week.

Many members of our staff and school community were recognized for exemplary service, including district GEM award winners Aleithra Ball, Dr. Scott Ebbrecht, Elizabeth McLaughlin-Krile, Lynne Maslowski, and Sue Tenney. The Westerville Parent Council and Roush Honda sponsor this program. In addition, Amy Miller and Carolyn Moseman were recognized at the 26th annual All Ohio Counselor's Conference. Shawn Dawson, assistant transportation manager, was lauded for his work with special needs pupils by the Ohio Association of Supervisors and Coordinators for Exceptional Students. Dr. Chris Wanner, retired Chief of Administrative Services/Assistant Superintendent, received the President's Award from the Westerville Education Association. And the Westerville City Schools Treasurer's Department earned a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association and a Certificate of Excellence in Financial Reporting from the International ASBO.

All employees and volunteers played an important role in preparing our students for the future. Their efforts were met with success when it was announced that Westerville City Schools met 25 of 26 state indicators on the 2010 State Report Card and earned the rating of "Excellent with Distinction," the highest designation awarded by the Ohio Department of Education. The district also earned a Performance Index score of 100.8, which is up from last year's score of 99.9 and the highest score achieved by the district since the Performance Index was implemented in 2000-01. Westerville City Schools met Adequate Yearly Progress (AYP) requirements for three consecutive years and its Value Added Rating over that same three-year period has been designated as "Above." This means that students have demonstrated academic growth that exceeds state-level growth expectations.

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In addition, average scores of students participating in the American College Testing (ACT) program again surpassed the average scores of ACT participants across the state and nation. Westerville's 2009 ACT scores also tied or established five-year highs for the district. Our composite score of 22.8 and science score of 22.6 matched five-year high scores first established in 2006. New five-year highs were also established in the remaining subjects of reading, mathematics and English. Scores in each subject, as well as the composite score, steadily increased each of the past three years.

On November 3, 2009, voters approved Issue 48, a replacement operating levy, which allowed the district to avoid \$14 million in budget cuts; to remain well-positioned to meet upcoming state mandates; and to receive enough new revenue to operate with a balanced budget through June 30, 2012. Grateful officials continue their work to develop goals and action plans that specify how each school and the district will accomplish yet higher achievement for all students.

Our Goal: Community, Parents, Students and Staff are Engaged as Partners in Education

Corporate and individual involvement plays an important role in public education. Partnerships enrich instruction and keep businesses and organizations in touch with young people. In 2009-2010, Westerville students and community members joined forces for the betterment of all.

- On June 1, 2009, Westerville City Schools, in collaboration with OhioHealth, opened a centralized Enrollment and Family Resource Center, which now processes all new registrations, a complete a range of district level required reporting, and offers resources and support for families. The Westerville City Schools Enrollment and Family Resource Center is located on the third floor of the OhioHealth Westerville Medical Campus. The address is 300 Polaris Parkway, Suite 3200, Westerville OH 43082. OhioHealth donated a portion of its new building to the district for just \$1 per year.
- Business representatives, parents and educators comprised the Westerville Area Chamber of Commerce Education Committee, which met monthly to work jointly on projects that benefit both the schools and community. In 2009-2010, the group organized student mentorship programs and conducted job/career fairs at each district high school, implemented the WeLEARN Initiative, hosted the Laws of Life Essay Competition and The Principal for the Day Experience, as well as managed the Adopt-a-School program, which connects schools and local businesses in mutually-beneficial partnerships.
- Library Link is a service to the Westerville school community provided through the Outreach Department of the Westerville Public Library. Each school day, Library Link makes deliveries and pick-ups of Westerville Library materials to all school buildings in the Westerville District. More than 15,000 items are delivered each year. The year 2010 marks the 10th anniversary of this valuable partnership that provides Westerville Library resources to benefit the students and teachers in Westerville classrooms.
- Fourteen casual Coffee and Conversation meetings, hosted by Westerville City Schools Superintendent Dan Good, were held in various locations throughout the district in 2009-2010 for the purpose of giving parents and community members the opportunity to chat in a relaxed and informal setting. The well-received gatherings were attended by about 90 individuals.

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- The Westerville Education Foundation hosted its second annual Mini-Golf Fundraiser at the Westerville Mini-Golf & Batting Cages on May 15, 2010. Nationwide Children's Hospital Westerville Close to Home Center was the presenting partner of this family-oriented event.
- Volunteers continued to enhance opportunities for students by donating thousands of hours. Linda Ferguson, who works in several schools, received a Friend of Education award from the Westerville Education Association.

Our Goal: Learning and Working Environments are Safe, Nurturing and Efficient

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

- The School Resource Officers (SRO) program, which places police officers in the middle and high schools in an effort to create and maintain a safe learning environment. Our SRO's fulfill three roles – as law enforcement officers, law-related counselors, and law-related education facilitators. SROs have an instructional curriculum that is aligned with Ohio State Standards.
- Parent Education, a prevention-based initiative that provides opportunities for parents to learn, improve, and practice skills which have demonstrated a positive impact on students' academic success and healthy lifestyle choices. These programs include, but are not limited to, "Parents On Board" for parents of children ages 4-14; "Active Parenting Now" a skill-focused program for parents of 5-12 year olds; and "Active Parenting of Teens" a 12 ½ hour workshop delivered over a series of six weeks. Quarterly workshops are offered on a range of topics including preparing for the school year, healthy habits, and family communication.
- A series of parent-based support programs and workshops, which are held throughout the year. In collaboration with the Westerville Parent Council, the Department of Community Relations sponsored Jim Bisenius, who has worked with Westerville Schools for several years to bring our school community helpful information regarding violence prevention through his training called "Bully-Proofing Youth." In collaboration with the Westerville City Schools' Curriculum Department, Marsha Greenfeld and Mavis Sanders, Ph.D., both from The National Network of Partnership Schools/Johns Hopkins University, provided workshops for staff and community members on family engagement to enhance student achievement. The ESL Department worked in partnership with Family Education to provide monthly Latino family meetings and Somali Mother meetings.
- CPR/Automated External Defibrillator classes. In collaboration with the Westerville Division of Fire and the Genoa Township Fire Department, Westerville City Schools offered three courses that resulted in 65 certifications during the 2009-2010 school year.
- A steady flow of information from the Office of Communications and Technology Services, which keeps internal and external publics informed about Westerville City Schools' students, staff, programs and initiatives. We strive to effectively research, recommend and integrate the use of technology in all aspects of the academic program and district operations. The office is responsible for all information technology equipment, operations, support and

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maintenance within the district. This includes all servers, desktop computers, laptops, printers, infrastructure (such as routers, switches, and the Wide Area Network), e-mail and testing and deploying various software programs used throughout the district. We also support other district offices through a series of services that include integrating computer systems and negotiating/managing information technology related contracts.

Our Goal: Every Student Achieves Educational Success

- Two National Merit Finalists and Merit Scholarship winners; one National Achievement Scholarship winner
- 125 AP Scholar Awards in recognition of exceptional achievement on AP exams
- 18 International Baccalaureate Diploma recipients
- Two Achievement Awards for Superior Writing and one Excellent Rating from the National Council of Teachers of English
- Four Ohio Music Education Association (OMEA) Regional Orchestra participants; one seat in the OMEA All-State Orchestra; Superior ratings at the OMEA's State Orchestra Adjudications
- Superior ranking, Ohio Laws of Life competition
- First place, 2009 Ohio Junior Bass Federation State Championship Tournament
- Second place, Ohio University's annual Chemistry Scholarship Exam competition
- Academic Excellence recognition from the Ohio High School Football Coaches' Association
- Two Martin Luther King, Jr. Fouse Awards
- First place, Barnes & Noble's Sonnet Slam competition
- National Trail Raceways Rookie of the Year
- Appointments to the United States Naval Academy and the United States Air Force Academy
- Zonta Club of Columbus 2010 Outstanding Young Woman in Central Ohio
- Mock Trial Team state competitors
- 17 student placements at the State level PTA Reflections Competition, three of whom advanced to the national contest
- High School Science Olympian Team regional champions, state competitors

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- Middle School District Science Fair Superior rating; McGraw Hill Higher Education's Future Scientist Award; Columbus State Community College Award
- Three pieces of work displayed at the 2010 Central Ohio Regional Art Exhibition
- 2010 St. Paul String Quartet Competition competitors; student musicians featured on National Public Radio's *From the Top* program; Jack Kent Cooke Young Artist awards
- Winner of PIANO/OHIO 2010, a piano contest for high school students sponsored by the Cleveland International Piano Competition
- 2010 Hank Marr High School Jazz Award
- Winner of the Solid Waste Authority of Central Ohio's first annual Young & Green Award
- First place, Franklin Soil and Water Conservation District's 2010 Conservation Poster Contest
- District, junior, elementary and primary division National Finalists for excellence in energy education from the Ohio Energy Project and the National Energy Education Development project
- First in State, Ohio Math League competition
- Recognition from the Ohio Scholastic Media Association
- President's Volunteer Service Award from the FIRST/LEGO League

Business Operations Increase Efficiency

It takes hard work and dedication on the part of many individuals to serve the needs of some 14,500 students in the Westerville School District. In addition to being educated, students must be transported, fed, and sheltered in a safe and clean environment.

- Our fleet of 130 school buses transports more than 8,000 students each day. We provide transportation services for our 23 public schools, plus more than 23 non-public schools and five career centers. Per the most recent report from the Ohio Department of Education, Westerville City Schools' cost per assigned bus is 25% below the state average, and our maintenance cost per bus is 32% below the state average. In addition, Westerville's Transportation Department was recognized as one of the Top 40 Green Fleets in North America.
- Food Service Operations served more than 661,529 lunches and 295,104 breakfasts during the 2009-2010 school year. They also provided over 700,000 meal equivalents (ala carte breakfast and lunch items) in the middle and high schools. The district's free/reduced rate is 27.6% (approx. 3,640 students). The department accepted over \$267,835 in 9,163 debit/credit card payment transactions made through EZPay in addition to traditional forms of payment. Grants were secured to conduct Parent Academy workshops, which provided

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an opportunity for the Food Service department to partner with schools to educate students, parents, and staff on how school lunch menus are planned.

- In 2010, the Custodial Department continued its quest to be the benchmark for providing a clean and safe environment for students, staff, and visitors at Westerville City Schools. The bi-monthly newsletter, *The Custodial Zone*, is in its eighth year of publication. The Leadership Training class and the Custodial Training 101 class has attracted interest from other districts that want to emulate Westerville's practices. Integrated Pest Management continues to keep our schools free from pesticides using methods that are environmentally friendly.
- On May 5, 2009, Westerville School District voters approved a Capital Improvements Renewal Levy, which enables us to provide a healthier and more productive learning environment for students and staff. Facilities are being maintained and teachers are being provided with resources and tools to support learning through the replacement of textbooks, technology, and instructional materials. Some of the physical improvements scheduled for the summer of 2010 included partial roof replacement at Cherrington, McVay, Wilder, North and South; partial HVAC replacement at Heritage, North and South; building envelope repairs at 13 locations; chimney removal at Hanby, Hawthorne, Longfellow, Pointview and Whittier; window and door replacement at Longfellow; fire alarm upgrades at North and South; Farmhouse renovation; South boys' locker room renovation; South field-house renovation and addition; salt shed replacement; Transportation Building replacement; Blendon media center renovation; conversion of woodshop to classroom at Blendon; conversion of storage area to classroom at Emerson; North Land Lab replacement; site paving repairs district-wide; expansion of parking lots at Huber Ridge and McVay; replacement of 15 school buses; and computer replacements at Blendon, Heritage and Walnut Springs.
- Cost avoidance of \$1.598 million was realized in the third year of the Energy Conservation Program (calendar year 2009). Additional savings of over \$15,000 were netted by facilitating the correction of a billing error for natural gas. Special activities included participation in the Westerville Solar Tour and development of an energy classroom presentation to augment the science curriculum.

FINANCIAL INFORMATION

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

Internal Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of "reasonable assurance" recognizes that: (1) the cost of a control should not exceed

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the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the internal controls adequately meet the above objectives.

Federal and State Assistance

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

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding fiscal years and are not re-appropriated.

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

Financial Condition

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

- **Government-wide financial statements** – These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses.
- **Fund financial statements** – These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.

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- **Statement of budgetary comparison** – This statement presents comparisons of actual information to the legally adopted budget for the general fund. The budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the financial section of this report, following the audit opinion, and provides an assessment of the District's finances for 2010.

Cash Management

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

Risk Management

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

For fiscal year 2010, the District was enrolled in the retrospective rating plan for workers' compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

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

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

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AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Westerville City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. This was the eighth year that the District has achieved this prestigious award.

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

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

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded the Certificate of Excellence on Financial Reporting to the Westerville City School District for the fiscal year ended June 30, 2009. This was the eighth year that the District has achieved this prestigious award.

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

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

Independent Audit

State statutes require a bi-annual audit by independent accountants unless a single audit is required. The Ohio Auditor of State conducted the District's 2010 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2010

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

Sincerely,



Dr. J. Daniel Good
Superintendent/CEO



J. Scott Gooding II
Treasurer/CFO

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Elected Officials and Administrative Staff

As of June 30, 2010

BOARD OF EDUCATION

President

Kristi Robbins

Vice President

Jeff Gale

Member

Cindy Crowe

Member

Kevin Hoffman

Member

Denise Pope

APPOINTED OFFICIALS

Superintendent

Dr. J. Daniel Good

Treasurer

J. Scott Gooding II

ADMINISTRATIVE STAFF

Chief of Administrative Services

Mark Hershiser

Chief of Academic Affairs

Diane Conley

Executive Director of Human Relations

Curt Jackowski

Executive Director of Business Services

Jeff LeRose

Executive Director of Pupil Services/Special Education

Pam Potter

Executive Director of Communications

Greg Viebranz

Principal, Westerville North High School

Kurt Yancey

Principal, Westerville South High School

Steve Andersson

Principal, Westerville Central High School

Todd Spinner

Principal, Blendon Middle School

David Baker

Principal, Genoa Middle School

Barry Ackerman

Principal, Heritage Middle School

Joseph Kacsandi

Principal, Walnut Springs Middle School

Matt Lutz

Principal, Alcott Elementary School

Bob Hoffman

Principal, Annehurst Elementary School

Howard Baum

Principal, Central College Elementary School

Steve Petercsak

Principal, Cherrington Elementary School

Andy Heck

Principal, Emerson Elementary School

Vicki Jarrell

Principal, Fouse Elementary School

Briam Orrenmaa

Principal, Hanby Elementary School

Jan Fedorenko, Ph.D.

Principal, Hawthorne Elementary School

Fred Tombaugh

Principal, Huber Ridge Elementary School

Barbara Wallace

Principal, Longfellow Elementary School

Steve Petercsak

Principal, Mark Twain Elementary School

Scott Ebbrecht

Principal, McVay Elementary School

Suzanne Kile

Principal, Pointview Elementary School

Jeanne Roth

Principal, Robert Frost Elementary School

Sara Berka

Principal, Whittier Elementary School

Kim Woosley

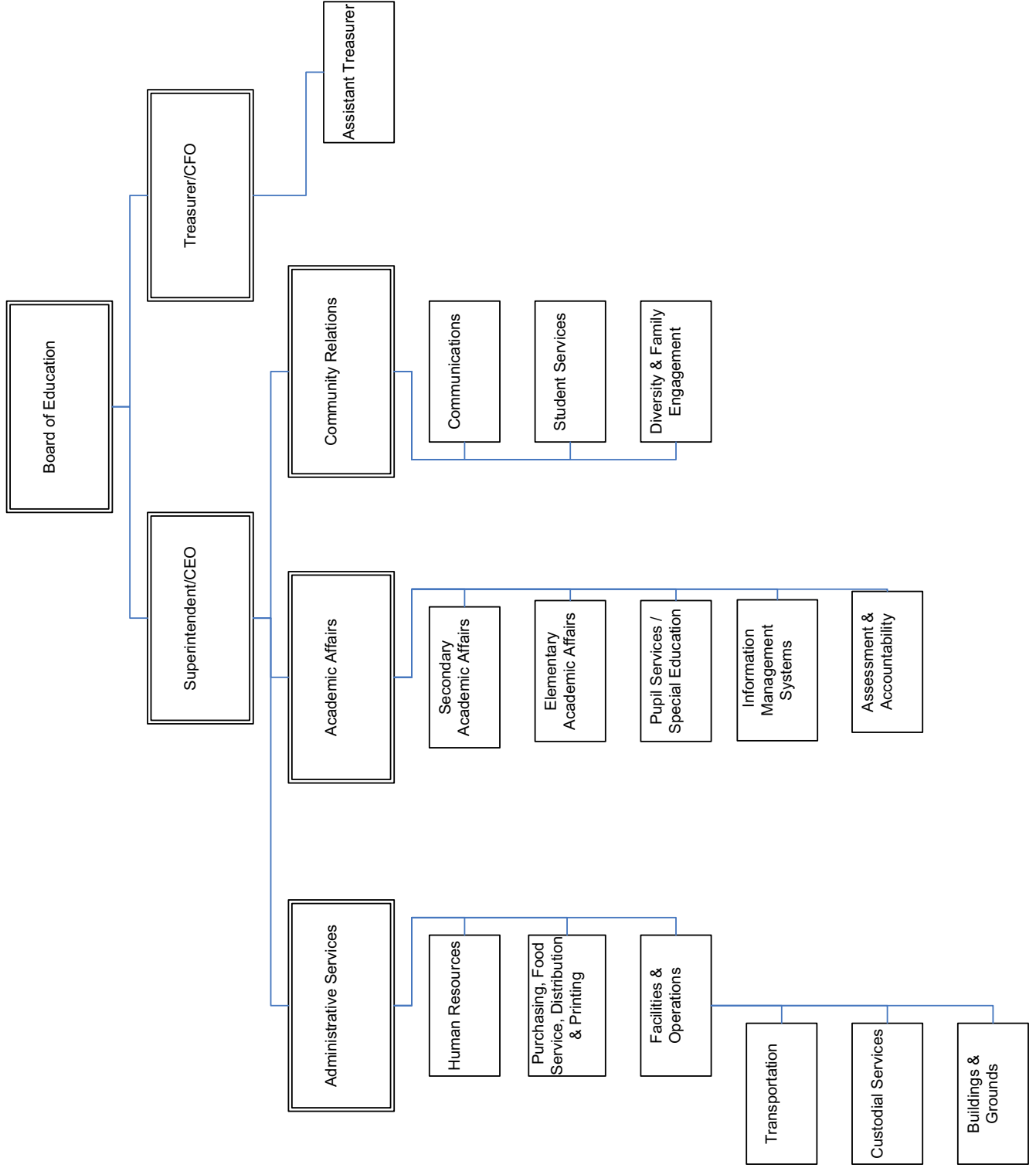
Principal, Wilder Elementary School

Becca Gianni

Westerville City School District, Ohio

Table of Organization for Administrators

For Fiscal Year Ended June 30, 2010



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westerville City School
District, Ohio

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



A stylized, handwritten signature in black ink, appearing to be "JHR".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Enow".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

WESTERVILLE CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2009

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

President

Executive Director



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

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

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 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 reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio, as of June 30, 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 3, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Mary Taylor, CPA
Auditor of State

December 3, 2010

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

The management of the Westerville City School District offers the readers of the District's Comprehensive Annual Financial Report this narrative overview and analysis of the financial activities for the year ended June 30, 2010. The District encourages readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, notes to the basic financial statements and the financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's net assets increased by \$9.97 million or 14.6%. Program revenues accounted for \$15.4 million or 8.6% of total revenues, and general revenues accounted for \$163.6 million or 91.4%.

The general fund reported a positive fund balance of \$21.9 million.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

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

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Assets and Statement of Activities

While this document contains a large number of funds utilized by the School District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did the District perform financially in 2010?" The Statement of Net Assets and the Statement of Activities help to answer this question. These statements include *all assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by private sector corporations. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

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

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

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 29. The fund financial statements begin on page 36 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Proprietary Funds

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

Fiduciary Funds

The District is the trustee, or fiduciary for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on page 44. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$78.1 million at the close of the most recent fiscal year.

A significant portion of the District's net assets (65%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net assets (16%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities. The District is able to report positive balances in all areas of net assets.

Table 1 provides a comparative analysis of fiscal year 2010 to 2009:

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current assets	\$ 175,874,712	\$ 132,317,243	\$ 1,141,142	\$ 763,608	\$ 177,015,854	\$ 133,080,851
Capital assets	144,686,287	148,106,211	303,025	318,278	144,989,312	148,424,489
Total assets	<u>320,560,999</u>	<u>280,423,454</u>	<u>1,444,167</u>	<u>1,081,886</u>	<u>322,005,166</u>	<u>281,505,340</u>
Current liabilities	107,588,144	96,769,741	405,009	381,570	107,993,153	97,151,311
Long-term liabilities	135,747,692	116,066,821	180,808	175,308	135,928,500	116,242,129
Total liabilities	<u>243,335,836</u>	<u>212,836,562</u>	<u>585,817</u>	<u>556,878</u>	<u>243,921,653</u>	<u>213,393,440</u>
Net Assets:						
Invested in capital, net of debt	50,479,075	47,455,764	303,025	318,278	50,782,100	47,774,042
Restricted	12,336,610	14,221,416	-	-	12,336,610	14,221,416
Unrestricted	14,409,478	5,909,712	555,325	206,730	14,964,803	6,116,442
Total net assets	<u>\$ 77,225,163</u>	<u>\$ 67,586,892</u>	<u>\$ 858,350</u>	<u>\$ 525,008</u>	<u>\$ 78,083,513</u>	<u>\$ 68,111,900</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

Table 2 shows the changes in net assets for fiscal year 2010 and 2009.

	Changes in Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Program revenues:						
Charges for services	\$ 2,861,390	\$ 2,596,819	\$ 2,995,908	\$ 3,038,340	\$ 5,857,298	\$ 5,635,159
Operating Grants	7,689,118	6,385,719	1,809,314	1,483,757	9,498,432	7,869,476
Total Program Revenues	<u>10,550,508</u>	<u>8,982,538</u>	<u>4,805,222</u>	<u>4,522,097</u>	<u>15,355,730</u>	<u>13,504,635</u>
General revenues:					-	-
Property taxes	108,672,864	96,772,289	-	-	108,672,864	96,772,289
Grants and entitlements	52,929,017	49,181,194	-	-	52,929,017	49,181,194
Payments in lieu of taxes	1,117,132	974,418	-	-	1,117,132	974,418
Investment income	53,787	453,225	861	6,006	54,648	459,231
Miscellaneous	846,051	861,779	16,947	5,000	862,998	866,779
Total General Revenues	<u>163,618,851</u>	<u>148,242,905</u>	<u>17,808</u>	<u>11,006</u>	<u>163,636,659</u>	<u>148,253,911</u>
Total Revenues	<u>\$ 174,169,359</u>	<u>\$ 157,225,443</u>	<u>\$ 4,823,030</u>	<u>\$ 4,533,103</u>	<u>\$ 178,992,389</u>	<u>\$ 161,758,546</u>
Program expenses:						
Instruction						
Regular	69,188,237	67,210,358	-	-	69,188,237	67,210,358
Special	21,153,825	21,788,841	-	-	21,153,825	21,788,841
Vocational	548,891	593,157	-	-	548,891	593,157
Other	4,568,165	4,558,042	-	-	4,568,165	4,558,042
Support Services						
Pupil	11,340,996	11,253,575	-	-	11,340,996	11,253,575
Staff	5,242,394	5,541,038	-	-	5,242,394	5,541,038
General administration	1,651,416	1,456,641	-	-	1,651,416	1,456,641
School Administration	11,245,165	10,791,283	-	-	11,245,165	10,791,283
Fiscal	2,625,949	1,632,219	-	-	2,625,949	1,632,219
Business Operations	952,097	988,944	-	-	952,097	988,944
Operations & Maintenance	14,131,404	13,624,034	-	-	14,131,404	13,624,034
Student Transportation	8,473,897	7,987,307	-	-	8,473,897	7,987,307
Central Services	3,553,586	3,514,157	-	-	3,553,586	3,514,157
Community Services	985,404	1,190,109	-	-	985,404	1,190,109
Food Services	8,730	2,578	4,253,330	4,118,307	4,262,060	4,120,885
Extra-curricular Activities	3,156,520	2,888,932	-	-	3,156,520	2,888,932
Interest and Fiscal Charges	5,665,429	5,566,387	-	-	5,665,429	5,566,387
Uniform school supplies	-	-	275,341	239,396	275,341	239,396
Total expenses	<u>164,492,105</u>	<u>160,587,602</u>	<u>4,528,671</u>	<u>4,357,703</u>	<u>169,020,776</u>	<u>164,945,305</u>
Change in Net Assets before						
Transfers	9,677,254	(3,362,159)	294,359	175,400	9,971,613	(3,186,759)
Transfers	(38,983)	-	38,983	-	-	-
Change in Net Assets	<u>9,638,271</u>	<u>(3,362,159)</u>	<u>333,342</u>	<u>175,400</u>	<u>9,971,613</u>	<u>(3,186,759)</u>
Net Assets at Beginning of Year	<u>67,586,892</u>	<u>70,949,051</u>	<u>525,008</u>	<u>349,608</u>	<u>68,111,900</u>	<u>71,298,659</u>
Net Assets at End of Year	<u>\$ 77,225,163</u>	<u>\$ 67,586,892</u>	<u>\$ 858,350</u>	<u>\$ 525,008</u>	<u>\$ 78,083,513</u>	<u>\$ 68,111,900</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

Governmental Activities

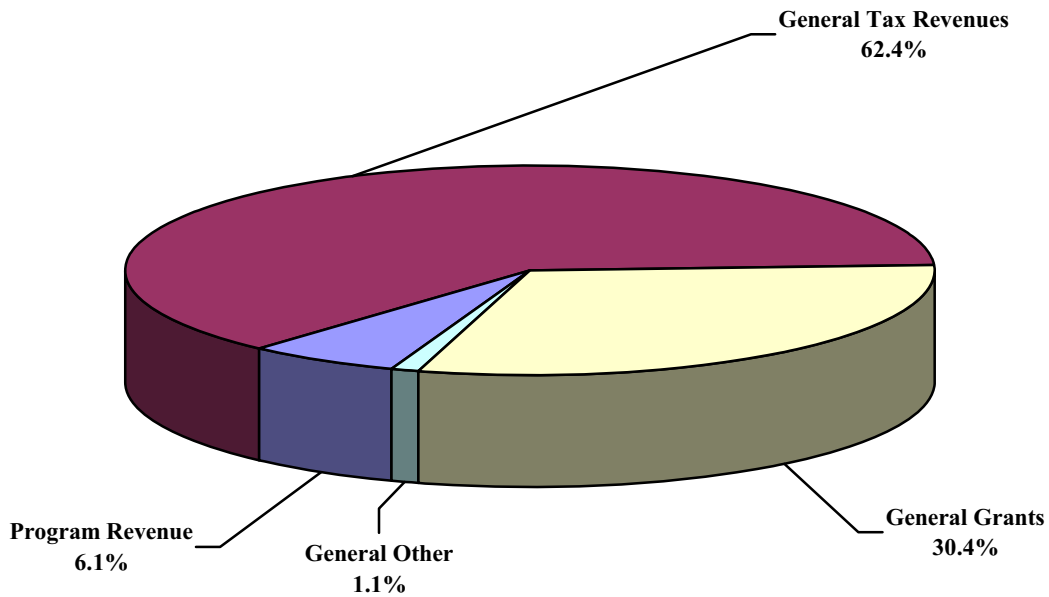
Net assets of the District's governmental activities increased by \$9.6 million, and unrestricted net assets reflect a balance of \$14.4 million. This is a result of an increase in property taxes due to the additional 7.97 mills that were part of the continuing operating level that was approved by the voters on November 3, 2009.

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

	Total Cost of Services		Net Cost of Service	
	2010	2009	2010	2009
Program expenses:				
Instruction				
Regular	69,188,237	67,210,358	67,835,636	65,881,559
Special	21,153,825	21,788,841	16,364,455	19,397,550
Vocational	548,891	593,157	368,638	354,852
Other	4,568,165	4,558,042	4,247,759	3,888,658
Support Services				
Pupil	11,340,996	11,253,575	10,992,896	10,480,438
Staff	5,242,394	5,541,038	4,359,786	4,816,618
General administration	1,651,416	1,456,641	1,651,416	1,456,641
School Administration	11,245,165	10,791,283	11,014,662	10,575,012
Fiscal	2,625,949	1,632,219	2,603,580	1,609,573
Business Operations	952,097	988,944	950,084	988,756
Operations & Maintenance	14,131,404	13,624,034	14,128,504	13,597,654
Student Transportation	8,473,897	7,987,307	8,408,103	7,777,876
Central Services	3,553,586	3,514,157	3,474,705	3,403,470
Community Services	985,404	1,190,109	121,583	275,927
Food Services	8,730	2,578	8,730	478
Extra-curricular Activities	3,156,520	2,888,932	1,745,631	1,533,615
Interest and Fiscal Charges	5,665,429	5,566,387	5,665,429	5,566,387
Total expenses	164,492,105	160,587,602	153,941,597	151,605,064

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

Revenues from Governmental Activities



The District's reliance upon tax revenues is demonstrated by the graph above indicating 62.4% of total revenues from local taxes. The other large portion of general revenue support is the State Foundation program as 30.4% of total revenues. The reliance on general revenues is indicated by the net services column reflecting the need for \$153.9 million of support as well as the graph indicating general revenues comprise 93.9% of total revenues.

Business-Type Activities

Business-type activities include food service and uniform school supplies. These programs had an increase in net assets of \$333,342 for the fiscal year. This is due to the increase in the number of meals that are eligible for Federal reimbursement due to the increasing number of students eligible for free or reduced lunch.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 36) reported a combined fund balance of \$61.3 million, which represents an increase of \$33 million. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2010 and 2009.

	Fund Balance at June 30, 2010	Fund Balance at June 30, 2009	Increase (Decrease)
General Fund	\$ 21,947,387	\$ 10,661,834	\$ 11,285,553
Bond Retirement Fund	11,116,291	10,102,167	1,014,124
Permanent Improvement	27,316,857	3,796,193	23,520,664
Other Governmental Funds	<u>973,814</u>	<u>3,741,612</u>	<u>(2,767,798)</u>
Total	<u>\$ 61,354,349</u>	<u>\$ 28,301,806</u>	<u>\$ 33,052,543</u>

General Fund

The District's general fund balance increase is due to increased tax revenues resulting from the voter approval of an 11.4 mill operating levy (7.97 mills new, 3.43 mills continuing) in November 2009. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

Revenues by Source

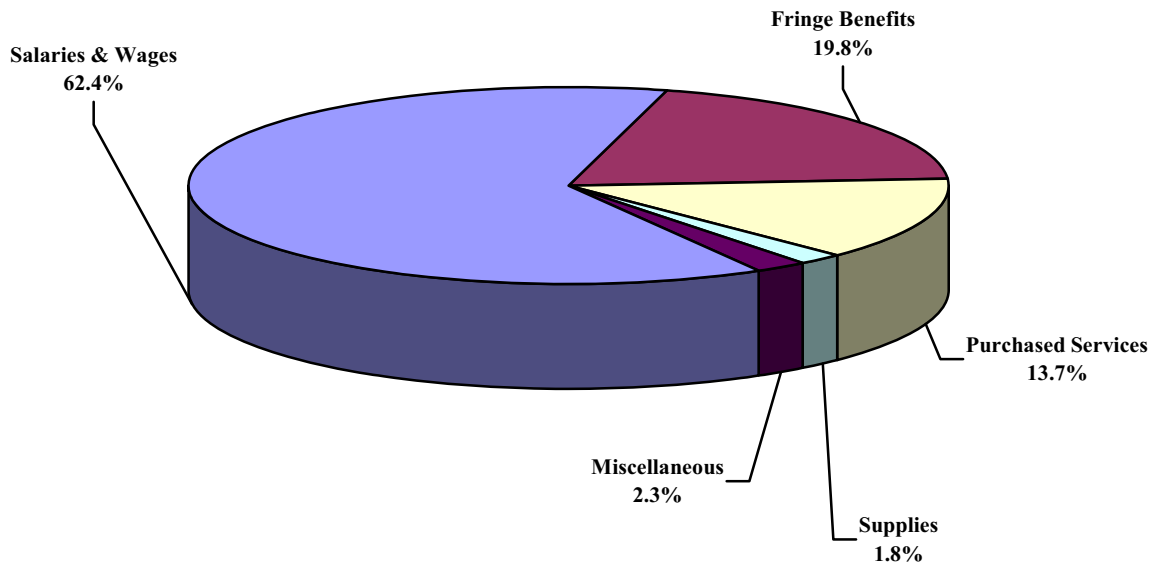
	2010	2009	% Change
Taxes	\$ 92,483,363	\$ 80,274,462	15.21%
Investment income	52,249	408,504	-87.21%
Intergovernmental - State	48,201,095	47,408,346	1.67%
Other revenue	<u>3,449,417</u>	<u>3,121,183</u>	<u>10.52%</u>
Total	<u>\$ 144,186,124</u>	<u>\$ 131,212,495</u>	<u>9.89%</u>

The property tax revenue has increased by \$12.2 million due to voter approval of an 11.4 mill operating levy in November 2009. State revenues have increased due to the reimbursements of tangible personal property revenues lost due to the phase out enacted with Ohio HB66. Interest earnings have decreased \$356,255 due to decreasing interest rate yields. Other revenue has increased due to increased PILOT payments and tuition and fees.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

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

General Fund Expenditures by Object



Expenditures by Object	2010	2009	% Change
Salaries and wages	\$ 84,528,558	\$ 84,799,634	-0.32%
Fringe benefits	26,906,541	27,107,535	-0.74%
Purchased Services	18,556,702	18,789,752	-1.24%
Supplies	2,453,443	2,666,758	-8.00%
Miscellaneous	3,104,080	2,341,594	32.56%
Total	<u>\$ 135,549,324</u>	<u>\$ 135,705,273</u>	<u>-0.11%</u>

The expenditures have decreased \$155,949 over the prior year due to \$2.1 million of salary, benefit and purchased service expenditures being funded with the State Fiscal Stabilization Fund and \$1.5 million of salary and benefit expenditures being funded with the additional IDEA-B ARRA funds. These expenditures are reflected in the Other Governmental Fund in the current year. These decreases are offset by the increases in base salaries and steps and the continued rising costs of insurance.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

Other Funds

The District's debt service fund balance increased by \$1 million. 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 expenditures of the fund include debt principal and interest payments as well as county auditor and treasurer fees.

The permanent improvement fund had an increase in fund balance of \$23.5 million due to \$25 million of tax anticipation notes issued in March 2010.

Other governmental funds consist of special revenue funds and the building fund. The decrease in fund balance of \$2.8 million is primarily due to the transfer of \$2.7 million from the building fund to the general fund.

General Fund Budget Information

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

The 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.

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

During the course of fiscal 2010, the District amended its general fund appropriations. Originally budgeted revenues of \$131,099,765 were increased \$9,559,008 to \$140,658,773 due to an increase in real estate taxes as a result of the passage of a levy in November 2009.

Actual Tuition, Fees, Interest & Miscellaneous revenues exceeded the Final Budget by \$1,167,919 due to increased tuition payments for special education students and additional compensation agreement payments for property tax exemptions that had been granted. Actual Transfers, Advances and Refund of Prior Year revenues were less than the Final Budget by \$873,100 due to the fact that the District did not transfer the remaining dollars in the Self Insurance Fund to the General Fund as originally planned.

Overall the District had an expenditure variance of \$18,587 less than the Final Budget. Budget adjustments between line items did not occur prior to June 30, 2010. An accounting transaction occurred where General fund insurance expenditures were charged to the Self Insurance fund instead of transferring the remaining dollars in the Self Insurance fund to the General fund causing a positive variance of Benefits & Insurance expenditures of \$1,265,678. Also, Purchased Services expenditures exceeded the Final Budget by \$1,807,716 due to community school and special education expenditures exceeding what had been budgeted in those areas.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2010
Unaudited

Capital Assets

The District has \$145 million invested in capital assets net of depreciation, with \$144.7 million attributed to governmental activities. Acquisitions for governmental activities totaled \$1.9 million and depreciation was \$5.3 million. The acquisitions were for various land and building improvements, computers and buses.

For more detailed information regarding the District's capital assets, refer to Note 7 in the notes to the basic financial statements.

Debt

At June 30, 2010, the District had \$124.5 million in outstanding bonds and notes. The District paid \$7.1 million in principal on bonds outstanding and \$4.4 million in interest during the fiscal year.

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

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

Restrictions and Other Limitations

The District was successful on November 3, 2009 with the passage of an 11.4 mill replacement operating levy. The district asked voters to restore an operating levy from 1972 and one from 1979 back to their original amounts. The 1972 levy was approved for 1.6 mills and the 1979 levy was approved for 9.8 mills. When added together, the total voted millage for these two issues was 11.4 mills. Because of HB920, those issues have been reduced to collect only 3.43 mills. Since the district continues to collect 3.43 effective mills from those issues, the net requested millage increase is actually 7.97 mills. This new funding provides a projected balanced budget through FY 2012. However, the future financial stability of the District is not without challenges.

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

The second challenge facing the District is based in the local economy. The District has experienced growth over the last 10 years. The growth patterns in student population have slowed significantly, and we may have to change the financial models upon which our assumptions have been made. Also, an economic slowdown has resulted in revenue forecasts having to be revised downward. These scenarios have caused the District to make accommodations for program offerings within existing dollars.

Requests for Information

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

Westerville City School District
Statement of Net Assets
As of June 30, 2010

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$47,885,301	\$865,518	\$48,750,819
Receivables			
Taxes - current	119,394,033	-	119,394,033
Taxes - delinquent	5,237,248	-	5,237,248
Accounts	201,030	1,677	202,707
Accrued Interest	8,564	-	8,564
Intergovernmental	1,675,818	225,199	1,901,017
Prepays	358,244	-	358,244
Materials & supplies inventory	57,366	48,748	106,114
Restricted cash	33,457	-	33,457
Deferred charges	1,023,651	-	1,023,651
Capital assets, non-depreciable	5,813,922	-	5,813,922
Capital assets, net of depreciation	138,872,365	303,025	139,175,390
Total assets	<u>320,560,999</u>	<u>1,444,167</u>	<u>322,005,166</u>
<u>LIABILITIES</u>			
Accounts payable	1,474,642	30,950	1,505,592
Accrued wages and benefits	16,369,159	166,554	16,535,713
Due to other governments	3,434,689	207,505	3,642,194
Matured bonds payable	33,457	-	33,457
Interest payable	763,316	-	763,316
Unearned revenue	85,512,881	-	85,512,881
Long-term liabilities			
Due within one year	6,043,092	5,416	6,048,508
Due in more than one year	129,704,600	175,392	129,879,992
Total liabilities	<u>243,335,836</u>	<u>585,817</u>	<u>243,921,653</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	50,479,075	303,025	50,782,100
Restricted for:			
Debt Service	7,371,943	-	7,371,943
Capital Projects	2,901,857	-	2,901,857
Budget Stabilization	536,933	-	536,933
Other Purposes	1,525,877	-	1,525,877
Unrestricted	14,409,478	555,325	14,964,803
Total net assets	<u>\$77,225,163</u>	<u>\$858,350</u>	<u>\$78,083,513</u>

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

**Westerville City School District
Statement of Activities
For the Year Ended June 30, 2010**

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Governmental Activities			
Instruction			
Regular	\$69,188,237	\$1,045,106	\$307,495
Special	21,153,825	405,395	4,383,975
Vocational	548,891	-	180,253
Other instruction	4,568,165	-	320,406
Support services			
Pupils	11,340,996	-	348,100
Staff	5,242,394	-	882,608
General administration	1,651,416	-	-
School administration	11,245,165	-	230,503
Fiscal services	2,625,949	-	22,369
Business operations	952,097	-	2,013
Operation & maintenance	14,131,404	-	2,900
Student transportation	8,473,897	-	65,794
Central services	3,553,586	-	78,881
Community services	985,404	-	863,821
Food services	8,730	-	-
Extra-curricular activities	3,156,520	1,410,889	-
Interest and fiscal charges	5,665,429	-	-
Total governmental activities	<u>164,492,105</u>	<u>2,861,390</u>	<u>7,689,118</u>
Business-type Activities			
Food service	4,253,330	2,757,264	1,809,314
Uniform school supplies	275,341	238,644	-
Total business-type activities	<u>4,528,671</u>	<u>2,995,908</u>	<u>1,809,314</u>
Totals	<u>\$169,020,776</u>	<u>\$5,857,298</u>	<u>\$9,498,432</u>

General revenues

Property taxes levied for:

 General purposes

 Debt service

 Capital projects

Grants and entitlements not restricted to specific programs

Payment in lieu of taxes

Investment income

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets, beginning of the year

Net assets, end of the year

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

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
(\$67,835,636)	-	(\$67,835,636)
(16,364,455)	-	(16,364,455)
(368,638)	-	(368,638)
(4,247,759)	-	(4,247,759)
(10,992,896)	-	(10,992,896)
(4,359,786)	-	(4,359,786)
(1,651,416)	-	(1,651,416)
(11,014,662)	-	(11,014,662)
(2,603,580)	-	(2,603,580)
(950,084)	-	(950,084)
(14,128,504)	-	(14,128,504)
(8,408,103)	-	(8,408,103)
(3,474,705)	-	(3,474,705)
(121,583)	-	(121,583)
(8,730)	-	(8,730)
(1,745,631)	-	(1,745,631)
(5,665,429)	-	(5,665,429)
<u>(153,941,597)</u>	<u>-</u>	<u>(153,941,597)</u>
-	313,248	313,248
<u>-</u>	<u>(36,697)</u>	<u>(36,697)</u>
<u>-</u>	<u>276,551</u>	<u>276,551</u>
<u>(\$153,941,597)</u>	<u>\$276,551</u>	<u>(\$153,665,046)</u>
92,703,533	-	92,703,533
10,695,455	-	10,695,455
5,273,876	-	5,273,876
52,929,017	-	52,929,017
1,117,132	-	1,117,132
53,787	861	54,648
846,051	16,947	862,998
(38,983)	38,983	-
<u>163,579,868</u>	<u>56,791</u>	<u>163,636,659</u>
9,638,271	333,342	9,971,613
67,586,892	525,008	68,111,900
<u>\$77,225,163</u>	<u>\$858,350</u>	<u>\$78,083,513</u>

Westerville City School District
Balance Sheet
Governmental Funds
As of June 30, 2010

	General	Debt Service	Permanent Improvement	Other Governmental	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 12,022,046	\$ 7,876,475	\$ 25,766,774	\$ 1,259,560	\$ 46,924,855
Restricted cash and cash equivalents	536,933	33,457	-	-	570,390
Receivables (net of allowances for uncollectibles):					
Taxes - current	102,418,206	11,371,510	5,604,317	-	119,394,033
Taxes - delinquent	4,491,860	499,309	246,079	-	5,237,248
Accounts	182,153	-	-	2,261	184,414
Accrued Interest	8,564	-	-	-	8,564
Intergovernmental	-	-	-	1,675,818	1,675,818
Interfund loan receivable	60,221	-	-	-	60,221
Prepays	358,244	-	-	-	358,244
Inventories	57,366	-	-	-	57,366
Total assets	120,135,593	19,780,751	31,617,170	2,937,639	174,471,153
<u>LIABILITIES</u>					
Accounts payable	1,182,730	-	45,660	244,643	1,473,033
Accrued wages and benefits	16,192,044	-	-	894,247	17,086,291
Due to other governments	2,948,959	-	-	155,817	3,104,776
Matured bonds payable	-	33,457	-	-	33,457
Interfund loan payable	-	-	-	60,221	60,221
Deferred revenue	77,864,473	8,631,003	4,254,653	608,897	91,359,026
Total liabilities	98,188,206	8,664,460	4,300,313	1,963,825	113,116,804
<u>FUND BALANCES</u>					
Reserved					
Future years' appropriation	29,120,306	3,239,816	1,595,743	-	33,955,865
Encumbrances	354,905	-	12,651,480	180,955	13,187,340
Budgetary stabilization	536,933	-	-	-	536,933
Prepays	358,244	-	-	-	358,244
Inventories	57,366	-	-	-	57,366
Unreserved, reported in:					
General	(8,480,367)	-	-	-	(8,480,367)
Debt Service	-	7,876,475	-	-	7,876,475
Permanent Improvement	-	-	13,069,634	-	13,069,634
Special Revenue	-	-	-	792,859	792,859
Total fund balances	21,947,387	11,116,291	27,316,857	973,814	61,354,349
Total liabilities and fund balances	\$ 120,135,593	\$ 19,780,751	\$ 31,617,170	\$ 2,937,639	\$ 174,471,153

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

**Westerville City School District
Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
For the Year Ended June 30, 2010**

Total Governmental Fund Balances	\$61,354,349
<i>Amounts report for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	144,686,287
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	5,846,145
An internal service fund used by management to charge the cost of worker's compensation, print shop and self insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	93,834
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General obligation debt	(123,498,420)
Interest payable	(763,316)
Compensated absences	<u>(10,493,716)</u>
Net Assets of Governmental Activities	<u><u>\$77,225,163</u></u>

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

Westerville City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010

	General	Debt Service	Permanent Improvement	Other Governmental	Total Governmental Funds
REVENUES					
Taxes	\$ 92,483,363	\$ 10,753,660	\$ 5,301,558	\$ -	\$ 108,538,581
Tuition and fees	1,448,710	-	-	-	1,448,710
Extra-curricular	224,088	-	-	1,186,801	1,410,889
Investment income	52,249	-	-	1,538	53,787
Payment in lieu of taxes	1,117,132	-	-	-	1,117,132
Intergovernmental - State	48,201,095	1,357,003	897,013	875,373	51,330,484
Intergovernmental - Federal	-	-	-	8,627,884	8,627,884
Other revenue	659,487	-	8,004	229,430	896,921
Total revenues	<u>144,186,124</u>	<u>12,110,663</u>	<u>6,206,575</u>	<u>10,921,026</u>	<u>173,424,388</u>
EXPENDITURES					
Current:					
Instruction					
Regular	61,022,715	-	4,945,335	298,144	66,266,194
Special	16,023,156	-	16,378	4,414,082	20,453,616
Vocational	466,567	-	-	56,994	523,561
Other Instruction	3,816,668	-	-	584,733	4,401,401
Support services					
Pupils	10,686,658	-	459	583,531	11,270,648
Staff	4,371,324	-	6,354	921,080	5,298,758
General administration	1,651,416	-	-	-	1,651,416
School administration	8,876,642	-	-	1,949,269	10,825,911
Fiscal services	2,367,960	484,836	76,235	19,014	2,948,045
Business operations	747,829	-	-	155,389	903,218
Operation & maintenance	13,183,711	-	692,278	2,500	13,878,489
Student transportation	7,888,903	-	-	58,731	7,947,634
Central services	2,266,356	-	889	155,259	2,422,504
Community services	210,637	-	-	772,160	982,797
Food services	-	-	-	600	600
Extra-curricular	1,968,782	-	-	1,029,602	2,998,384
Capital outlay	-	-	1,947,983	-	1,947,983
Debt service:					
Principal retirement	-	7,095,000	-	-	7,095,000
Interest	-	4,420,045	-	-	4,420,045
Total expenditures	<u>135,549,324</u>	<u>11,999,881</u>	<u>7,685,911</u>	<u>11,001,088</u>	<u>166,236,204</u>
Excess of Revenues Over (Under) Expenditures	8,636,800	110,782	(1,479,336)	(80,062)	7,188,184
OTHER FINANCING SOURCES (USES)					
Tax Anticipation Notes issued	-	-	24,415,000	-	24,415,000
Premium on Tax Anticipation Notes	-	903,342	585,000	-	1,488,342
Transfers in	2,687,736	-	-	-	2,687,736
Transfers out	(38,983)	-	-	(2,687,736)	(2,726,719)
Total other financing sources (uses)	<u>2,648,753</u>	<u>903,342</u>	<u>25,000,000</u>	<u>(2,687,736)</u>	<u>25,864,359</u>
Net change in fund balances	11,285,553	1,014,124	23,520,664	(2,767,798)	33,052,543
Fund balances, July 1	10,661,834	10,102,167	3,796,193	3,741,612	28,301,806
Fund balances, June 30	<u>\$ 21,947,387</u>	<u>\$ 11,116,291</u>	<u>\$ 27,316,857</u>	<u>\$ 973,814</u>	<u>\$ 61,354,349</u>

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

Westerville City School District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2010

Net Change in Fund Balances - Total Governmental Funds \$33,052,543

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. The effect on the change in net assets is calculated as follows:

Per Statement of Revenues, Expenditures and Changes in Fund Balance:		
Capital outlay expenditures	1,947,983	
Per Statement of Activities:		
Depreciation expense (note 7)	<u>(5,299,805)</u>	(3,351,822)

The net effect of transactions involving sale and retirements of capital assets decreased net assets (note 7) (68,102)

Tax and operating grant revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 743,180

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

Principal repayments	7,095,000
Tax anticipation notes issued	(24,415,000)
Premium on tax anticipation notes issued	(1,488,342)
Issuance costs on tax anticipation notes	330,160

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (424,013)

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

Compensated absences	(41,853)
Accretion on capital appreciation bonds	(847,693)
Amortization of premium on debt issued	33,826
Amortization of issuance cost	(7,504)

The internal service funds used by management to charge the costs of insurance and printing to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (972,109)

Change in Net Assets of Governmental Activities \$9,638,271

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

**Westerville City School District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund
For the Year Ended June 30, 2010**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Real Estate Taxes	\$ 75,537,679	\$ 84,643,079	\$ 85,152,665	\$ 509,586
Personal Property Taxes	2,579,319	2,814,665	2,965,281	150,616
State Revenue	31,752,354	31,653,546	32,200,724	547,178
Homestead/Rollback & TPP	14,250,088	15,161,753	15,512,626	350,873
Tuition, Fees, Interest & Misc	3,205,897	2,611,302	3,779,221	1,167,919
Transfers, Advances, Refund of Prior Year	3,774,428	3,774,428	2,901,328	(873,100)
Total Revenue and Other Sources	<u>131,099,765</u>	<u>140,658,773</u>	<u>142,511,845</u>	<u>1,853,072</u>
Expenditures:				
Salaries and Wages	84,096,061	84,096,061	84,046,414	49,647
Benefits & Insurance	28,024,388	28,024,388	26,758,710	1,265,678
Purchased Services	17,544,159	17,544,159	19,351,875	(1,807,716)
Supplies & Materials	3,540,537	3,540,537	2,666,707	873,830
New & Replacement Equipment	74,479	109,332	95,408	13,924
Other Expenditures	2,619,111	2,619,111	2,995,887	(376,776)
Total Expenditures and Other Uses	<u>135,898,735</u>	<u>135,933,588</u>	<u>135,915,001</u>	<u>18,587</u>
Net Change in Fund Balance	(4,798,970)	4,725,185	6,596,844	1,871,659
Fund Balance, July 1	3,698,760	3,698,760	3,698,760	-
Prior Year Encumbrances Appropriated	<u>1,121,122</u>	<u>1,121,122</u>	<u>1,121,122</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 20,912</u>	<u>\$ 9,545,067</u>	<u>\$ 11,416,726</u>	<u>\$ 1,871,659</u>

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

**Westerville City School District
 Combined Statement of Net Assets
 Proprietary Funds
 As of June 30, 2010**

	Aggregate Non-Major Business Type Activities	Governmental Activities - Internal Service Fund
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 865,518	\$ 423,513
Receivables:		
Accounts	1,677	16,616
Intergovernmental	225,199	-
Materials & supplies inventory	48,748	-
Total current assets	1,141,142	440,129
Non-current assets:		
Capital assets, net	303,025	-
Total assets	1,444,167	440,129
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	30,950	1,609
Accrued wages and benefits	166,554	14,773
Compensated absences payable	5,416	-
Due to:		
Other governments	207,505	329,913
Total current liabilities	410,425	346,295
Non-current liabilities:		
Compensated absences payable	175,392	-
Total liabilities	585,817	346,295
<u>NET ASSETS</u>		
Invested in capital assets	303,025	-
Unrestricted	555,325	93,834
Total net assets	\$ 858,350	\$ 93,834

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

Westerville City School District
Combined Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year ended June 30, 2010

	Aggregate Non-Major Business Type Activities	Governmental Activities - Internal Service Fund
<u>OPERATING REVENUES</u>		
Charges for services	\$ -	\$ 626,855
Food service sales	2,757,264	-
Class material fees	238,644	-
Other	11,585	-
Total operating revenues	<u>3,007,493</u>	<u>626,855</u>
<u>OPERATING EXPENSES</u>		
Wages and benefits	2,032,429	924,416
Purchased services	63,836	465,339
Materials and supplies	2,338,753	211,000
Depreciation	43,405	-
Other	37,018	-
Total operating expenses	<u>4,515,441</u>	<u>1,600,755</u>
Operating loss	(1,507,948)	(973,900)
<u>NON-OPERATING REVENUES</u>		
Grants:		
State sources	75,919	-
Federal sources	1,720,165	-
Investment income	861	1,791
Other	5,362	-
Total non-operating revenues	<u>1,802,307</u>	<u>1,791</u>
Income (loss) before transfers	294,359	(972,109)
Transfers in	38,983	-
Change in net assets	<u>333,342</u>	<u>(972,109)</u>
Net assets, beginning of year	<u>525,008</u>	<u>1,065,943</u>
Net assets, end of year	<u>\$ 858,350</u>	<u>\$ 93,834</u>

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

**Westerville City School District
Combined Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2010**

	Aggregate Non-Major Business Type Activities	Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Cash received from customers	\$ 2,995,893	\$ -
Cash payments for wages and benefits	(2,012,608)	(921,641)
Cash received from interfund services provided	-	612,562
Cash payments for purchased services	(63,836)	(463,033)
Cash payments for materials and supplies	(2,154,232)	(210,027)
Cash received for other revenues	11,585	-
Cash payments for other expenses	(37,018)	-
	<u>(1,260,216)</u>	<u>(982,139)</u>
Net cash used for operating activities		
Cash flows from noncapital financing activities:		
Cash flows from operating grants	1,408,348	-
Transfers in	38,983	-
	<u>1,447,331</u>	<u>-</u>
Cash flows from noncapital financing activities		
Cash flows from capital financing activities:		
Purchase of capital assets	(28,152)	-
Cash flows from investing activities:		
Investment income	861	1,791
Net increase (decrease) in cash and cash equivalents	159,824	(980,348)
Cash and cash equivalents at beginning of year	705,694	1,403,861
Cash and cash equivalents at end of year	<u>\$ 865,518</u>	<u>\$ 423,513</u>
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	\$ (1,507,948)	\$ (973,900)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	43,405	-
Donated commodities used	167,899	-
Changes in assets and liabilities:		
Increase in accounts receivables	(15)	(14,293)
Decrease in inventory	7,504	-
Increase in accounts payable	9,118	973
Increase (decrease) in accrued wages and benefits	(1,877)	1,348
Increase in due to other governments	16,198	3,733
Increase in compensated absences payable	5,500	-
	<u>\$ (1,260,216)</u>	<u>\$ (982,139)</u>
Net cash used for operating activities		

The District received \$167,899 in donated food from the Ohio Department of Education's commodity grant program.

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

**Westerville City School District
 Combined Statement of Net Assets
 Fiduciary Funds
 As of June 30, 2010**

	Private-Purpose Trust	Agency
<u>ASSETS</u>		
Cash and cash equivalents	\$57,533	\$368,110
Total assets	57,533	368,110
<u>LIABILITIES</u>		
Accounts payable	-	8,799
Due to others	-	359,311
Total liabilities	-	\$368,110
<u>NET ASSETS</u>		
	\$57,533	

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

**Westerville City School District
 Statement of Changes in Net Assets
 Fiduciary Funds
 For the Year Ended June 30, 2010**

	Private-Purpose Trust
<u>ADDITIONS</u>	
Gifts and contributions	\$4,650
Investment income	76
	4,726
<u>DEDUCTIONS</u>	
Scholarships awarded	14,864
	14,864
Change in net assets	(10,138)
Assets held in trust for scholarships, beginning of the year	67,671
Assets held in trust for scholarships, end of the year	\$57,533

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Notes to Basic Financial Statements For the Fiscal Year Ended June 30, 2010

(1) DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Westerville City School District (the District) was organized in the early 1850's and is a fiscally independent political subdivision of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District. The District encompasses 52 square miles and provides services to approximately 14,925 students.

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

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) *Basis of Presentation*

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Food Service

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

and Uniform School Supplies enterprise funds and of the District's Internal Service funds are charges for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services. Operating expense for enterprise funds also include administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

(b) Fund Accounting

The District uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions.

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

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

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

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

Fiduciary Funds

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

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

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

(c) Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and *accrual basis of accounting*, as are the proprietary fund and private purpose trust fund of the fiduciary fund financial statements. The agency funds of the fiduciary funds do not have a measurement focus, but are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing related to cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and other similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

within 60 days of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

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

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

(d) Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds other than agency funds. The specific timetable for the fiscal year 2010 was as follows:

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

budget amounts reported in the budgetary statement reflect the amounts set forth in the final amended Certificate issued for fiscal 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. This appropriation then serves as a basis for the original budget expenditure amounts reported in the budgetary statements for all funds. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, decreased or increased the originally appropriated amounts. All supplemental appropriations were legally adopted by the Board during fiscal 2010.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level for all funds.

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

(e) Cash and Cash Equivalents

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

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

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

Interim deposits are used by the District to purchase legal investments. The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations: bank certificates of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States corporations and StarOhio. During fiscal year 2010, investments were limited to repurchase agreements and StarOhio.

Under existing statutes, all investment earnings accrue to the General Fund except earnings specifically related to the Building, Food Service, Self Insurance, Worker's Compensation, Private Purpose Trust and Auxiliary Funds. Interest credited to the General Fund during fiscal year 2010 was \$52,249 which includes \$38,142 assigned from other funds.

Restricted assets in the general fund represent cash and cash equivalents for which use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the District to create a reserve for budget stabilization. See note 9 for calculation of year-end restricted asset balance and the corresponding fund balance reserve.

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

(f) Inventories

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

On fund financial statements, inventories of governmental funds are valued at cost while inventories of proprietary funds are stated at lower of cost or market. For all funds,

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

(g) *Prepaid Assets*

Payments made to vendors for services that will benefit periods beyond June 30, 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 recorded in the year in which services are consumed.

(h) *Capital Assets and Depreciation*

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

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

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

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

(i) *Compensated Absences*

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

The entire compensated absence liability is reported in the government-wide financial statements. For governmental fund financial statements, the amount of accumulated

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

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

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

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

(k) *Fund Balance Reserves*

The District records reservations for portions of fund equity, which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriation for expenditures. Unreserved fund balance indicates the portion of fund equity, which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, prepaids, inventories, property tax revenue for future year's appropriations and a reserve for budget stabilization as required by state statute (see note 9).

(l) *Interfund Transactions*

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

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

(m) *Statement of Cash Flows*

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

(n) Net Assets

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

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

(3) CASH AND CASH EQUIVALENTS

(a) Cash

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

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

Inactive Monies – Those monies not required for use within the current five year period of designation of depositories. Inactive monies may be deposited or invested as certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested in legal securities (see Note 2e).

(b) Deposits with financial institutions

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The District has no deposit policy for custodial credit risk

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

beyond the requirements of State statute. During 2010, the District and public depositories complied with the provisions of these statutes.

At year-end, the carrying amount of the District deposits was \$2,420,548 and the bank balance was \$4,000,000. Of the bank balance, \$250,000 was covered by FDIC insurance and \$3,750,000 was uninsured and collateralized with securities held by the pledging institution's trust department, but not in the District's name.

(c) Investments

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

	Fair Value	Weighted Average Maturity (Days)
STAR Ohio	\$1,739,017	Current
Repurchase Agreement	45,050,354	Current
Total Fair Value	\$46,789,371	
Portfolio Weighted Maturity		Current

Interest Rate Risk

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

Credit Risk

The underlying securities of the repurchase agreement at June 30, 2010 were GNMA's that were rated AAA by Standard & Poor's. Standard & Poor's has assigned STAR Ohio an AAAM money market rating.

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in a Repurchase Agreement. These investments are 96.3% of the District's total investments.

Custodial Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments. The District has no investment policy that would further limit its investment choices with respect to custodial risk other than what has been approved by state statute.

(4) PROPERTY TAXES

Property taxes are levied and assessed on a calendar-year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. In Franklin County, if paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. In Delaware County, if paid annually, payment is due February 10; if paid semi-annually, the first payment is due February 10 with the remainder payable July 10. Settlement dates for real property taxes generally occur in the months of February and August. Amounts certified by the county auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year.

Public utility property taxes are assessed on tangible personal property as well as land and improvements. Real property is assessed at 35 percent of true value and tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes attaches as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes.

Tangible personal property taxes are levied in April on the value listed as of January 1 of the current year. In prior years, tangible personal property assessments were 25 percent of true value. The tangible personal property tax has been phased out – the assessed percentage for all property including inventory for 2010 is zero percent. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values for collection in 2010, upon which the 2009 levies were based, were as follows:

Real Estate	
Agricultural/Residential	\$1,992,172,320
Commercial/Industrial	441,287,940
Personal Property	
General	2,114,706
Public Utility	39,065,530
Total	\$2,474,640,496

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

Accrued delinquent property taxes receivable represent taxes outstanding for real property, personal property and public utility taxes, and are offset by a credit to deferred revenue in the fund financial statements. Amounts from the August settlement are not intended to finance current fiscal year operations and, therefore have been recorded as a receivable offset by deferred revenue to the extent these amounts were not available as advances at June 30, 2010.

(5) RECEIVABLES

Receivables and due from other governments at June 30, 2010 consisted of taxes, accounts, accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items is as follows:

Governmental Activities		
Taxes – Current & Delinquent	\$124,631,281	
Accounts	201,030	
Accrued interest	8,564	
Intergovernmental – State & Federal	1,675,818	
Business-Type Activities		
Accounts	1,677	
Intergovernmental – Federal	225,199	
Total Receivables	\$126,743,569	

(6) INTERFUND TRANSACTIONS

Interfund balances on the fund statements at June 30, 2010 consist of the following receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General	\$60,221	\$ –
Other Governmental	–	60,221
Total	\$60,221	\$60,221

The balances that exist in these funds are funded on a reimbursement basis and the monies were not received from the grantor by June 30, 2010.

Interfund transfers for the year ended June 30, 2010, consisted of the following, as reported on the fund financial statements:

Transfers to General Fund from:	
Other governmental – Building	\$2,687,736

On June 28, 2010 the Board passed a resolution to rescind a capital projects fund previously established for the purpose of accumulating resources for the acquisition, construction or improvement of capital assets and transfer monies in said fund to the District's General Fund.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

(7) CAPITAL ASSETS

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

	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>June 30, 2010</u>
<i>Governmental Activities</i>				
Capital Assets, not being Depreciated:				
Land	\$5,813,922	\$ —	\$ —	\$5,813,922
Total Capital Asset, not being Depreciated	<u>\$5,813,922</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$5,813,922</u>
Capital Assets, being Depreciated:				
Land Improvements	6,228,441	386,852	—	6,615,293
Buildings/Improvements	191,742,682	24,697	81,266	191,686,113
Furniture/Equipment	6,010,081	446,119	159,628	6,296,572
Vehicles	7,633,616	1,090,315	589,770	8,134,161
Total Capital Assets, being Depreciated	\$211,614,820	\$1,947,983	\$830,664	\$212,732,139
Less Accumulated Depreciation:				
Land Improvements	3,485,565	204,074	—	3,689,639
Buildings/Improvements	56,574,909	4,067,094	48,800	60,593,203
Furniture/Equipment	3,559,042	438,978	123,993	3,874,027
Vehicles	5,703,015	589,659	589,769	5,702,905
Total Accumulated Depreciation	<u>\$69,322,531</u>	<u>\$5,299,805</u>	<u>\$762,562</u>	<u>\$73,859,774</u>
Total Capital Assets, being Depreciated, Net	<u>\$142,292,289</u>	<u>(\$3,351,822)</u>	<u>\$68,102</u>	<u>\$138,872,365</u>
Capital Assets, Net	<u>\$148,106,211</u>	<u>(\$3,351,822)</u>	<u>\$68,102</u>	<u>\$144,686,287</u>
 <i>Business-Type Activities</i>				
	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>June 30, 2010</u>
Furniture/Equipment	\$1,012,388	\$28,152	\$32,931	\$1,007,609
Vehicles	48,769	—	—	48,769
Total Capital Assets	<u>1,061,157</u>	<u>28,152</u>	<u>32,931</u>	<u>1,056,378</u>
Less Accumulated Depreciation:				
Furniture/Equipment	707,826	37,309	32,931	712,204
Vehicles	35,053	6,096	—	41,149
Total Accumulated Depreciation	<u>742,879</u>	<u>43,405</u>	<u>32,931</u>	<u>753,353</u>
Capital Assets, Net	<u>\$318,278</u>	<u>(\$15,253)</u>	<u>\$ —</u>	<u>\$303,025</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$2,872,253
Special	719,165
Vocational	25,330
Other	166,764
Support Services:	
Pupil	13,807
Staff	4,005
School Administration	422,373
Fiscal Services	296
Business Services	14,569
Operations & Maintenance	215,398
Student Transportation	532,911
Central Services	178,593
Community Services	1,078
Food Services	8,130
Extracurricular Activities	125,133
Total Depreciation Expense	<u>\$5,299,805</u>

(8) LONG-TERM OBLIGATIONS

All current obligation bonds outstanding were issued to provide funds for the acquisition and construction of equipment and facilities. The tax anticipation notes are related to various long-term capital projects and are accounted for as long-term obligations. All bonds and notes are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund. Long-term obligations currently outstanding are reported as follows:

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance at June 30, 2010</u>
Construction and improvements (1)	02/01/87	6.25%	12/01/10	\$37,000,000	\$1,610,000
Construction and improvements (2)	03/15/01	5.00%	12/01/10	99,534,632	2,772,736
Advance Bond Refunding (3)	04/07/04	3.72%	12/01/22	49,970,687	46,785,932
Advance Bond Refunding (4)	12/14/06	4.13%	12/01/27	48,365,000	47,483,884
Tax Anticipation Notes (5)	3/23/10	2.82%	12/01/20	24,415,000	25,869,516
					<u>\$124,522,068</u>

- (1) Constructed new middle school and two new elementary schools. Also completed major renovations at both high schools, one middle school and one elementary school.
- (2) Constructed new high school and two new elementary schools. Also, for an addition at one middle school, renovations at all other school buildings and the purchase of land.
- (3) Refunded portions of bonds previously issued on 9/15/95, 8/01/96 and 3/15/01.
- (4) Refunded portions of bonds previously issued on 3/15/01.
- (5) Notes issued in anticipation of the collection of proceeds of the 3.95 mill permanent improvement levy approved by the electors of the school district at the election held May 5, 2009. Proceeds to be used for the acquisition and construction of various long-term permanent improvements projects.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and notes (principal amount does not include accumulated accretion of \$3,744,345, unamortized premium on note issuance of \$1,454,516, and deferred issuance costs of \$700,995):

<u>Year ending June 30,</u>	<u>Interest rates</u>	<u>Principal</u>	<u>Interest</u>
2011	2.00 – 6.25	4,902,242	8,935,292
2012	1.75 – 6.25	4,824,970	6,788,925
2013	2.00 – 6.25	6,615,000	4,716,256
2014	2.00 – 6.25	6,875,000	4,448,669
2015	2.25 – 6.25	7,155,000	4,166,094
2016-2020	3.00 – 6.25	40,055,000	15,583,962
2021-2025	3.70 – 6.25	31,010,000	7,357,552
2026-2028	3.70 – 6.25	17,185,000	1,318,126
Total		<u>\$118,622,212</u>	<u>\$53,314,876</u>

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

The total voted and non-voted non-exempt debt of the District that could be issued subject to the 9% limitation described above is \$222,717,645. The total District debt (including the Notes) subject to this limitation is \$118,622,212. The total District unvoted debt that could be issued subject to the 1/10 of 1% limitation is \$2,474,640. The District has no debt subject to such limitation, leaving \$2,474,640 available for unvoted debt. Including the balance in the Debt Service Fund at June 30, 2010, the effects of these debt limitations at June 30, 2010 are a voted debt margin of \$115,211,724 and an unvoted debt margin of \$2,474,640.

The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with the Westerville Public Library (the Library). As of June 30, 2010, the District and the Library have complied with the requirement that unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value.

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

In April 2004, the District issued \$47,764,714 of general obligation refunding bonds, Series 2004 with interest rates ranging from 2% to 5% (maturing from December 2004 through December 2022) to advance refund a portion of the District's outstanding general obligation bonds. This issue included an additional \$2,205,973 in capital appreciation bonds, Series 2004, with a stated interest rate ranging from 10.63% to 29.25% (maturing from December 2007 through December 2011). The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

included in the District's financial statements. At June 30, 2010, \$28,410,000 of the bonds remain outstanding.

In December 2006, the District issued \$48,365,000 of general obligation refunding bonds, Series 2006 with interest rates ranging from 4% to 5% (maturing from December 2009 through December 2027) to advance refund a portion of the District's outstanding general obligation bonds. The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2010, \$48,875,000 of the bonds are considered defeased.

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

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

	Balance at			Balance at	Amounts Due
<i>Governmental Activities</i>	<u>June 30, 2009</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2010</u>	<u>In One Year</u>
General Obligation Bonds	\$104,945,688	\$26,751,035	\$7,174,655	\$124,522,068	\$4,902,423
Compensated Absences	11,121,133	4,862,768	4,758,277	11,225,624	1,140,669
Total Governmental Activities	<u>\$116,066,821</u>	<u>\$31,613,803</u>	<u>\$11,932,932</u>	<u>\$135,747,692</u>	<u>\$6,043,092</u>
 <i>Business-Type Activities</i>					
Compensated Absences	<u>\$175,308</u>	<u>\$68,421</u>	<u>\$68,337</u>	<u>\$175,392</u>	<u>\$5,416</u>

(9) SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>
Balance, July 1, 2009	\$-	\$-	\$536,933
Required Set-Aside	2,329,927	2,329,927	-
Qualifying Expenditures	(5,023,754)	(4,723,144)	-
Total	(\$2,693,827)	(\$2,393,217)	\$536,933
Balance Carried Forward at June 30, 2010	\$-	\$-	\$536,933

The District had disbursements during the year that reduced the set-aside amounts below zero for both textbooks and capital maintenance. The Textbook set-aside may be used to reduce the set-aside requirements in future years. However, the District has not elected to do so.

(10) BUDGET BASIS OF ACCOUNTING

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

Net Change in Fund Balance	
	<u>General</u>
GAAP basis	\$11,285,553
Increase (decrease):	
Due to revenues	(1,674,279)
Due to expenditures	776,587
Due to other financing sources/uses	(2,648,753)
Due to encumbrances	<u>(1,142,264)</u>
Budget basis	<u>\$6,596,844</u>

(11) EMPLOYEE RETIREMENT SYSTEMS

(a) *School Employees Retirement System*

Plan Description—The District contributes to School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

Funding Policy—Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% for employers of annual covered payroll. For fiscal year 2009, 9.09% was the portion used to fund pension and death benefit obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The District's required contributions for pension obligations for the fiscal years ended June 30, 2010, 2009, and 2008 were \$2,348,656, \$1,598,077, and \$1,533,219, respectively; 40.2% has been contributed for fiscal year 2010 and 100% for fiscal years 2009 and 2008.

(b) State Teachers Retirement System

Plan Description—The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple employer public employee retirement plan. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (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 or a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on 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% 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 available to a member on or after the 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy—For the fiscal year ended June 30, 2010, plan members are required to contribute 10% of their annual covered salaries. The District was required to contribute 14%; 12.78% was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2010, 2009, and 2008 were \$9,476,887, \$9,318,639, and \$8,857,181 respectively; 84% has been contributed for fiscal year 2010 and 100% for fiscal years 2009 and 2008. Member and employer contributions made to the DC and Combined Plans for fiscal year 2010 will be provided upon written request.

(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 of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2010, two members of the Board of Education have elected Social Security. The contribution rate is 6.2% of wages.

(12) POSTEMPLOYMENT BENEFITS

(a) *School Employees Retirement System*

Plan Description—The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by SERS for non-certificated retirees and their beneficiaries, a Health Care Plans 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 plan. 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 SERS 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 writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

Funding Policy—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% of covered payroll to the Health Care Fund. For 2010, .46% of covered payroll was allocated to health care. In addition, employers pay a surcharge for

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

employees earning less than an actuarially determined amount: for 2010 this amount was \$35,800.

Active employees 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, number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$362,075, \$996,488, and \$952,174 respectively; 40.2% has been contributed for fiscal year 2010 and 100% 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 .76% of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$139,670 \$131,922, and \$110,369 respectively; 40.2% has been contributed for fiscal year 2010 and 100% for fiscal years 2009 and 2008.

(b) *State Teachers Retirement System*

Plan Description—The District contributes to the cost sharing multiple employer defined benefit Health Plan administered by State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which may be written to STRS, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

Funding Policy—Ohio law authorizes STRS to offer the Plan and give the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for the post-employment health care may be deducted from employer contributions. For the fiscal year ended June 30, 2009, the STRS allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$728,991 \$716,814, and \$681,317 respectively; 84% has been contributed for fiscal year 2010 and 100% for fiscal years 2009 and 2008.

(13) CONTINGENCIES

(a) *Grants*

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

(b) *Litigation*

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

(14) JOINTLY GOVERNED ORGANIZATIONS

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

(15) RELATED ORGANIZATION

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

(16) RISK MANAGEMENT

For fiscal year 2010, the District was enrolled in the retrospective rating plan for worker's compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

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

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with an insurance carrier for property insurance and general liability insurance. Professional liability is protected by a \$1,000,000 single occurrence limit, \$3,000,000 aggregate limit and no deductible. Vehicles are also covered and have a \$500

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2010

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

Post employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 12. As such, no funding is required by the District.

The District provides life insurance and accidental death and dismemberment insurance to all employees in an amount related to the employee's position, ranging from \$30,000 to \$315,000.

(17) CONTRACTUAL COMMITMENTS

The District has entered into various contracts for renovations and technology equipment from the Permanent Improvement Fund. At June 30, 2010 the District had remaining contractual commitments in the amount of \$12,694,426. The largest contracts are to Corna/Kokosing for \$9,242,394, Heiberger Paving Inc. for \$988,302, Columbus Micro Systems for \$766,110 and Mitel Technologies for \$607,453.

(18) FUND DEFICITS

The following funds had GAAP basis deficit fund balances at June 30, 2010:

	Deficit Fund Balances
Other Governmental	
Special Revenue Funds:	
IDEA, Part B	\$ 104,275
State Financial Stabilization	99,951
Proprietary	
Internal Service Fund:	
Self Insurance	230

The GAAP basis deficit balances are a result of the application of accounting principles generally accepted in the United States of America. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

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

Debt Service Fund

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

Permanent Improvement Fund

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

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Debt Service				
Total Revenue and Other Sources	\$ 11,804,126	\$ 11,804,126	\$ 12,664,840	\$ 860,714
Total Expenditures and Other Uses	<u>11,667,045</u>	<u>11,684,545</u>	<u>11,681,170</u>	<u>3,375</u>
Net Change in Fund Balance	137,081	119,581	983,670	864,089
Fund Balance, July 1	<u>6,892,805</u>	<u>6,892,805</u>	<u>6,892,805</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 7,029,886</u></u>	<u><u>\$ 7,012,386</u></u>	<u><u>\$ 7,876,475</u></u>	<u><u>\$ 864,089</u></u>
 Permanent Improvement				
Total Revenue and Other Sources	\$ 6,130,995	\$ 31,130,995	\$ 31,194,392	\$ 63,397
Total Expenditures and Other Uses	<u>7,529,554</u>	<u>33,529,554</u>	<u>21,936,282</u>	<u>11,593,272</u>
Net Change in Fund Balance	(1,398,559)	(2,398,559)	9,258,110	11,656,669
Fund Balance, July 1	1,507,736	1,507,736	1,507,736	-
Prior Year Encumbrances Appropriated	<u>2,306,501</u>	<u>2,306,501</u>	<u>2,306,501</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 2,415,678</u></u>	<u><u>\$ 1,415,678</u></u>	<u><u>\$ 13,072,347</u></u>	<u><u>\$ 11,656,669</u></u>

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

Other Governmental Funds

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

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

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

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

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

Gifted Identification – This fund is provided to account for monies received from the State of Ohio for expenses associated with the identification of students as gifted.

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

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

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

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

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

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

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

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

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

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

State Financial Stabilization – This fund is provided to account for Federal monies to restore states spending on K-16 education formulae to the maximum of 2008 or 2009 levels to help stabilize state and local budgets in order to minimize and avoid reductions in education.

Nutrition Education Training Program – This fund is used to account for Federal monies to encourage the effective dissemination of scientifically valid information to children participating in school lunch and related nutrition programs.

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

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

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

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

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

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

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

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

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

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

Westerville City School District

Westerville, Ohio



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**Westerville City School District
Combining Balance Sheet
Other Governmental Funds
June 30, 2010**

	Special Revenue			
	Public School Support	Other Local	District Managed	Auxiliary Services
<u>ASSETS</u>				
Cash and cash equivalents	\$ 268,173	\$ 28,885	\$ 727,424	\$ 205,759
Receivables:				
Accounts	2,261	-	-	-
Intergovernmental	-	-	-	62,764
Total assets	270,434	28,885	727,424	268,523
<u>LIABILITIES</u>				
Accounts payable	22,784	1,409	26,498	16,735
Accrued wages and benefits	-	-	1,150	65,300
Due to other governments	-	-	669	7,966
Interfund loan payable	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	22,784	1,409	28,317	90,001
<u>FUND BALANCES</u>				
Fund balances (deficit):				
Reserved for encumbrances	17,358	3,451	25,047	1,757
Unreserved	230,292	24,025	674,060	176,765
Total fund balances	247,650	27,476	699,107	178,522
Total Liabilities and Fund Balances	\$ 270,434	\$ 28,885	\$ 727,424	\$ 268,523

Special Revenue

Gifted Identification	Management Information System	Entry Year Programs	Data Communications	School Net Professional Development	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193
-	-	-	-	-	-
-	-	-	-	-	10,218
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,411</u>
-	-	-	-	-	-
-	-	-	-	-	7,601
-	-	-	-	-	836
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,437</u>
-	-	-	-	-	-
-	-	-	-	-	1,974
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,974</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,411</u>

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2010**

	Special Revenue			
	Poverty Based Assistance	Other State	IDEA, Part B	Vocational Education: Carl D. Perkins
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 6,991
Receivables:				
Accounts	-	-	-	-
Intergovernmental	-	6,431	490,532	-
Total assets	-	6,431	490,532	6,991
<u>LIABILITIES</u>				
Accounts payable	-	-	74,994	239
Accrued wages and benefits	-	4,625	414,997	-
Due to other governments	-	335	53,387	-
Interfund loan payable	-	-	51,429	-
Deferred revenue	-	-	-	-
Total liabilities	-	4,960	594,807	239
<u>FUND BALANCES</u>				
Fund balances (deficit):				
Reserved for encumbrances	-	-	40,463	6,751
Unreserved	-	1,471	(144,738)	1
Total fund balances	-	1,471	(104,275)	6,752
Total Liabilities and Fund Balances	\$ -	\$ 6,431	\$ 490,532	\$ 6,991

Special Revenue

State Financial Stabilization	Nutrition Education Training Program	Title III	Transition Program for Refugee Children	Title I	Title V
\$ -	\$ 2,442	\$ 357	\$ -	\$ 13,289	\$ -
-	-	-	-	-	-
-	-	47,380	13,357	945,772	-
<u>-</u>	<u>2,442</u>	<u>47,737</u>	<u>13,357</u>	<u>959,061</u>	<u>-</u>
-	1,907	-	-	93,591	-
42,211	-	39,279	4,647	273,320	-
57,740	-	4,182	980	24,757	-
-	-	-	7,730	-	-
-	-	-	-	567,392	-
<u>99,951</u>	<u>1,907</u>	<u>43,461</u>	<u>13,357</u>	<u>959,060</u>	<u>-</u>
-	470	-	-	74,795	-
(99,951)	65	4,276	-	(74,794)	-
<u>(99,951)</u>	<u>535</u>	<u>4,276</u>	<u>-</u>	<u>1</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 2,442</u>	<u>\$ 47,737</u>	<u>\$ 13,357</u>	<u>\$ 959,061</u>	<u>\$ -</u>

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2010**

	Special Revenue			
	Title IV	Preschool Handicapped	Title II-A	Other Federal
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 424	\$ 1,799	\$ 3,824
Receivables:				
Accounts		-	-	-
Intergovernmental	4,279	47,097	47,988	-
Total assets	4,279	47,521	49,787	3,824
<u>LIABILITIES</u>				
Accounts payable	-	-	5,288	1,198
Accrued wages and benefits	2,267	5,140	33,710	-
Due to other governments	950	502	3,513	-
Interfund loan payable	1,062	-	-	-
Deferred revenue	-	41,505	-	-
Total liabilities	4,279	47,147	42,511	1,198
<u>FUND BALANCES</u>				
Fund balances (deficit):				
Reserved for encumbrances	-	-	10,663	200
Unreserved	-	374	(3,387)	2,426
Total fund balances	-	374	7,276	2,626
Total Liabilities and Fund Balances	\$ 4,279	\$ 47,521	\$ 49,787	\$ 3,824

<u>Capital Projects</u>	
<u>Building Fund</u>	<u>Total Other Governmental Funds</u>
\$ -	\$ 1,259,560
-	2,261
-	1,675,818
<u>-</u>	<u>2,937,639</u>
-	244,643
-	894,247
-	155,817
-	60,221
-	608,897
<u>-</u>	<u>1,963,825</u>
-	180,955
-	792,859
<u>-</u>	<u>973,814</u>
<u>\$ -</u>	<u>\$ 2,937,639</u>

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2010

	Special Revenue			
	Public School Support	Other Local	District Managed	Auxiliary Services
REVENUES				
Extra-curricular	\$ 240,335	\$ -	\$ 946,466	\$ -
Investment income	-	-	-	196
Intergovernmental - State	-	-	-	721,971
Intergovernmental - Federal	-	-	-	-
Other revenue	78,231	50,870	100,329	-
Total revenues	318,566	50,870	1,046,795	722,167
EXPENDITURES				
Current:				
Instruction				
Regular	-	31,630	-	-
Special	-	3,041	-	-
Vocational	-	-	-	-
Other Instruction	-	-	-	-
Support services				
Pupils	279,062	-	-	-
Staff	8,981	4,573	-	-
School administration	-	18	-	-
Fiscal services	-	-	-	19,014
Business operations	-	931	-	-
Operation & maintenance	-	2,500	-	-
Student transportation	-	80	-	-
Central services	-	-	-	-
Community services	-	-	-	603,704
Food services	-	600	-	-
Extra-curricular	-	-	1,029,602	-
Total expenditures	288,043	43,373	1,029,602	622,718
Excess (deficiency) of revenues over (under) expenditures	30,523	7,497	17,193	99,449
Other financing sources:				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	30,523	7,497	17,193	99,449
Fund balances, July 1	217,127	19,979	681,914	79,073
Fund balances, June 30	\$ 247,650	\$ 27,476	\$ 699,107	\$ 178,522

Special Revenue

<u>Gifted Identification</u>	<u>Management Information System</u>	<u>Entry Year Programs</u>	<u>Data Communications</u>	<u>School Net Professional Development</u>	<u>Alternative Schools</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	26,296	-	52,585	-	49,143
-	-	-	-	-	-
<u>-</u>	<u>26,296</u>	<u>-</u>	<u>52,585</u>	<u>-</u>	<u>49,143</u>
-	-	-	-	-	47,169
486	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	14	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	28,511	-	52,585	-	-
-	-	350	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>486</u>	<u>28,511</u>	<u>350</u>	<u>52,585</u>	<u>14</u>	<u>47,169</u>
(486)	(2,215)	(350)	-	(14)	1,974
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(486)	(2,215)	(350)	-	(14)	1,974
<u>486</u>	<u>2,215</u>	<u>350</u>	<u>-</u>	<u>14</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,974</u>

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2010

	Special Revenue			
	Poverty Based Assistance	Other State	IDEA, Part B	Vocational Education: Carl D. Perkins
REVENUES				
Extra-curricular	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Intergovernmental - State	-	25,378	-	-
Intergovernmental - Federal	-	-	3,737,760	97,930
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>25,378</u>	<u>3,737,760</u>	<u>97,930</u>
EXPENDITURES				
Current:				
Instruction				
Regular	-	-	-	-
Special	-	1,423	2,769,776	-
Vocational	-	-	-	54,469
Other Instruction	12,912	-	315,274	-
Support services				
Pupils	-	23,908	265,230	-
Staff	-	870	101,287	29,115
School administration	-	-	230,611	-
Fiscal services	-	-	-	-
Business operations	-	-	-	978
Operation & maintenance	-	-	-	-
Student transportation	-	-	49,507	8,789
Central services	-	-	-	-
Community services	-	-	142,542	-
Food services	-	-	-	-
Extra-curricular	-	-	-	-
Total expenditures	<u>12,912</u>	<u>26,201</u>	<u>3,874,227</u>	<u>93,351</u>
Excess (deficiency) of revenues over (under) expenditures	(12,912)	(823)	(136,467)	4,579
Other financing sources:				
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(12,912)	(823)	(136,467)	4,579
Fund balances, July 1	12,912	2,294	32,192	2,173
Fund balances, June 30	<u>\$ -</u>	<u>\$ 1,471</u>	<u>\$ (104,275)</u>	<u>\$ 6,752</u>

Special Revenue

State Financial Stabilization	Nutrition Education Training Program	Title III	Transition Program for Refugee Children	Title I	Title V
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
2,102,387	6,000	240,460	20,010	1,927,158	3,073
-	-	-	-	-	-
<u>2,102,387</u>	<u>6,000</u>	<u>240,460</u>	<u>20,010</u>	<u>1,927,158</u>	<u>3,073</u>
-	4,860	-	-	-	-
-	-	237,390	20,010	1,342,745	-
-	-	-	-	-	-
256,262	-	-	-	285	-
-	-	-	-	-	-
-	398	-	-	564,583	3,895
1,718,640	-	-	-	-	-
-	-	-	-	-	-
153,380	100	-	-	-	-
-	-	-	-	-	-
-	-	-	-	114	-
74,056	107	-	-	-	-
-	-	-	-	19,432	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,202,338</u>	<u>5,465</u>	<u>237,390</u>	<u>20,010</u>	<u>1,927,159</u>	<u>3,895</u>
(99,951)	535	3,070	-	(1)	(822)
-	-	-	-	-	-
-	-	-	-	-	-
(99,951)	535	3,070	-	(1)	(822)
-	-	1,206	-	2	822
<u>\$ (99,951)</u>	<u>\$ 535</u>	<u>\$ 4,276</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2010

	Special Revenue			
	Title IV	Preschool Handicapped	Title II-A	Other Federal
REVENUES				
Extra-curricular	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	36,974	39,585	396,838	19,709
Other revenue	-	-	-	-
Total revenues	36,974	39,585	396,838	19,709
EXPENDITURES				
Current:				
Instruction				
Regular	-	-	214,485	-
Special	-	39,211	-	-
Vocational	-	-	-	2,525
Other Instruction	-	-	-	-
Support services				
Pupils	15,331	-	-	-
Staff	21,343	-	171,028	14,993
School administration	-	-	-	-
Fiscal services	-	-	-	-
Business operations	-	-	-	-
Operation & maintenance	-	-	-	-
Student transportation	241	-	-	-
Central services	-	-	-	-
Community services	59	-	5,549	524
Food services	-	-	-	-
Extra-curricular	-	-	-	-
Total expenditures	36,974	39,211	391,062	18,042
Excess (deficiency) of revenues over (under) expenditures	-	374	5,776	1,667
Other financing sources:				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	-	374	5,776	1,667
Fund balances, July 1	-	-	1,500	959
Fund balances, June 30	\$ -	\$ 374	\$ 7,276	\$ 2,626

<u>Capital Projects</u>	
<u>Building Fund</u>	<u>Total Other Governmental Funds</u>
\$ -	\$ 1,186,801
1,342	1,538
-	875,373
-	8,627,884
-	229,430
<u>1,342</u>	<u>10,921,026</u>
-	298,144
-	4,414,082
-	56,994
-	584,733
-	583,531
-	921,080
-	1,949,269
-	19,014
-	155,389
-	2,500
-	58,731
-	155,259
-	772,160
-	600
-	1,029,602
<u>-</u>	<u>11,001,088</u>
1,342	(80,062)
<u>(2,687,736)</u>	<u>(2,687,736)</u>
<u>(2,687,736)</u>	<u>(2,687,736)</u>
(2,686,394)	(2,767,798)
<u>2,686,394</u>	<u>3,741,612</u>
<u>\$ -</u>	<u>\$ 973,814</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Special Revenue				
Public School Support				
Total Revenue and Other Sources	\$ 238,046	\$ 259,911	\$ 316,301	\$ 56,390
Total Expenditures and Other Uses	<u>331,754</u>	<u>459,634</u>	<u>306,448</u>	<u>153,186</u>
Net Change in Fund Balance	(93,708)	(199,723)	9,853	209,576
Fund Balance, July 1	219,471	219,471	219,471	-
Prior Year Encumbrances Appropriated	<u>17,149</u>	<u>17,149</u>	<u>17,149</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 142,912</u></u>	<u><u>\$ 36,897</u></u>	<u><u>\$ 246,473</u></u>	<u><u>\$ 209,576</u></u>
Other Local				
Total Revenue and Other Sources	\$ -	\$ 38,870	\$ 50,870	\$ 12,000
Total Expenditures and Other Uses	<u>2,894</u>	<u>60,007</u>	<u>47,983</u>	<u>12,024</u>
Net Change in Fund Balance	(2,894)	(21,137)	2,887	24,024
Fund Balance, July 1	18,243	18,243	18,243	-
Prior Year Encumbrances Appropriated	<u>2,894</u>	<u>2,894</u>	<u>2,894</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 18,243</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,024</u></u>	<u><u>\$ 24,024</u></u>
District Managed				
Total Revenue and Other Sources	\$ 913,167	\$ 945,642	\$ 1,046,793	\$ 101,151
Total Expenditures and Other Uses	<u>1,112,338</u>	<u>1,353,803</u>	<u>1,064,526</u>	<u>289,277</u>
Net Change in Fund Balance	(199,171)	(408,161)	(17,733)	390,428
Fund Balance, July 1	684,342	684,342	684,342	-
Prior Year Encumbrances Appropriated	<u>25,155</u>	<u>25,155</u>	<u>25,155</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 510,326</u></u>	<u><u>\$ 301,336</u></u>	<u><u>\$ 691,764</u></u>	<u><u>\$ 390,428</u></u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Auxilliary Services				
Total Revenue and Other Sources	\$ 780,000	\$ 780,000	\$ 659,403	\$ (120,597)
Total Expenditures and Other Uses	<u>860,419</u>	<u>853,452</u>	<u>665,372</u>	<u>188,080</u>
Net Change in Fund Balance	(80,419)	(73,452)	(5,969)	67,483
Fund Balance, July 1	112,816	112,816	112,816	-
Prior Year Encumbrances Appropriated	<u>80,419</u>	<u>80,419</u>	<u>80,419</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 112,816</u></u>	<u><u>\$ 119,783</u></u>	<u><u>\$ 187,266</u></u>	<u><u>\$ 67,483</u></u>
Gifted Identification				
Total Revenue and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>485</u>	<u>485</u>	<u>-</u>
Net Change in Fund Balance	-	(485)	(485)	-
Fund Balance, July 1	485	485	485	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 485</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Management Information System				
Total Revenue and Other Sources	\$ 42,000	\$ 42,000	\$ 26,296	\$ (15,704)
Total Expenditures and Other Uses	<u>44,264</u>	<u>28,560</u>	<u>28,560</u>	<u>-</u>
Net Change in Fund Balance	(2,264)	13,440	(2,264)	(15,704)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>2,264</u>	<u>2,264</u>	<u>2,264</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 15,704</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (15,704)</u></u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Entry Year Programs				
Total Revenue and Other Sources	\$ 35,000	\$ 35,000	\$ -	\$ (35,000)
Total Expenditures and Other Uses	<u>35,000</u>	<u>350</u>	<u>350</u>	<u>-</u>
Net Change in Fund Balance	-	34,650	(350)	(35,000)
Fund Balance, July 1	350	350	350	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 350</u>	<u>\$ 35,000</u>	<u>\$ -</u>	<u>\$ (35,000)</u>
Data Communications				
Total Revenue and Other Sources	\$ 69,000	\$ 69,000	\$ 52,585	\$ (16,415)
Total Expenditures and Other Uses	<u>69,000</u>	<u>52,585</u>	<u>52,585</u>	<u>-</u>
Net Change in Fund Balance	-	16,415	-	(16,415)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 16,415</u>	<u>\$ -</u>	<u>\$ (16,415)</u>
School Net Professional Development				
Total Revenue and Other Sources	\$ 7,830	\$ 7,830	\$ -	\$ (7,830)
Total Expenditures and Other Uses	<u>7,830</u>	<u>14</u>	<u>14</u>	<u>-</u>
Net Change in Fund Balance	-	7,816	(14)	(7,830)
Fund Balance, July 1	14	14	14	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 14</u>	<u>\$ 7,830</u>	<u>\$ -</u>	<u>\$ (7,830)</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Alternative Schools				
Total Revenue and Other Sources	\$ 71,031	\$ 71,031	\$ 50,985	\$ (20,046)
Total Expenditures and Other Uses	<u>71,031</u>	<u>61,203</u>	<u>50,792</u>	<u>10,411</u>
Net Change in Fund Balance	-	9,828	193	(9,635)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 9,828</u>	<u>\$ 193</u>	<u>\$ (9,635)</u>
Poverty Based Assistance				
Total Revenue and Other Sources	\$ 169,000	\$ 169,000	\$ -	\$ (169,000)
Total Expenditures and Other Uses	<u>173,094</u>	<u>13,094</u>	<u>13,094</u>	<u>-</u>
Net Change in Fund Balance	(4,094)	155,906	(13,094)	(169,000)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>13,094</u>	<u>13,094</u>	<u>13,094</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 9,000</u>	<u>\$ 169,000</u>	<u>\$ -</u>	<u>\$ (169,000)</u>
Other State				
Total Revenue and Other Sources	\$ 38,000	\$ 38,000	\$ 18,947	\$ (19,053)
Total Expenditures and Other Uses	<u>38,870</u>	<u>27,672</u>	<u>21,241</u>	<u>6,431</u>
Net Change in Fund Balance	(870)	10,328	(2,294)	(12,622)
Fund Balance, July 1	1,424	1,424	1,424	-
Prior Year Encumbrances Appropriated	<u>870</u>	<u>870</u>	<u>870</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,424</u>	<u>\$ 12,622</u>	<u>\$ -</u>	<u>\$ (12,622)</u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
IDEA, Part B				
Total Revenue and Other Sources	\$ 5,156,772	\$ 5,490,035	\$ 3,584,799	\$ (1,905,236)
Total Expenditures and Other Uses	<u>5,200,457</u>	<u>5,533,720</u>	<u>3,743,941</u>	<u>1,789,779</u>
Net Change in Fund Balance	(43,685)	(43,685)	(159,142)	(115,457)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>43,685</u>	<u>43,685</u>	<u>43,685</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (115,457)</u></u>	<u><u>\$ (115,457)</u></u>

Vocational Education: Carl D. Perkins

Total Revenue and Other Sources	\$ 95,299	\$ 97,930	\$ 97,930	\$ -
Total Expenditures and Other Uses	<u>98,772</u>	<u>101,917</u>	<u>101,917</u>	<u>-</u>
Net Change in Fund Balance	(3,473)	(3,987)	(3,987)	-
Fund Balance, July 1	514	514	514	-
Prior Year Encumbrances Appropriated	<u>3,473</u>	<u>3,473</u>	<u>3,473</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 514</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

State Financial Stabilization

Total Revenue and Other Sources	\$ 2,102,387	\$ 2,102,387	\$ 2,102,387	\$ -
Total Expenditures and Other Uses	<u>2,102,387</u>	<u>2,102,387</u>	<u>2,102,387</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Nutrition Education Training Program				
Total Revenue and Other Sources	\$ -	\$ 6,000	\$ 6,000	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>6,000</u>	<u>5,935</u>	<u>65</u>
Net Change in Fund Balance	-	-	65	65
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 65</u></u>	<u><u>\$ 65</u></u>
Title III				
Total Revenue and Other Sources	\$ 157,476	\$ 286,218	\$ 238,837	\$ (47,381)
Total Expenditures and Other Uses	<u>157,476</u>	<u>286,218</u>	<u>238,480</u>	<u>47,738</u>
Net Change in Fund Balance	-	-	357	357
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 357</u></u>	<u><u>\$ 357</u></u>
Transition Program for Refugee Children				
Total Revenue and Other Sources	\$ 9,400	\$ 25,324	\$ 21,256	\$ (4,068)
Total Expenditures and Other Uses	<u>9,400</u>	<u>25,162</u>	<u>21,256</u>	<u>3,906</u>
Net Change in Fund Balance	-	162	-	(162)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 162</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (162)</u></u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Title I				
Total Revenue and Other Sources	\$ 3,451,596	\$ 3,793,721	\$ 1,702,861	\$ (2,090,860)
Total Expenditures and Other Uses	<u>3,615,065</u>	<u>3,930,578</u>	<u>1,945,330</u>	<u>1,985,248</u>
Net Change in Fund Balance	(163,469)	(136,857)	(242,469)	(105,612)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>163,469</u>	<u>163,469</u>	<u>163,469</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 26,612</u></u>	<u><u>\$ (79,000)</u></u>	<u><u>\$ (105,612)</u></u>
Title V				
Total Revenue and Other Sources	\$ -	\$ 3,074	\$ 3,074	\$ -
Total Expenditures and Other Uses	<u>1,612</u>	<u>4,916</u>	<u>4,916</u>	<u>-</u>
Net Change in Fund Balance	(1,612)	(1,842)	(1,842)	-
Fund Balance, July 1	230	230	230	-
Prior Year Encumbrances Appropriated	<u>1,612</u>	<u>1,612</u>	<u>1,612</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 230</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Title IV				
Total Revenue and Other Sources	\$ 36,747	\$ 38,872	\$ 36,207	\$ (2,665)
Total Expenditures and Other Uses	<u>36,747</u>	<u>39,279</u>	<u>36,614</u>	<u>2,665</u>
Net Change in Fund Balance	-	(407)	(407)	-
Fund Balance, July 1	407	407	407	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 407</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Preschool Handicapped				
Total Revenue and Other Sources	\$ 130,190	\$ 133,934	\$ 37,819	\$ (96,115)
Total Expenditures and Other Uses	<u>130,190</u>	<u>133,934</u>	<u>37,393</u>	<u>96,541</u>
Net Change in Fund Balance	-	-	426	426
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 426</u></u>	<u><u>\$ 426</u></u>
Title II-A				
Total Revenue and Other Sources	\$ 376,938	\$ 454,763	\$ 377,849	\$ (76,914)
Total Expenditures and Other Uses	<u>387,965</u>	<u>466,494</u>	<u>403,932</u>	<u>62,562</u>
Net Change in Fund Balance	(11,027)	(11,731)	(26,083)	(14,352)
Fund Balance, July 1	2,147	2,147	2,147	-
Prior Year Encumbrances Appropriated	<u>11,027</u>	<u>11,027</u>	<u>11,027</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 2,147</u></u>	<u><u>\$ 1,443</u></u>	<u><u>\$ (12,909)</u></u>	<u><u>\$ (14,352)</u></u>
Other Federal				
Total Revenue and Other Sources	\$ 18,053	\$ 23,502	\$ 19,709	\$ (3,793)
Total Expenditures and Other Uses	<u>18,608</u>	<u>24,881</u>	<u>18,661</u>	<u>6,220</u>
Net Change in Fund Balance	(555)	(1,379)	1,048	2,427
Fund Balance, July 1	824	824	824	-
Prior Year Encumbrances Appropriated	<u>555</u>	<u>555</u>	<u>555</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 824</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,427</u></u>	<u><u>\$ 2,427</u></u>

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Capital Projects				
Building Fund				
Total Revenue and Other Sources	\$ 31,001	\$ 31,001	\$ 1,345	\$ (29,656)
Total Expenditures and Other Uses	<u>2,717,392</u>	<u>2,687,736</u>	<u>2,687,736</u>	<u>-</u>
Net Change in Fund Balance	(2,686,391)	(2,656,735)	(2,686,391)	(29,656)
Fund Balance, July 1	2,686,391	2,686,391	2,686,391	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 29,656</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (29,656)</u></u>

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

Enterprise Funds

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

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

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

Westerville City School District
Combining Statement of Net Assets
Enterprise Funds
As of June 30, 2010

	Food Service	Uniform School Supplies	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 849,451	\$ 16,067	\$ 865,518
Receivables:			
Accounts	1,677	-	1,677
Intergovernmental	225,199	-	225,199
Materials & supplies inventory	48,748	-	48,748
Total current assets	1,125,075	16,067	1,141,142
Non-current assets:			
Capital assets, net	303,025	-	303,025
Total assets	1,428,100	16,067	1,444,167
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	19,333	11,617	30,950
Accrued wages and benefits	166,554	-	166,554
Compensated absences payable	5,416	-	5,416
Due to:			
Other governments	207,505	-	207,505
Total current liabilities	398,808	11,617	410,425
Non-current liabilities:			
Compensated absences payable	175,392	-	175,392
Total liabilities	574,200	11,617	585,817
<u>NET ASSETS</u>			
Invested in capital assets	303,025	-	303,025
Unrestricted	550,875	4,450	555,325
Total net assets	\$ 853,900	\$ 4,450	\$ 858,350

Westerville City School District
Combining Statement of Revenues, Expenses and
Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year ended June 30, 2010

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Food service sales	\$ 2,757,264	\$ -	\$ 2,757,264
Class material fees	-	238,644	238,644
Other	11,585	-	11,585
Total operating revenues	<u>2,768,849</u>	<u>238,644</u>	<u>3,007,493</u>
<u>OPERATING EXPENSES</u>			
Wages and benefits	2,032,429	-	2,032,429
Purchased services	63,836	-	63,836
Materials and supplies	2,063,412	275,341	2,338,753
Depreciation	43,405	-	43,405
Other	37,018	-	37,018
Total operating expenses	<u>4,240,100</u>	<u>275,341</u>	<u>4,515,441</u>
Operating (loss)	(1,471,251)	(36,697)	(1,507,948)
<u>NON-OPERATING REVENUES</u>			
Grants:			
State sources	75,919	-	75,919
Federal sources	1,720,165	-	1,720,165
Investment income	861	-	861
Other	5,362	-	5,362
Total non-operating revenues	<u>1,802,307</u>	<u>-</u>	<u>1,802,307</u>
Income before transfers	331,056	(36,697)	294,359
Transfers in	-	38,983	38,983
Change in net assets	<u>331,056</u>	<u>2,286</u>	<u>333,342</u>
Net assets at beginning of year	<u>522,844</u>	<u>2,164</u>	<u>525,008</u>
Net assets at end of year	<u>\$ 853,900</u>	<u>\$ 4,450</u>	<u>\$ 858,350</u>

Westerville City School District
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2010

	Food Service	Uniform School Supplies	Total
Cash flows from operating activities:			
Cash received from customers	\$ 2,757,249	\$ 238,644	\$ 2,995,893
Cash payments for wages and benefits	(2,012,608)	-	(2,012,608)
Cash payments for purchased services	(63,836)	-	(63,836)
Cash payments for materials and supplies	(1,888,849)	(265,383)	(2,154,232)
Cash received for other revenues	11,585	-	11,585
Cash payments for other expenses	(37,018)	-	(37,018)
Net cash used for operating activities	(1,233,477)	(26,739)	(1,260,216)
Cash flows from noncapital financing activities:			
Cash flows from operating grants	1,408,348	-	1,408,348
Transfers in	-	38,983	38,983
Cash flows from noncapital financing activities	1,408,348	38,983	1,447,331
Cash flows from capital financing activities:			
Purchase of capital assets	(28,152)	-	(28,152)
Cash flows from investing activities:			
Investment income	861	-	861
Net increase in cash and cash equivalents	147,580	12,244	159,824
Cash and investments at beginning of year	701,871	3,823	705,694
Cash and cash equivalents at end of year	<u>\$ 849,451</u>	<u>\$ 16,067</u>	<u>\$ 865,518</u>
Reconciliation of operating loss to net cash used for operating activities			
Operating loss	\$ (1,471,251)	\$ (36,697)	\$ (1,507,948)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation	43,405	-	43,405
Donated commodities	167,899	-	167,899
Changes in assets and liabilities:			
Increase in accounts receivable	(15)	-	(15)
Decrease in inventory	7,504	-	7,504
Increase (decrease) in accounts payables	(840)	9,958	9,118
Decrease in accrued wages and benefits	(1,877)	-	(1,877)
Increase in due to other governments	16,198	-	16,198
Increase in compensated absences payable	5,500	-	5,500
Net cash used for operating activities	\$ (1,233,477)	\$ (26,739)	\$ (1,260,216)

The District received \$167,899 in donated food from the Ohio Department of Education's commodity grant program.

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

Internal Service Funds

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

Self Insurance – A fund provided to account for monies received from other funds as payment for providing medical and dental employee benefits. The District's self-funded health and dental plans are currently inactive as indicated in Note 16 to the financial statements. The Self Insurance Fund may make payments for services provided to employees, for reimbursement to employees who have paid providers, to third party administrators for claim payment administration, for stop-loss coverage, or any other reinsurance or similar purposes.

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

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

**Westerville City School District
Combining Statement of Net Assets
Internal Service Funds
As of June 30, 2010**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 93,802	\$ 329,711	\$ 423,513
Receivables:				
Accounts	-	16,616	-	16,616
Total assets	<u>-</u>	<u>110,418</u>	<u>329,711</u>	<u>440,129</u>
<u>LIABILITIES</u>				
Accounts payable	230	1,379	-	1,609
Accrued wages and benefits	-	14,773	-	14,773
Due to:				
Other Governments	-	4,908	325,005	329,913
Total liabilities	<u>230</u>	<u>21,060</u>	<u>325,005</u>	<u>346,295</u>
<u>NET ASSETS</u>				
Unrestricted	(230)	89,358	4,706	93,834
Total net assets	<u>\$ (230)</u>	<u>\$ 89,358</u>	<u>\$ 4,706</u>	<u>\$ 93,834</u>

Westerville City School District
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year ended June 30, 2010

	Self Insurance	Print Shop	Worker's Compensation	Total
<u>OPERATING REVENUES</u>				
Charges for services	\$ -	\$ 308,062	\$ 318,793	\$ 626,855
Total operating revenues	-	308,062	318,793	626,855
<u>OPERATING EXPENSES</u>				
Wages and benefits	822,821	101,595	-	924,416
Purchased services	18,774	230	446,335	465,339
Materials and supplies	-	211,000	-	211,000
Total operating expenses	841,595	312,825	446,335	1,600,755
Operating income (loss)	(841,595)	(4,763)	(127,542)	(973,900)
<u>NON-OPERATING REVENUES</u>				
Investment income	1,053	-	738	1,791
Total non-operating revenues	1,053	-	738	1,791
Change in net assets	(840,542)	(4,763)	(126,804)	(972,109)
Net assets at beginning of year	840,312	94,121	131,510	1,065,943
Net assets at end of year	\$ (230)	\$ 89,358	\$ 4,706	\$ 93,834

Westerville City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2010

	Governmental Activities - Internal Service			
	Self Insurance	Print Shop	Worker's Compensation	Total
Cash flows from operating activities:				
Cash payments for wages and benefits	\$ (822,821)	\$ (98,820)	\$ -	\$ (921,641)
Cash received from interfund services provided	230	293,539	318,793	612,562
Cash payments for purchased services	(18,774)	(230)	(444,029)	(463,033)
Cash payments for materials and supplies	-	(210,027)	-	(210,027)
Net cash used for operating activities	<u>(841,365)</u>	<u>(15,538)</u>	<u>(125,236)</u>	<u>(982,139)</u>
Cash flows from investing activities:				
Investment income	1,053	-	738	1,791
Net decrease in cash and cash equivalents	(840,312)	(15,538)	(124,498)	(980,348)
Cash and cash equivalents at beginning of year	840,312	109,340	454,209	1,403,861
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 93,802</u>	<u>\$ 329,711</u>	<u>\$ 423,513</u>
Reconciliation of operating loss to net cash used for operating activities				
Operating loss	\$ (841,595)	\$ (4,763)	\$ (127,542)	\$ (973,900)
Adjustments to reconcile operating loss to net cash used for operating activities:				
Changes in assets and liabilities:				
Increase (Decrease) in accounts receivables	230	(14,523)	-	(14,293)
Increase in accounts payable	-	973	-	973
Increase in accrued wages and benefits	-	1,348	-	1,348
Increase in due to other governments	-	1,427	2,306	3,733
Net cash used for operating activities	<u>\$ (841,365)</u>	<u>\$ (15,538)</u>	<u>\$ (125,236)</u>	<u>\$ (982,139)</u>

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

Agency Funds

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

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

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

Section 125 Cafeteria Plan – This fund is used to account for deposits made by employees through payroll deductions who elect to use the plan as a medical spending account or for dependent childcare. Employees have until the end of March of the following year to spend the monies in their account. Any monies not spent become the property of the District. The District has determined it to be the best practice to retain the unspent monies from the prior years within this fund, to continue to finance the plan and to properly account for its intended use.

Westerville City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Year Ended June 30, 2010

	Beginning Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2010</u>
District Agency				
Assets				
Cash and cash equivalents	\$133,477	\$57,323	\$45,961	\$144,839
Total assets	<u>133,477</u>	<u>57,323</u>	<u>45,961</u>	<u>144,839</u>
Liabilities				
Accounts payable	1,241	6,112	1,241	6,112
Due to others	132,236	6,491	-	138,727
Total liabilities	<u>\$133,477</u>	<u>\$12,603</u>	<u>\$1,241</u>	<u>\$144,839</u>
Student Managed Activity				
Assets				
Cash and cash equivalents	\$217,265	\$276,330	\$291,070	\$202,525
Total assets	<u>217,265</u>	<u>276,330</u>	<u>291,070</u>	<u>202,525</u>
Liabilities				
Accounts payable	13,252	2,687	13,252	2,687
Due to others	204,013	-	4,175	199,838
Total liabilities	<u>\$217,265</u>	<u>\$2,687</u>	<u>\$17,427</u>	<u>\$202,525</u>
Section 125 Cafeteria Plan				
Assets				
Cash and cash equivalents	\$13,539	\$109,684	\$102,477	\$20,746
Total assets	<u>13,539</u>	<u>109,684</u>	<u>102,477</u>	<u>20,746</u>
Liabilities				
Due to others	13,539	20,746	13,539	20,746
Total liabilities	<u>\$13,539</u>	<u>\$20,746</u>	<u>\$13,539</u>	<u>\$20,746</u>
Total Agency Funds				
Assets				
Cash and cash equivalents	\$364,281	\$443,337	\$439,508	\$368,110
Total assets	<u>364,281</u>	<u>443,337</u>	<u>439,508</u>	<u>368,110</u>
Liabilities				
Accounts payable	14,493	8,799	14,493	8,799
Due to others	349,788	27,237	17,714	359,311
Total liabilities	<u>\$364,281</u>	<u>\$36,036</u>	<u>\$32,207</u>	<u>\$368,110</u>

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	106
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	114
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
Debt Capacity	118
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	121
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	123
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities									
Invested in capital assets, net of related debt	\$50,479,075	\$47,455,764	\$44,673,445	\$40,493,825	\$34,968,131	\$31,135,671	\$33,096,968	\$31,190,176	\$21,436,170
Restricted	12,336,610	14,221,416	15,870,373	13,778,302	16,559,000	16,680,835	11,404,078	9,578,075	13,896,805
Unrestricted	14,409,478	5,909,712	10,405,233	12,994,008	5,944,990	2,914,798	(4,135,831)	3,851,481	10,490,302
Total governmental activities net assets	\$77,225,163	\$67,586,892	\$70,949,051	\$67,266,135	\$57,472,121	\$50,731,304	\$40,365,215	\$44,619,732	\$45,823,277
Business-type activities									
Invested in capital assets	\$303,025	\$318,278	\$313,319	\$351,803	\$263,056	\$273,253	\$312,533	\$302,026	\$252,738
Unrestricted	555,325	206,730	36,289	(21,705)	284,732	366,058	173,740	308,730	379,390
Total business-type activities net assets	\$858,350	\$525,008	\$349,608	\$330,098	\$547,788	\$639,311	\$486,273	\$610,756	\$632,128
Primary government									
Invested in capital assets, net of related debt	\$50,782,100	\$47,774,042	\$44,986,764	\$40,845,628	\$35,231,187	\$31,408,924	\$33,409,501	\$31,492,202	\$21,688,908
Restricted	12,336,610	14,221,416	15,870,373	13,778,302	16,559,000	16,680,835	11,404,078	9,578,075	13,896,805
Unrestricted	14,964,803	6,116,442	10,441,522	12,972,303	6,229,722	3,280,856	(3,962,091)	4,160,211	10,869,692
Total primary government net assets	\$78,083,513	\$68,111,900	\$71,298,659	\$67,596,233	\$58,019,909	\$51,370,615	\$40,851,488	\$45,230,488	\$46,455,405

Source: School district financial records

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:									
Governmental activities:									
Instruction									
Regular	\$69,188,237	\$67,210,358	\$65,214,351	\$62,655,604	\$58,750,899	\$58,315,571	\$61,435,413	\$51,870,597	\$62,211,281
Special	21,153,825	21,788,841	19,601,737	17,708,534	15,871,474	13,819,966	12,162,246	10,330,195	8,728,805
Vocational	548,891	593,157	678,722	624,810	526,254	404,299	2,266,230	2,550,806	2,120,629
Other instruction	4,568,165	4,558,042	3,482,504	3,126,170	2,438,333	2,337,018	1,835,688	1,656,434	1,166,761
Support services									
Pupils	11,340,996	11,253,575	10,363,670	9,526,679	8,681,922	8,100,767	7,601,627	6,443,665	5,661,710
Staff	5,242,394	5,541,038	4,603,913	4,291,972	4,031,852	4,055,364	4,431,094	4,826,578	4,144,559
General administration	1,651,416	1,456,641	1,536,818	1,610,376	1,404,573	1,413,567	1,445,681	1,397,792	1,265,245
School administration	11,245,165	10,791,283	10,033,797	9,309,733	9,419,003	8,422,107	8,383,725	9,249,706	7,784,403
Fiscal services	2,625,949	1,632,219	2,417,545	2,304,479	1,874,309	1,909,425	1,515,452	1,760,511	1,662,225
Business services	952,097	988,944	1,000,857	1,873,824	1,635,460	1,496,593	1,104,154	1,249,159	865,019
Operation & maintenance	14,131,404	13,624,034	13,857,342	13,621,605	11,689,529	11,652,334	10,977,422	10,614,195	9,536,464
Student transportation	8,473,897	7,987,307	7,401,674	6,921,601	6,596,268	6,196,437	5,771,952	5,671,020	5,317,633
Central services	3,553,586	3,514,157	2,459,665	1,446,375	1,398,019	1,022,336	1,144,924	1,738,582	1,548,397
Community services	985,404	1,190,109	873,719	984,663	673,863	897,810	690,830	649,801	9,112
Food services	8,730	2,578	32,467	38,696	8,818	8,818	8,817	14,657	445,488
Extra-curricular activities	3,156,520	2,888,932	2,845,872	2,652,863	2,550,715	2,357,322	2,788,686	2,024,729	1,969,421
Interest and fiscal charges	5,665,429	5,566,387	5,780,535	5,902,822	6,258,362	6,412,729	5,788,941	7,086,262	8,719,392
Total governmental activities	164,492,105	160,587,602	152,185,188	144,600,806	133,809,653	128,822,463	129,352,882	119,134,689	123,156,544
Business-type activities:									
Food service	4,253,330	4,118,307	4,059,069	4,090,650	3,787,221	3,402,253	3,563,734	3,316,818	3,206,846
Uniform school supplies	275,341	239,396	241,719	276,304	248,234	240,559	234,452	220,139	215,195
Total business-type activities	4,528,671	4,357,703	4,300,788	4,366,954	4,035,455	3,642,812	3,798,186	3,536,957	3,422,041
Total primary government expenses	\$169,020,776	\$164,945,305	\$156,485,976	\$148,967,760	\$137,845,108	\$132,465,275	\$133,151,068	\$122,671,646	\$126,578,585

Source: School district financial records

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

	2010	2009	2008	2007	2006
Program revenues					
Governmental activities:					
Charges for services and sales					
Instruction					
Regular	\$1,045,106	\$1,044,579	\$1,068,869	\$1,523,316	\$1,289,545
Special	405,395	196,923	191,520	67,226	30,487
Extra-curricular activities	1,410,889	1,355,317	1,331,796	1,219,200	1,560,020
Operating grants and contributions	7,689,118	6,385,719	5,772,699	5,512,705	5,477,002
Capital grants and contributions	-	-	-	-	-
Total governmental activities	<u>10,550,508</u>	<u>8,982,538</u>	<u>8,364,884</u>	<u>8,322,447</u>	<u>8,357,054</u>
Business-type activities:					
Charges for services and sales					
Food service	2,757,264	2,799,032	2,752,314	2,739,899	2,748,022
Uniform school supplies	238,644	239,308	239,110	257,998	243,017
Operating grants and contributions	1,809,314	1,483,757	1,313,957	1,126,557	923,233
Total business-type activities	<u>4,805,222</u>	<u>4,522,097</u>	<u>4,305,381</u>	<u>4,124,454</u>	<u>3,914,272</u>
Total primary government	<u>\$15,355,730</u>	<u>\$13,504,635</u>	<u>\$12,670,265</u>	<u>\$12,446,901</u>	<u>\$12,271,326</u>
Net (expense)/revenue					
Governmental activities	(\$153,941,597)	(\$151,605,064)	(\$143,820,304)	(\$136,278,359)	(\$125,452,599)
Business-type activities	276,551	164,394	4,593	(242,500)	(121,183)
Total primary government net expense	<u>(\$153,665,046)</u>	<u>(\$151,440,670)</u>	<u>(\$143,815,711)</u>	<u>(\$136,520,859)</u>	<u>(\$125,573,782)</u>
General revenues and other changes in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$92,703,533	\$80,868,900	\$78,858,985	\$82,850,463	\$70,312,884
Debt service	10,695,455	10,612,532	9,537,826	10,092,937	10,310,165
Capital projects	5,273,876	5,290,857	5,208,015	5,400,744	5,577,545
Grants and entitlements not restricted to specific programs	52,929,017	49,181,194	47,212,653	44,906,266	43,015,156
Insurance recoveries	-	-	3,438,753	-	-
Payment in lieu of taxes	1,117,132	974,418	680,171	-	-
Investment income	53,787	453,225	1,417,541	1,760,239	1,258,932
Loss on sale of capital assets	-	-	-	-	-
Miscellaneous	846,051	861,779	759,064	1,322,802	1,718,734
Transfers	(38,983)	-	-	-	-
Total governmental activities	<u>163,579,868</u>	<u>148,242,905</u>	<u>147,113,008</u>	<u>146,333,451</u>	<u>132,193,416</u>
Business-type activities:					
Investment income	861	6,006	14,917	24,810	29,660
Miscellaneous	16,947	5,000	-	-	-
Transfers	38,983	-	-	-	-
Total Business-type activities	<u>56,791</u>	<u>11,006</u>	<u>14,917</u>	<u>24,810</u>	<u>29,660</u>
Total primary government	<u>\$163,636,659</u>	<u>\$148,253,911</u>	<u>\$147,127,925</u>	<u>\$146,358,261</u>	<u>\$132,223,076</u>
Change in net assets					
Governmental activities	\$9,638,271	(\$3,362,159)	\$3,292,704	\$10,055,092	\$6,740,817
Business-type activities	333,342	175,400	19,510	(217,690)	(91,523)
Total primary government	<u>\$9,971,613</u>	<u>(\$3,186,759)</u>	<u>\$3,312,214</u>	<u>\$9,837,402</u>	<u>\$6,649,294</u>

Source: School district financial records

	2005	2004	2003	2002
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction				
Regular	\$989,548	\$932,364	\$788,755	\$654,732
Special	41,937	21,623	8,400	20,138
Extra-curricular activities	1,866,271	1,065,844	940,944	1,036,497
Operating grants and contributions	5,537,321	4,700,516	4,283,660	3,240,167
Capital grants and contributions	-	319,871	6,547	13,375
Total governmental activities program revenues	<u>8,435,077</u>	<u>7,040,218</u>	<u>6,028,306</u>	<u>4,964,909</u>
Business-type activities:				
Charges for services and sales				
Food service	2,754,240	2,744,280	2,713,577	2,797,923
Uniform school supplies	237,103	236,264	221,005	214,735
Operating grants and contributions	790,065	697,187	542,087	457,399
Total business-type activities program revenues	<u>3,781,408</u>	<u>3,677,731</u>	<u>3,476,669</u>	<u>3,470,057</u>
Total primary government program revenues	<u>\$12,216,485</u>	<u>\$10,717,949</u>	<u>\$9,504,975</u>	<u>\$8,434,966</u>
Net (expense)/revenue				
Governmental activities	(\$120,387,386)	(\$122,312,664)	(\$113,106,383)	(\$118,191,635)
Business-type activities	138,596	(120,455)	(60,288)	48,016
Total primary government net expense	<u>(\$120,248,790)</u>	<u>(\$122,433,119)</u>	<u>(\$113,166,671)</u>	<u>(\$118,143,619)</u>
General revenues and other changes in net assets				
Governmental activities:				
Property taxes levied for:				
General purposes	\$69,808,534	\$58,753,446	\$56,040,935	57,705,984
Debt service	11,008,652	10,796,918	9,699,373	9,786,788
Capital projects	5,335,310	4,308,694	3,938,029	4,201,615
Grants and entitlements not restricted to specific programs	43,063,290	42,954,970	40,769,790	40,380,438
Insurance recoveries	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Investment income	742,797	395,572	1,385,301	4,849,723
Loss on sale of capital assets	(45,647)	-	-	(267,424)
Miscellaneous	840,539	848,547	981,987	1,160,909
	-	-	-	-
Total governmental activities	<u>130,753,475</u>	<u>118,058,147</u>	<u>112,815,415</u>	<u>117,818,033</u>
Business-type activities:				
Investment income	14,442	7,318	11,703	14,142
Miscellaneous	-	-	-	2,681
	-	-	-	-
Total Business-type activities	<u>14,442</u>	<u>7,318</u>	<u>11,703</u>	<u>16,823</u>
Total primary government	<u>\$130,767,917</u>	<u>\$118,065,465</u>	<u>\$112,827,118</u>	<u>\$117,834,856</u>
Change in net assets				
Governmental activities	\$10,366,089	(\$4,254,517)	(\$290,968)	(\$373,602)
Business-type activities	153,038	(113,137)	(48,585)	64,839
Total primary government	<u>\$10,519,127</u>	<u>(\$4,367,654)</u>	<u>(\$339,553)</u>	<u>(\$308,763)</u>

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General fund										
Reserved	\$30,427,754	\$26,081,899	\$24,390,792	\$27,249,394	\$20,576,711	\$15,852,554	\$8,204,760	\$7,900,865	\$8,477,909	\$8,264,561
Unreserved	(8,480,367)	(15,420,065)	(9,236,180)	(9,270,091)	(9,277,879)	(6,143,828)	(5,406,906)	3,337,746	9,187,046	10,208,219
Total General fund	\$21,947,387	\$10,661,834	\$15,154,612	\$17,979,303	\$11,298,832	\$9,708,726	\$2,797,854	\$11,238,611	\$17,664,955	\$18,472,780
All other governmental funds										
Reserved	\$17,667,994	\$5,647,773	\$6,468,109	\$4,958,172	\$5,044,945	\$4,410,538	\$3,180,380	\$13,222,679	\$41,233,162	\$5,527,228
Unreserved, reported in:										
Debt Service	7,876,475	6,892,804	5,937,642	5,646,821	5,461,983	5,583,530	5,989,550	4,686,069	6,913,995	7,085,491
Permanent Improvement	13,069,634	4,197,928	5,653,428	4,746,920	5,204,516	5,815,624	4,586,996	6,187,802	26,677,330	91,426,168.00
Special Revenue	792,859	901,467	1,101,957	938,255	924,487	897,141	726,239	564,240	634,504	730,065
Total all other governmental funds	\$39,406,962	\$17,639,972	\$19,161,136	\$16,290,168	\$16,635,931	\$16,706,833	\$14,483,165	\$24,660,790	\$75,458,991	\$104,768,952

Westerville City School District

Westerville, Ohio



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

	2010	2009	2008	2007	2006
Revenues:					
From local sources					
Taxes	\$108,538,581	\$96,035,461	\$93,041,686	\$97,695,620	\$86,402,046
Tuition and fees	1,448,710	1,241,502	1,260,389	938,607	772,984
Extra-curricular	1,410,889	1,355,317	1,331,796	1,219,200	1,560,020
Investment income	53,787	435,765	1,364,612	1,690,559	1,197,757
Payment in lieu of taxes	1,117,132	974,418	680,171	693,505	578,351
Intergovernmental - state	51,330,484	50,719,372	48,774,564	46,359,783	44,256,443
Intergovernmental - federal	8,627,884	4,791,082	4,180,663	4,017,618	4,204,412
Other revenue	896,921	918,238	789,189	1,322,802	1,946,141
Total revenues	173,424,388	156,471,155	151,423,070	153,937,694	140,918,154
Expenditures:					
Instructional					
Regular	66,266,194	64,155,120	58,719,818	56,444,508	54,660,424
Special	20,453,616	20,884,904	18,651,131	16,798,447	15,232,634
Vocational	523,561	567,680	644,768	593,501	540,118
Continuing	-	-	-	-	-
Other	4,401,401	4,397,956	3,330,470	2,984,481	2,326,826
Support Services					
Pupils	11,270,648	11,175,462	10,304,731	9,508,798	8,697,619
Staff	5,298,758	5,528,096	4,627,808	4,343,114	4,147,768
General administration	1,651,416	1,456,641	1,536,818	1,610,376	1,404,573
School administration	10,825,911	10,201,514	9,648,630	8,980,999	9,081,411
Fiscal services	2,948,045	1,629,092	2,399,553	2,294,423	1,869,542
Business services	903,218	953,696	969,238	952,574	879,293
Operation & maintenance	13,878,489	13,414,960	13,742,638	13,458,198	11,555,153
Student transportation	7,947,634	7,436,535	6,969,000	6,463,492	6,068,975
Central services	2,422,504	3,435,033	2,276,147	2,053,622	1,804,761
Community services	982,797	1,175,295	872,641	983,610	673,140
Food services	600	1,500	23,650	29,878	-
Extra-curricular activities	2,998,384	2,819,478	2,771,679	2,586,588	2,694,027
Capital outlay	1,947,983	2,877,972	6,848,222	6,905,754	6,852,241
Debt Service:					
Principal retirement	7,095,000	5,700,000	5,580,000	5,445,000	5,300,000
Interest	4,420,045	4,674,163	4,898,604	5,607,656	5,610,445
Total expenditures	166,236,204	162,485,097	154,815,546	148,045,019	139,398,950
Excess (deficiency) of revenues over (under) expenditures	7,188,184	(6,013,942)	(3,392,476)	5,892,675	1,519,204
Other financing sources (uses):					
Proceeds from sale of bonds	-	-	-	-	-
Proceeds from refunding bonds	-	-	-	48,365,000	-
Premium on issuance of bonds	-	-	-	2,657,888	-
Payment to bond agent	-	-	-	(50,580,855)	-
Tax Anticipation Notes issued	24,415,000	-	-	-	-
Premium on tax anticipation notes	1,488,342	-	-	-	-
Proceeds on sale of assets	-	-	-	-	-
Transfers in	2,687,736	-	-	-	-
Transfers out	(2,726,719)	-	-	-	-
Insurance recoveries	-	-	3,438,753	-	-
Total other financing sources (uses)	25,864,359	-	3,438,753	442,033	-
Net change in fund balances	\$33,052,543	(\$6,013,942)	\$46,277	\$6,334,708	\$1,519,204
Debt service as a percentage of noncapital expenditures	7.01%	6.50%	6.95%	7.62%	8.08%

Source: School district financial records

	2005	2004	2003	2002	2001
Revenues:					
From local sources					
Taxes	\$86,602,416	\$74,289,634	\$69,252,976	\$71,166,995	\$54,379,386
Tuition	598,107	410,603	488,196	399,296	446,027
Extra-curricular	1,866,271	1,065,844	940,944	1,036,497	1,120,434
Investment income	710,785	386,471	1,373,429	4,825,857	3,906,256
Payment in lieu of taxes	462,653	582,604	388,214	423,073	335,052
Intergovernmental - state	44,760,578	44,748,270	42,552,850	41,929,676	37,073,140
Intergovernmental - federal	3,810,758	2,871,146	2,427,892	1,556,805	1,747,645
Other revenue	840,539	1,165,268	981,987	1,160,909	770,637
Total revenues	139,652,107	125,519,840	118,406,488	122,499,108	99,778,577
Expenditures:					
Instructional					
Regular	52,316,796	55,807,436	51,772,472	50,352,696	47,616,427
Special	12,956,491	11,437,291	9,901,261	8,740,977	8,376,039
Vocational	648,594	2,129,010	2,392,716	2,138,402	1,954,732
Continuing	-	-	-	-	980
Other	2,225,747	1,753,098	1,607,521	1,166,761	945,198
Support Services					
Pupils	7,944,046	7,604,487	6,448,953	5,592,025	4,213,268
Staff	3,997,020	4,349,735	4,771,434	4,164,763	3,493,873
General administration	1,413,567	1,445,681	1,397,792	1,265,245	1,363,605
School administration	8,104,318	8,110,849	8,663,698	7,529,232	6,505,300
Fiscal services	1,895,357	2,020,073	1,709,155	1,650,788	1,595,175
Business services	816,282	914,221	1,051,841	858,308	1,195,663
Operation & maintenance	11,302,331	10,903,355	10,258,280	9,394,710	9,003,486
Student transportation	5,666,923	5,307,951	4,994,803	4,911,727	4,625,427
Central services	1,678,114	1,740,896	1,747,849	1,553,428	1,222,709
Community services	896,865	690,830	649,801	445,488	624,950
Food services	-	-	2,923	-	-
Extra-curricular activities	2,322,628	2,750,499	1,991,739	1,950,979	1,886,554
Capital outlay	4,575,532	17,378,934	53,580,974	40,481,842	9,795,662
Debt Service:					
Principal retirement	5,915,000	4,705,000	6,115,000	2,328,533	2,410,000
Interest	5,841,956	5,559,608	6,790,573	8,115,314	2,584,128
Total expenditures	130,517,567	144,608,954	175,848,785	152,641,218	109,413,176
Excess (deficiency) of revenues over (under) expenditures	9,134,540	(19,089,114)	(57,442,297)	(30,142,110)	(9,634,599)
Other financing sources (uses):					
Proceeds from sale of bonds	-	-	-	-	99,718,574
Proceeds from refunding bonds	-	49,499,954	-	-	-
Premium on issuance of bonds	-	7,102,634	-	-	-
Payment to bond agent	-	(56,131,856)	-	-	-
Tax Anticipation Notes issued	-	-	-	-	-
Premium on Tax Anticipation Notes	-	-	-	-	-
Proceeds on sale of assets	-	-	-	24,326	1,083
Transfers in	-	36,000	36,000	36,000	36,000
Transfers out	-	(36,000)	(36,000)	(36,000)	(36,000)
Insurance recoveries	-	-	-	-	-
Total other financing sources (uses)	-	470,732	-	24,326	99,719,657
Net change in fund balances	\$9,134,540	(\$18,618,382)	(\$57,442,297)	(\$30,117,784)	\$90,085,058
Debt service as a percentage of noncapital expenditures	9.12%	7.96%	10.39%	8.54%	4.94%

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

Collection Year	Real Property (a)		Tangible Personal Property General Business (b)		Tangible Personal Property Public Utility (c)		Total		
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2010	\$2,433,460,260	\$6,952,743,600	\$2,114,706	\$42,294,120	\$39,065,530	\$111,615,800	2,474,640,496	7,106,653,520	50.65
2009	\$2,418,789,480	\$6,910,827,086	\$4,064,812	\$40,648,120	\$38,076,550	\$108,790,143	2,460,930,842	7,060,265,349	43.06
2008	2,414,158,300	6,897,595,143	23,161,556	370,584,896	36,764,060	105,040,171	2,474,083,916	7,373,220,210	42.29
2007	2,418,908,970	6,911,168,486	39,390,964	315,127,712	53,557,100	153,020,286	2,511,857,034	7,379,316,484	42.69
2006	2,379,600,480	6,798,858,514	53,636,288	223,484,533	53,702,010	153,434,314	2,486,938,778	7,175,777,362	37.06
2005	2,074,038,900	5,925,825,429	73,858,548	307,743,950	55,563,540	158,752,971	2,203,460,988	6,392,322,350	42.29
2004	2,024,458,100	5,784,166,000	76,287,708	317,865,450	54,084,170	154,526,200	2,154,829,978	6,256,557,650	37.06
2003	1,961,931,150	5,605,517,571	112,285,098	449,140,312	56,031,920	160,091,200	2,130,248,148	6,214,749,083	37.64
2002	1,708,441,740	4,881,262,114	115,766,508	463,066,032	54,993,020	157,122,914	1,879,201,268	5,501,451,060	41.05
2001	1,624,735,960	4,642,102,743	117,792,551	471,170,204	64,511,420	184,318,343	1,807,039,931	5,297,591,290	40.68

Source: Franklin County Auditor

- (a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.
- (b) General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. House Bill 66 phased out general business tangible personal property tax beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and 0% for 2009. Additionally, telephone property was reclassified to general business and assessed at 10% for 2009, 5% for 2010 and eliminated in 2011.
- (c) Assumes public utilities are assessed at true value which is 35%.
- (d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

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

Tax Year/ Collection Year	Westerville City School District										Westerville Corp. (Genoa)				
	Gen. Fd.	Bond	Permanent Improvement	Unvoted	Total Direct	Franklin County	Delaware County	City of Westerville	City of Columbus	Blendon Township		Genoa Township	Plain Township	Sharon Township	Minerva Park Corp.
2009/2010	61.60	4.90	2.70	3.80	73.00	18.07	6.64	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
Res/Agr Comm/Ind	39.23	4.90	2.70	3.80	50.63	18.07	6.63	10.31	3.14	15.03	8.58	9.67	14.76	15.37	10.31
	41.58	4.90	2.70	3.80	52.98	18.07	6.55	12.09	3.14	17.43	9.37	7.82	15.83	14.21	12.09
2008/2009	65.40	4.90	2.70	3.80	76.80	18.02	5.85	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
2007/2008	61.60	4.40	2.70	3.80	72.50	18.49	5.65	17.64	3.14	26.51	9.40	12.85	23.50	15.95	17.64
2006/2007	61.60	4.40	2.70	3.80	72.50	18.44	5.65	17.60	3.14	26.55	10.10	13.15	23.50	16.09	17.60
2005/2006	56.30	4.51	2.70	3.80	67.31	18.44	5.67	17.97	3.14	25.02	10.10	13.27	23.50	16.09	17.97
2004/2005	56.30	5.21	2.70	3.80	68.01	18.44	5.61	17.95	3.14	25.05	12.80	13.37	23.50	16.08	17.95
2003/2004	52.30	5.40	2.70	3.80	64.20	17.64	5.61	18.06	3.14	25.07	12.80	13.12	23.50	16.13	18.06
2002/2003	51.30	5.40	2.70	3.80	63.20	17.64	5.61	17.85	3.14	25.40	12.80	13.43	23.50	16.13	17.85
2001/2002	51.30	5.60	2.70	3.80	63.40	17.64	5.61	14.50	3.14	22.00	12.80	13.52	19.00	16.32	14.50
2000/2001	51.30	5.70	2.70	3.80	63.50	17.64	5.92	14.54	3.14	22.16	12.80	13.58	19.08	16.32	14.54

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

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

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

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

June 30, 2010		
Name of Taxpayer	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>		
1. Columbus Southern Power Co.	\$21,776,100	0.88%
2. Columbia Gas Of Ohio, Inc.	3,413,490	0.14%
<u>Real Estate</u>		
1. Banc One Management Corp.	13,955,000	0.56%
2. NRI Brookside LLC	9,857,150	0.40%
3. Chestnut Hill Apartments	9,453,020	0.38%
4. Remington Station	7,901,280	0.32%
5. Eastrich No 167 Corp	7,700,010	0.31%
6. St. Ann's Hospital	7,005,740	0.28%
7. CRI Easton Square LLC	5,515,020	0.22%
8. G & I VI Hictory Creek LLC	5,355,000	0.22%
9. Mackenzies Hotel	5,106,120	0.21%
10. Brainerd Road Associates	4,961,250	0.20%
All Others	<u>2,372,641,316</u>	<u>95.88%</u>
Total Assessed Valuation	<u>\$2,474,640,496</u>	<u>100.00%</u>

June 30, 2001		
Name of Taxpayer	Assessed Valuation	% of Total Assessed Valuation
<u>Tangible Personal Property *</u>		
1. Ohio Bell Telephone Company	1,904,320	
2. Sprint Nextel Corporation	1,103,140	
3. New Par	190,460	
4. Sprintcom, Inc	163,890	
5. Cincinnati SMSA LTD Partnership	103,840	
6. Time Warner Telecom of Ohio LLC	90,690	
7. T Mobile Central LLC	69,020	
8. Ameritech Advanced Data Services	33,370	
9. TWC Digital Phone, LLC	22,360	
10. Fiber Technologies Networks LLC	17,150	

June 30, 2001		
Name of Taxpayer	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>		
1. Columbus Southern Power Co	\$20,722,220	1.15%
2. Ohio Bell Telephone Co	11,253,600	0.62%
3. Nextel West Corporation	9,367,010	0.52%
4. Columbia Gas of Ohio Inc	8,794,470	0.49%
<u>Real Estate</u>		
1. Banc One Management Corp	18,469,610	1.02%
2. Partners at Brookside	11,376,130	0.63%
3. Chestnut Hill Apartments	9,345,700	0.52%
4. Eastrich No 167 Corp	8,505,010	0.47%
5. Corporate Exchange	7,126,020	0.39%
6. St. Ann's Hospital	6,650,000	0.37%
7. CASA 94 LP	5,250,020	0.29%
8. AAC Funding Partnership	5,005,020	0.28%
9. Friendship Village	4,681,250	0.26%
10. CASNA LP	4,469,080	0.25%
<u>Tangible Personal Property</u>		
1. Banc One Corporation	20,491,860	1.13%
2. Chase Manhattan Mortgage Corporation	6,074,030	0.34%
3. Comdisco Inc	5,285,440	0.29%
4. I B M Credit Corporation	4,053,920	0.22%
5. Exel Logistics Inc.	2,575,810	0.14%
6. Exel Logistics Inc.	2,054,790	0.11%
7. Mettler Toledo Inc	1,837,510	0.10%
8. Home Depot USA Inc	1,824,030	0.10%
9. Roush Equipment Company Inc	1,791,760	0.10%
10. Time Warner Entertainment Company	1,630,050	0.09%
10. West-Camp Press Inc		
All Others	<u>1,628,405,591</u>	<u>90.12%</u>
Total Assessed Valuation	<u>\$1,807,039,931</u>	<u>100.00%</u>

Source: Franklin County Auditor

Assessed Values are for the valuation year of 2009 and 2000, respectively.

* - The personal property values are tax year 2009 as reported by the taxpayers. These figures are for reference purposes only due to the phase out of personal property tax.

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

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection (1)	Percent of Current Levy Collected	Delinquent Collection (2)	Total Collection	Total Collection As a Percent of Total Levy	Delinquent Taxes Receivable
2009/10	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2008/09	69,423,869	4,055,888	73,479,757	66,559,029	95.87%	2,341,458	68,900,487	93.77%	4,312,427
2007/08	70,305,682	3,669,174	73,974,856	65,770,741	93.55%	1,971,648	67,742,389	91.57%	4,151,902
2006/07	71,785,121	3,336,015	75,121,136	69,060,721	96.20%	1,905,792	70,966,513	94.47%	3,515,477
2005/06	62,554,612	2,798,410	65,353,022	60,761,825	97.13%	1,460,370	62,222,195	95.21%	3,101,187
2004/05	62,996,400	2,865,996	65,862,396	60,619,247	96.23%	1,616,810	62,236,057	94.49%	2,755,789
2003/04	55,139,660	3,225,688	58,365,348	53,587,683	97.19%	1,642,476	55,230,159	94.63%	2,742,699
2002/03	55,118,475	3,580,141	58,698,616	53,913,651	97.81%	1,927,176	55,840,827	95.13%	3,168,633
2001/02	55,511,182	3,051,334	58,562,516	53,514,087	96.40%	1,541,579	55,055,666	94.01%	3,544,953
2000/01	54,652,124	2,669,250	57,321,374	54,107,821	99.00%	1,532,826	55,640,647	97.07%	2,859,562

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

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

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

n/a - The information was not available at the time of this document's preparation.

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

Year	(a) Assessed Value	(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Percentage of Personal Income	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per ADM
2010	\$2,474,640,496	\$118,622,212	\$11,116,291	\$107,505,921	0.0434	3.77%	\$1,332	\$7,203
2009	2,460,930,842	100,650,446	10,102,167	90,548,279	0.0368	3.18%	1,124	6,220
2008	2,474,083,916	105,764,585	8,758,598	97,005,987	0.0392	4.10%	1,206	6,701
2007	2,511,857,034	111,139,583	8,755,309	102,384,274	0.0408	4.36%	1,282	7,184
2006	2,486,938,778	117,094,585	8,328,474	108,766,111	0.0437	4.73%	1,391	7,650
2005	2,203,460,988	122,394,585	7,835,634	114,558,951	0.0520	5.00%	1,469	8,169
2004	2,154,829,978	127,962,429	7,276,551	120,685,878	0.0560	5.30%	1,559	8,525
2003	2,130,248,148	133,155,446	5,490,715	127,664,731	0.0599	5.66%	1,665	9,091
2002	1,879,201,268	138,949,070	7,720,099	131,228,971	0.0698	6.38%	1,876	9,486
2001	1,807,059,931	140,174,487	7,144,043	133,030,444	0.0736	6.58%	1,933	9,706

Sources:

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

Westerville City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 as of June 30, 2010

Governmental Unit	Gross Debt Outstanding	Percent Applicable to Westerville City School District	Amount Applicable to Westerville City School District
Direct:			
Westerville City School District	\$118,622,212	100.00%	\$118,622,212
Overlapping:			
Delaware County	33,885,000	13.78%	4,669,353
Franklin County	255,320,000	5.62%	14,348,984
City of Columbus	375,027,136	3.61%	13,538,480
City of Westerville	26,717,500	97.88%	26,151,089
Plain Township	1,674,998	0.82%	13,735
Minerva Park Village	145,000	100.00%	145,000
New Albany Plain Local Park District Misc.	<u>13,694,998</u>	0.59%	<u>80,800</u>
Total Overlapping	706,464,632		58,947,441
Total Direct and Overlapping Debt	<u><u>\$825,086,844</u></u>		<u><u>\$177,569,653</u></u>

Source: Ohio Municipal Advisory Council

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

Overlapping governments with no outstanding debt are not reflected.

Westerville City Schools
 Legal Debt Margin Information
 as of June 30, 2010

Assessed Valuation	<u>\$2,474,640,496</u>									
Voted and Unvoted Debt Limit - 9% of Assessed Valuation	\$222,717,645									
Balance in Debt Service Fund	<u>\$11,116,291</u>									
Total Debt Outstanding	\$118,622,212									
Less: Exempted Debt	<u>\$0</u>									
Net subject to 9% limit	\$118,622,212									
Total Legal Voted Debt Margin	<u><u>\$115,211,724</u></u>									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt Limit	\$233,833,936	\$231,585,943	\$231,426,150	\$234,822,442	\$232,152,964	\$206,147,123	\$201,211,249	\$197,213,048	\$176,096,190	\$162,633,594
Total Net Debt Applicable to Limit	<u>118,622,212</u>	<u>100,650,446</u>	<u>105,764,585</u>	<u>111,139,583</u>	<u>117,094,585</u>	<u>122,394,585</u>	<u>127,962,429</u>	<u>133,155,446</u>	<u>137,845,954</u>	<u>140,174,487</u>
Legal Debt Margin	<u><u>\$115,211,724</u></u>	<u><u>\$130,935,497</u></u>	<u><u>\$125,661,565</u></u>	<u><u>\$123,682,859</u></u>	<u><u>\$115,058,379</u></u>	<u><u>\$83,752,538</u></u>	<u><u>\$73,248,820</u></u>	<u><u>\$64,057,602</u></u>	<u><u>\$38,250,236</u></u>	<u><u>\$22,459,107</u></u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	50.73%	43.46%	45.70%	47.33%	50.44%	59.37%	63.60%	67.52%	78.28%	86.19%

Source: Franklin County Auditor and School District financial records

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

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

Westerville City School District
 Demographic and Economic Statistics
 Last Ten Years

Year	(a) MORPC Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate	(b) % of Population 25 Years & older with Bachelor's Degree or Higher	(d) Enrollment Membership
2010	80,702	\$35,328	\$2,851,040,256	7.6%	50.7%	14,925
2009	80,536	\$35,328	\$2,845,175,808	5.7%	50.7%	14,558
2008	80,404	\$29,401	\$2,363,958,004	4.0%	44.6%	14,477
2007	79,891	\$29,401	\$2,348,875,291	3.9%	44.6%	14,252
2006	78,213	\$29,401	\$2,299,540,413	4.1%	44.6%	14,217
2005	77,964	\$29,401	\$2,292,219,564	4.4%	44.6%	14,023
2004	77,415	\$29,401	\$2,276,078,415	4.2%	44.6%	14,156
2003	76,680	\$29,401	\$2,254,468,680	3.7%	44.6%	14,043
2002	69,939	\$29,401	\$2,056,276,539	2.5%	44.6%	13,834
2001	68,805	\$29,401	\$2,022,935,805	1.7%	44.6%	13,706

Sources:

- (a) Mid Ohio Regional Planning Commission
- (b) US Census Bureau 2000 and 2006-2008 American Community Survey
- (c) U.S. Department of Labor, Bureau of Labor Statistics
- (d) Per School District records - Educational Management Information System

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

December 2009

Employer	Employees	Percentage of Total Employment	Type of Business
1 J. P. Morgan Chase (Bank One)	4,511	8.42%	Banking & Financial Services
2 Mount Carmel Health Systems	2,190	4.09%	Health Care
3 Westerville City Schools	2,196	4.10%	Public Education
4 Otterbein College	1,895	3.54%	Private College
5 CMS Subsidiary	1,389	2.59%	Membership Services
6 Alliance Data Systems, Inc.	1,077	2.01%	Finance Credit Services
7 City of Westerville	845	1.58%	Municipal Government
8 Heartland Employment	747	1.39%	Financial Services
9 Inchord Communications/Gerbig Snell	720	1.34%	Marketing and Advertising
10 Cheryl's Cookies (1-800 Flowers)	685	1.28%	Retail Food
Total	<u>16,255</u>	<u>30.3%</u>	

December 2000

Employer	Employees	Percentage of Total Employment	Type of Business
1 Bank One	6,556	N/A	Banking & Financial Services
2 Westerville City Schools	1,997	N/A	Public Education
3 Mount Carmel Health (St. Ann's)	1,756	N/A	Health Care
4 Otterbein College	1,491	N/A	Private College
5 CMS Subsidiary	1,314	N/A	Membership Services
6 Alliance Data Systems, Inc.	1,313	N/A	Finance Credit Services
7 Acloche LLC	1,197	N/A	Human Resources Consultants
8 Meijer Stores	1,015	N/A	Retail Food
9 Cheryl's Cookies (1-800-Flowers)	939	N/A	Retail Food
10 Worthington Cylinders	928	N/A	Manufacturing
Total	<u>18,506</u>		

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

Source: City of Westerville Division of Taxation, December 2000 and December 2009

N/A: Percentage information not available for 2000

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

	2010	2009	2008	2007	2006	2005	2004
Professional staff:							
Teaching staff:							
Elementary	433.07	403.41	383.94	375.50	355.00	339.00	348.00
Middle	232.25	232.40	231.85	208.50	193.00	184.00	224.00
High	271.65	278.35	267.30	252.00	231.00	220.00	240.00
Administrators:							
Certificated	55.50	55.50	56.80	56.00	55.00	55.00	59.00
Classified	16.00	16.00	17.25	18.00	15.00	15.00	15.00
Guidance counselors	32.00	32.00	30.00	29.00	29.00	28.00	28.00
Social Workers	1.00	1.00	2.00	2.00	-	-	-
Psychologists	14.20	14.20	14.60	15.00	11.00	12.00	11.00
Nurses	10.00	10.00	9.40	8.00	7.00	7.00	7.00
Speech	19.10	19.10	18.55	19.00	15.00	15.00	15.00
Adapted phys ed. - OT/PT	5.00	5.00	13.60	14.00	12.00	11.00	10.00
Media specialist	15.00	14.00	15.00	15.00	15.00	15.00	15.00
Support staff:							
Secretarial	113.62	114.87	114.87	110.00	104.00	103.00	103.00
ESL paraprofessionals	20.56	20.92	20.92	20.00	20.00	20.00	20.00
Educational Interpreter	-	-	-	-	-	1.00	1.00
Job Coaches	4.73	4.45	4.45	4.00	2.00	4.00	4.00
Health Aides	8.86	8.86	8.86	9.00	9.00	7.00	7.00
Recess aides/crossing guards	23.10	24.50	24.50	26.00	20.00	19.00	19.00
Building/duty monitors	12.60	12.54	12.54	11.00	11.00	12.00	12.00
Parent Mentor	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Community Relations Facilitator	1.00	1.00	1.00	2.00	1.00	1.00	1.00
IMS personnel	8.00	8.00	8.00	7.00	7.00	7.00	7.00
Printers	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Food service	52.10	52.61	52.61	52.00	56.00	52.25	53.00
Nutrition Education Specialist	-	0.50	0.50	1.00	1.00	1.00	1.00
Custodial	88.75	88.75	88.75	89.00	86.00	86.00	86.00
Maintenance	17.00	17.00	17.00	16.00	16.00	16.00	16.00
HVAC	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Bus drivers	82.23	77.10	77.10	76.00	73.00	72.00	81.00
Mechanics	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Warehouse	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00

Function	2010	2009	2008	2007	2006	2005	2004
Governmental activities:							
Instruction	962.26	939.53	908.46	859.00	803.50	767.50	840.50
Support services:							
Pupils	105.16	105.16	112.01	111.00	98.00	95.00	93.00
Instructional staff	69.70	70.04	70.04	71.50	65.50	65.50	65.50
School administration	106.12	107.37	112.92	107.50	98.00	100.00	100.00
Fiscal services	11.00	11.00	11.00	10.00	10.00	10.00	10.00
Business services	11.50	11.50	11.50	11.50	11.50	11.50	11.50
Operation & maintenance	114.25	114.25	114.25	113.50	108.50	108.50	108.50
Student transportation	95.23	90.10	90.10	90.00	87.00	86.00	95.00
Central services	19.00	19.00	17.00	17.00	13.00	13.00	13.00
Community services	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Extra-curricular activities	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Total governmental activities	1,500.97	1,474.70	1,454.03	1,398.00	1,302.00	1,263.00	1,343.00
Business-type activities:							
Food service	55.10	56.11	56.11	56.00	60.00	56.25	57.00
Total primary government	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00

Source - School District records, information not available prior to 2004

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

	2010	2009	2008	2007	2006	2005
Governmental Activities						
Instruction						
Regular and special						
Enrollment (Students)	14,925	14,558	14,477	14,467	14,217	14,023
Graduation rate	N/A	93.4%	91.9%	95.8%	94.6%	94.6%
Support services - pupil						
% of students going on to higher education	85.0%	85.0%	84.5%	79.0%	79.0%	84.0%
% of students with disabilities	11.5%	11.7%	12.1%	11.6%	11.2%	11.3%
% of limited English proficient students	8.6%	7.8%	7.1%	7.4%	6.3%	4.2%
School administration						
Student attendance rate	95.7%	95.9%	95.6%	95.6%	95.4%	95.4%
Fiscal						
Purchase orders processed	9,636	10,049	9,895	9,876	9,477	9,173
Nonpayroll checks issued	10,802	11,170	10,991	11,571	11,628	11,459
Business						
Facility rentals permits issued	378	332	312	303	265	268
Maintenance						
Maintenance work orders completed	7,315	7,057	7,172	7,192	5,913	5,330
District square footage maintained by custodians and maintenance staff	2,112,955	2,112,955	2,112,955	2,115,276	2,115,276	2,115,276
District acreage maintained by grounds staff	403	403	403	403	403	403
Transportation						
Avg. public and parochial students transported daily	10,325	10,640	10,671	8,401	8,502	7,939
Avg. daily bus stops	5,564	5,820	6,216	4,961	6,126	5,836
Central						
Information technology services work orders completed	6,418	6,072	4,126	2,857	2,785	2,526
Extra-curricular activities						
High school varsity teams	60	60	60	60	60	60
Business-Type Activities						
Food service operations						
Breakfasts served to students	295,104	156,346	177,601	138,900	105,625	85,587
Lunches served to students	661,529	622,748	620,376	628,488	622,037	602,386

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

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

Information not available prior to 2005.

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

	2010	2009	2008	2007	2006	2005	2004
Governmental Activities							
Regular Instruction							
Land/improvements	\$9,690,088	\$9,690,088	\$9,653,688	\$9,396,188	\$9,396,188	\$9,392,188	\$9,392,188
Buildings/improvements	186,946,789	187,013,330	187,065,017	184,756,845	182,885,105	179,800,709	178,855,973
Furniture/equipment	2,278,700	2,293,383	2,313,267	2,194,641	2,032,256	2,082,672	2,003,496
Vehicles	5,100	5,100	5,100	-	-	-	-
Special Instruction							
Furniture/equipment	97,385	96,665	85,091	79,469	73,094	68,314	57,196
Vocational Instruction							
Buildings/improvements	110,873	110,873	110,873	110,873	110,873	127,357	127,357
Furniture/equipment	5,038	5,038	5,038	5,038	5,038	5,038	5,038
Vehicles	21,479	21,479	17,279	17,279	-	-	-
Pupil Support							
Land/improvements	3,550	3,550	3,550	3,550	3,550	-	-
Buildings/improvements	312,235	312,235	312,235	312,235	312,235	-	-
Furniture/equipment	37,382	33,599	33,599	33,599	25,142	31,934	31,934
Instructional Support Staff							
Furniture/equipment	66,400	87,534	24,279	10,579	10,579	10,379	10,379
School Administration							
Furniture/equipment	240,967	240,967	240,967	127,921	53,916	63,258	73,850
Fiscal Services							
Furniture/equipment	13,376	13,376	13,376	13,376	13,376	13,376	13,376
Business services							
Buildings/improvements	96,600	96,600	96,600	96,600	96,600	96,600	96,600
Furniture/equipment	33,907	33,907	33,907	49,015	49,015	61,810	61,810
Vehicles	101,065	101,065	101,065	101,065	101,065	48,769	48,769
Operation & maintenance							
Land/improvements	810,889	424,038	368,112	365,607	248,620	28,926	28,926
Buildings/improvements	3,354,284	3,344,317	2,764,203	2,751,812	2,705,699	2,701,530	2,701,530
Furniture/equipment	777,594	697,625	646,064	529,916	521,797	483,329	482,499
Vehicles	552,289	585,688	585,688	515,627	529,779	510,504	597,563
Student transportation							
Land/improvements	294,084	294,083	294,083	294,084	294,084	294,084	294,084
Buildings/improvements	34,648	34,648	34,648	34,648	31,700	31,700	31,700
Furniture/equipment	120,215	95,549	82,602	73,277	48,277	48,277	48,277
Buses	7,454,228	6,920,283	6,681,420	6,302,986	6,259,176	6,078,877	6,505,227
Central services							
Buildings/improvements	288,201	288,201	288,201	288,201	288,201	288,201	288,201
Furniture/equipment	1,980,122	1,856,664	1,407,719	1,262,331	1,259,306	1,203,668	1,201,070
Food services							
Furniture/equipment	121,031	121,031	131,257	131,257	131,257	131,257	131,257
Community services							
Furniture/equipment	6,832	6,832	6,832	6,832	3,942	-	-
Extra-curricular activities							
Land/improvements	1,630,604	1,630,604	799,590	752,047	282,237	194,420	22,511
Buildings/improvements	542,483	542,483	542,483	537,478	537,478	537,478	537,478
Furniture/equipment	517,623	427,907	347,139	290,503	270,938	258,376	237,111
Total governmental activities capital assets	<u>\$218,546,061</u>	<u>\$217,428,742</u>	<u>\$215,094,972</u>	<u>\$211,444,879</u>	<u>\$208,580,523</u>	<u>\$204,593,031</u>	<u>\$203,885,400</u>
Business-type Activities							
Food service							
Furniture/equipment	\$1,007,609	\$1,012,388	\$1,080,753	\$1,078,221	\$944,879	\$944,885	\$942,130
Vehicles	48,769	48,769	48,769	48,769	48,769	48,769	48,769
	<u>\$1,056,378</u>	<u>\$1,061,157</u>	<u>\$1,129,522</u>	<u>\$1,126,990</u>	<u>\$993,648</u>	<u>\$993,654</u>	<u>\$990,899</u>

Source - School District records, information not available prior to 2004

Westerville City School District
School Building Information
Last Nine Fiscal Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Alcott Elementary (2002)									
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	N/A
Capacity (students)	639	639	614	614	594	594	594	594	N/A
Enrollment	719	686	689	669	671	649	602	560	N/A
Annehurst Elementary (1970)									
Square feet	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	36,204
Capacity (students)	365	365	365	365	382	330	330	330	330
Enrollment	366	369	348	354	352	341	348	350	373
Central College Elementary (1931)									
Square feet	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470
Capacity (students)	106	106	106	89	106	120	120	120	120
Enrollment	130	127	126	126	128	126	118	119	129
Cherrington Elementary (1968)									
Square feet	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348	39,283
Capacity (students)	350	350	374	374	350	408	408	408	408
Enrollment	363	339	336	338	335	336	347	343	361
Emerson Elementary (1896)									
Square feet	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005
Capacity (students)	240	240	265	265	277	225	225	225	225
Enrollment	251	244	240	225	238	210	190	168	247
Fouse Elementary (2002)									
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	N/A
Capacity (students)	639	639	614	614	570	570	570	570	N/A
Enrollment	686	670	656	648	624	626	587	523	N/A
Hanby Elementary (1922)									
Square feet	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532
Capacity (students)	226	226	292	292	260	353	353	353	353
Enrollment	340	327	330	294	267	250	254	231	394
Hawthorne Elementary (1957)									
Square feet	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888	61,391
Capacity (students)	650	650	648	648	614	511	511	511	511
Enrollment	635	633	660	676	688	669	681	673	740
Huber Ridge Elementary (1964)									
Square feet	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464
Capacity (students)	549	549	549	549	509	423	423	423	423
Enrollment	566	552	540	518	509	479	519	523	644
Longfellow Elementary (1931)									
Square feet	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753
Capacity (students)	91	91	91	91	91	110	110	110	110
Enrollment	130	125	125	124	129	125	120	122	131
Mark Twain Elementary (1974)									
Square feet	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864	39,628
Capacity (students)	419	419	419	419	422	332	332	332	332
Enrollment	468	468	462	434	433	427	452	423	462
McVay Elementary (1989)									
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	418	429	478	478	498	563	563	563	563
Enrollment	469	478	477	480	495	507	544	558	574
Pointview Elementary (1973)									
Square feet	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893
Capacity (students)	319	319	348	348	381	314	314	314	314
Enrollment	314	317	335	349	333	348	363	390	524

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

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

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

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

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

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Robert Frost Elementary (1974)									
Square feet	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763	39,527
Capacity (students)	460	460	437	437	461	350	350	350	350
Enrollment	435	436	387	371	384	388	396	454	594
Whittier Elementary (1952)									
Square feet	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097	39,548
Capacity (students)	339	339	377	377	419	355	355	355	355
Enrollment	342	302	284	313	323	365	365	343	461
Wilder Elementary (1989)									
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	434	459	483	483	493	570	570	570	570
Enrollment	482	468	474	492	492	495	522	544	676
Blendon Middle School (1969)									
Square feet	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025	77,402
Capacity (students)	550	550	564	581	624	650	650	650	650
Enrollment	611	583	574	578	572	591	642	682	697
Genoa Middle School (1998)									
Square feet	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955	127,950
Capacity (students)	970	993	960	892	821	750	750	750	750
Enrollment	997	976	961	897	935	907	909	862	817
Heritage Middle School (1989)									
Square feet	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945	115,485
Capacity (students)	754	735	749	633	686	835	835	835	835
Enrollment	845	833	851	862	901	874	911	946	912
Walnut Springs Middle School (1965)									
Square feet	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068	91,713
Capacity (students)	751	751	799	733	693	716	716	716	716
Enrollment	847	872	880	951	920	925	893	843	824
Westerville Central High School (2003)									
Square feet	326,102	326,102	326,102	326,102	326,102	326,102	326,102	N/A	N/A
Capacity (students)	1,683	1,705	1,746	1,751	1,605	1,605	1,605	N/A	N/A
Enrollment	1559	1,552	1,548	1,536	1,444	1,117	733	N/A	N/A
Westerville North High School (1975)									
Square feet	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928
Capacity (students)	1,592	1,572	1,556	1,487	1,470	1,515	1,515	1,515	1,515
Enrollment	1548	1,534	1,533	1,624	1,596	1,729	1,900	2,269	2,254
Westerville South High School (1960)									
Square feet	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583
Capacity (students)	1,428	1,414	1,415	1,255	1,312	1,467	1,467	1,467	1,467
Enrollment	1519	1,481	1,478	1,449	1,448	1,572	1,760	2,092	2,030
Administration Building (1974)									
Square feet	8,580	8,580	8,580	8,580	8,580	8,580	8,580	8,580	8,580
White House (1873)									
Square feet	2,596	2,596	2,596	2,596	2,596	2,596	2,596	2,596	2,596
Warehouse (1980)									
Square feet	3,239	3,239	3,239	3,239	3,239	3,239	3,239	3,239	3,239
Buildings & Grounds (1987)									
Square feet	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700
Farmhouse (1905)									
Square feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Transportation (1954)									
Square feet	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Vine Street (1922)									
Square feet	3,502	3,502	3,502	3,502	3,502	3,502	3,502	3,502	3,502
Eastwind *									
Square feet	8,320	8,320	7,196	7,196	7,196	7,196	7,196	7,196	7,196

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

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
3rd Grade Achievement Tests:										
Reading	86%	86%	87%	88%	87%	(a) 85%	87%	N/A	N/A	N/A
Math	84%	88%	89%	90%	83%	77%	N/A	N/A	N/A	N/A
4th Grade Proficiency/Achievement Tests:										
Writing	N/A	90%	87%	86%	90%	(a) 88%	88%	87%	83%	88%
Reading	87%	89%	91%	90%	84%	88%	83%	78%	77%	70%
Mathematics	86%	88%	81%	85%	86%	72%	78%	73%	78%	77%
Citizenship	N/A	N/A	N/A	N/A	N/A	77%	74%	77%	81%	76%
Science	N/A	N/A	N/A	N/A	N/A	66%	75%	69%	77%	68%
5th Grade Achievement Tests										
Reading	85%	86%	82%	88%	85%	(a) 84%	N/A	N/A	N/A	N/A
Mathematics	80%	75%	67%	67%	69%	N/A	N/A	N/A	N/A	N/A
Science	82%	82%	74%	75%	N/A	N/A	N/A	N/A	N/A	N/A
Social Studies	N/A	77%	73%	69%	N/A	N/A	N/A	N/A	N/A	N/A
6th Grade Proficiency/Achievement Tests:										
Writing	N/A	N/A	N/A	N/A	N/A	(a) 90%	95%	85%	92%	89%
Reading	91%	86%	86%	81%	89%	76%	71%	74%	66%	66%
Mathematics	84%	82%	83%	79%	76%	72%	72%	66%	71%	72%
Citizenship	N/A	N/A	N/A	N/A	N/A	82%	80%	83%	82%	79%
Science	N/A	N/A	N/A	N/A	N/A	73%	73%	78%	71%	70%
7th Grade Achievement Tests:										
Reading	86%	86%	84%	85%	88%	(a) N/A	N/A	N/A	N/A	N/A
Mathematics	81%	86%	79%	84%	81%	74%	N/A	N/A	N/A	N/A
Writing	N/A	85%	87%	91%	N/A	N/A	N/A	N/A	N/A	N/A
8th Grade Achievement Tests:										
Reading	88%	83%	88%	88%	86%	(a) 89%	N/A	N/A	N/A	N/A
Mathematics	83%	84%	82%	83%	80%	78%	N/A	N/A	N/A	N/A
Science	75%	71%	70%	69%	N/A	N/A	N/A	N/A	N/A	N/A
Social Studies	N/A	65%	68%	60%	N/A	N/A	N/A	N/A	N/A	N/A
9th Grade Proficiency Tests:										
Writing	N/A	N/A	N/A	N/A	N/A	(a) N/A	98%	97%	88%	95%
Reading	N/A	N/A	N/A	N/A	N/A	N/A	98%	97%	78%	93%
Mathematics	N/A	N/A	N/A	N/A	N/A	N/A	92%	89%	94%	80%
Citizenship	N/A	N/A	N/A	N/A	N/A	N/A	96%	94%	90%	88%
Science	N/A	N/A	N/A	N/A	N/A	N/A	94%	91%	81%	83%
10th Grade Ohio Graduation Test:										
Writing	92%	95%	93%	94%	93%	(a) 86%	N/A	N/A	N/A	N/A
Reading	92%	91%	92%	90%	95%	96%	77%	N/A	N/A	N/A
Mathematics	91%	90%	89%	87%	91%	91%	69%	N/A	N/A	N/A
Social Studies	93%	90%	91%	84%	90%	90%	N/A	N/A	N/A	N/A
Science	83%	85%	85%	79%	84%	84%	N/A	N/A	N/A	N/A
ACT Scores (Averages)										
Westerville	23.0	22.4	23.0	22.2	22.7	22.1	22.5	22.3	22.4	22.5
National	21.0	21.1	21.1	21.2	20.1	20.9	20.9	20.8	20.8	21.0

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

	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
SAT Scores (Averages)										
Westerville										
Verbal	541	525	544	538	537	539	541	542	540	533
Mathematics	531	551	569	571	561	551	561	529	563	558
National										
Verbal	493	501	502	502	503	508	508	507	504	506
Mathematics	515	515	515	515	518	520	518	519	516	514
National Merit Scholars (Percent of Senior Class)	0.94	1.86	1.50	1.47	1.90	1.51	2.50	2.40	2.76	2.60
ODE Per Pupil Costs										
Westerville	\$10,067	\$10,426	\$9,874	\$9,236	\$8,608	\$8,356	\$8,330	\$8,071	\$7,696	\$7,400
State Avg.	\$10,512	\$10,184	\$9,939	\$9,587	\$9,356	\$9,028	\$8,775	\$8,435	\$8,073	\$7,602
Cost to Educate Graduate										
Westerville	\$107,813	\$103,435	\$98,815	\$94,531	\$90,590	\$86,727	\$82,436	\$78,379	\$74,468	\$70,533
State Avg.	\$111,421	\$106,848	\$101,948	\$97,362	\$93,017	\$88,685	\$84,130	\$79,741	\$75,655	\$71,601
Average Teacher Salary	\$65,679	\$63,995	\$63,000	\$61,487	\$59,695	\$59,403	\$58,291	\$55,925	\$53,104	\$51,733
Teacher Experience										
% of Teachers with 0-4 Years	18.7	14.7	21.7	16.0	15.7	19.5	21.9	19.9	23.5	19.2
% of Teachers with 5-9 Years	20.6	19.6	22.9	19.3	22.8	18.4	16.3	17.7	18.1	15.4
% of Teachers with 10+ Years	60.7	65.7	55.3	64.7	61.4	62.1	61.8	62.4	58.4	65.4
Percentage of Teachers with a Master's Degree or Higher										
	71.7	72.0	74.1	72.0	76.8	75.8	N/A	N/A	N/A	N/A
Percentage of Students on Free/Reduced Lunch										
	26.4	25.2	22.0	22.2	15.4	14.9	12.4	10.7	8.6	6.7

Source: School District Student Records and Ohio Department of Education

N/A = Not Available/Not Applicable

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

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

Westerville City School District

Westerville, Ohio



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Mary Taylor, CPA
Auditor of State

WESTERVILLE CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 18, 2011**