



Dave Yost • Auditor of State

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2011**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education</i>						
Child Nutrition Cluster:						
National School Lunch Program	N/A	10.555	\$ 233,238	\$ 35,296	\$ 233,238	\$ 35,296
Total Child Nutrition Cluster			<u>233,238</u>	<u>35,296</u>	<u>233,238</u>	<u>35,296</u>
Total U.S. Department of Agriculture			<u>233,238</u>	<u>35,296</u>	<u>233,238</u>	<u>35,296</u>
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education</i>						
Special Education Cluster (IDEA):						
Special Education - Grants to States (IDEA, Part B) - 2010	N/A	84.027	127,485	-	127,806	-
Special Education - Grants to States (IDEA, Part B) - 2011	N/A	84.027	711,958	-	711,870	-
ARRA - Special Education - Grants to States (IDEA, Part B) - 2010	N/A	84.391	19,853	-	-	-
ARRA - Special Education - Grants to States (IDEA, Part B) - 2011	N/A	84.391	<u>308,251</u>	-	<u>308,251</u>	-
Total Special Education - Grants to States (IDEA, Part B)			<u>1,167,547</u>	-	<u>1,147,927</u>	-
Special Education - Preschool Grants (IDEA Preschool) - 2010	N/A	84.173	2,891	-	2,891	-
Special Education - Preschool Grants (IDEA Preschool) - 2011	N/A	84.173	15,614	-	15,610	-
ARRA - Special Education - Preschool Grants (IDEA Preschool) - 2011	N/A	84.392	<u>10,651</u>	-	<u>10,651</u>	-
Total Special Education - Preschool Grants (IDEA Preschool)			<u>29,156</u>	-	<u>29,152</u>	-
Total Special Education Cluster (IDEA)			<u>1,196,703</u>	-	<u>1,177,079</u>	-
Title I, Part A Cluster:						
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2010	N/A	84.010	132,046	-	132,073	-
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2011	N/A	84.010	302,689	-	302,674	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act - 2010	N/A	84.389	5,360	-	-	-
ARRA - Title I Grants to Local Educational Agencies, Recovery Act - 2011	N/A	84.389	<u>82,489</u>	-	<u>82,489</u>	-
Total Title I, Part A Cluster			<u>522,584</u>	-	<u>517,236</u>	-
Adult Education - Basic Grants to States						
Adult Education - Basic Grants to States - 2010	N/A	84.002	10,734	-	10,860	-
Adult Education - Basic Grants to States - 2011	N/A	84.002	54,380	-	54,375	-
EL Civics - 2011	N/A	84.002	<u>17,980</u>	-	<u>17,978</u>	-
Total Adult Education - Basic Grants to States			<u>83,094</u>	-	<u>83,213</u>	-
Educational Technology State Grants - 2010						
Educational Technology State Grants - 2011	N/A	84.318	-	-	20	-
Total Educational Technology State Grants	N/A	84.318	<u>1,237</u>	-	<u>1,237</u>	-
English Language Acquisition Grants - 2010						
English Language Acquisition Grants - 2011	N/A	84.365	795	-	795	-
Total English Language Acquisition Grants	N/A	84.365	<u>23,334</u>	-	<u>23,333</u>	-
Improving Teacher Quality State Grants - 2010						
Improving Teacher Quality State Grants - 2011	N/A	84.367	13,610	-	13,631	-
Total Improving Teacher Quality State Grants	N/A	84.367	<u>81,984</u>	-	<u>81,977</u>	-
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act						
	N/A	84.394	<u>205,620</u>	-	<u>205,620</u>	-
Total U.S. Department of Education			<u>2,128,961</u>	-	<u>2,104,141</u>	-
U.S. ENVIRONMENTAL PROTECTION AGENCY						
<i>Passed Through Ohio Environmental Protection Agency</i>						
ARRA - State Clean Diesel Grant Program	N/A	66.040	<u>72,525</u>	-	<u>7,784</u>	-
Total Environmental Protection Agency			<u>72,525</u>	-	<u>7,784</u>	-
Total Federal Assistance			<u>\$ 2,434,724</u>	<u>\$ 35,296</u>	<u>\$ 2,345,163</u>	<u>\$ 35,296</u>

The accompanying notes are an integral part of this schedule.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Westlake City School District's (the District's) federal award programs' receipts and expenditures. The Schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

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.

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.



Dave Yost • Auditor of State

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

Westlake City School District
Cuyahoga County
27200 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westlake City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 2, 2011, wherein we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure. In addition, the District's "Energy Audit Fund" was eliminated due to inactivity, therefore, the funds were reclassified to the "Professional Development Grant Fund". Due to this reclassification, the June 30, 2010 fund balances of the above mentioned funds were restated. 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 opinions on the financial statements, but not for the purpose of opining on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

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

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

Compliance and Other Matters

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

We did note a certain matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 2, 2011.

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

December 2, 2011



Dave Yost • Auditor of State

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

Westlake City School District
Cuyahoga County
27200 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

Compliance

We have audited the compliance of Westlake City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Westlake City School District's major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Westlake City School District, Cuyahoga County, Ohio, 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, 2011.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining 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.

Internal Control Over Compliance (Cont.)

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

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

Schedule of Federal Awards Receipts and Expenditures

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Westlake City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 2, 2011, wherein we noted the District implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure. In addition, the District's "Energy Audit Fund" was eliminated due to inactivity, therefore, the funds were reclassified to the "Professional Development Grant Fund". Due to this reclassification, the June 30, 2010 fund balances of the above mentioned funds were restated. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying schedule of federal awards receipts and expenditures provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, 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. This schedule was 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 intend this report solely for the information and use of management, the 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.



Dave Yost
Auditor of State

December 2, 2011

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2011**

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 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 significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	<p>1. Special Education Cluster (IDEA): Special Education – Grants to States (IDEA, Part B), / CFDA #84.027 ARRA – Special Education – Grants to States (IDEA, Part B), / CFDA #84.391 Special Education – Preschool Grants (IDEA Preschool), / CFDA #84.173 ARRA – Special Education – Preschool Grants (IDEA Preschool), / CFDA #84.392</p> <p>2. ARRA – State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act – CFDA #84.394</p>
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Westlake City School District
Cuyahoga County
27200 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Westlake City School District (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently, we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on October 25, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

December 2, 2011

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

**WESTLAKE CITY
SCHOOL DISTRICT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2011

**PREPARED BY
TREASURER'S DEPARTMENT
MARK C. PEPERA, TREASURER/CFO**

27200 HILLIARD BLVD.

WESTLAKE, OHIO 44145

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WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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December 2, 2011

Board of Education Members
Westlake City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Westlake City School District (the "District") for the fiscal year ended June 30, 2011. This CAFR includes an opinion from the State Auditor and conforms to accounting principles generally accepted in the United States of America as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Westlake City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be made available to the Porter Public Library, major taxpayers, financial rating services and other interested parties.

The Reporting Entity

The District has reviewed its reporting entity definition in order to ensure conformance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Westlake City School District (the primary government) and its potential component units. The District has no component units.

Excluded from the reporting entity because they are fiscally independent of the District are the City of Westlake, the Parent Teacher Organization, and West Shore Career Technical District.

The Lake Erie Educational Computer Association and the Ohio Schools Council Association are jointly governed organizations and the Porter Public Library is a related organization whose relationships to the District are described in Note 2, to the basic financial statements.

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

Organizational Structure

Statutorily, the District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer (CEO), and the Treasurer, who serves as the Chief Financial Officer (CFO).

**WESTLAKE
CITY SCHOOLS**

Board of Education
27200 Hilliard Blvd.
Westlake, Ohio 44145
(440) 871-7300 tel
(440) 871-6034 fax

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

**Dover
Elementary School**
2300 Dover Center Rd
(440) 835-6322

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

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

**Lee Burneson
Middle School**
2240 Dover Center Rct
(440) 835-6340

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

**Westlake
High School**
27630 Hilliard Rd.
(440) 835-6352

The District is one of 918 public school districts and community schools in the State of Ohio. The District provides education to 4,043 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District’s enrollment has remained relatively flat over the last several years and is projected to slightly increase in the foreseeable future.

The Westlake City School District

The Westlake City School District (formerly known as the Dover School District) was originally organized in 1898. Later in 1913, the school burned and a new school building was constructed to educate students. Over the years, the District has grown in size and now supports seven instructional buildings: high school (inclusive of a Performing Arts Center and Television studio), middle school, intermediate school and four elementary buildings. The schools range in age from 39 to 60 years old. In addition, the District owns and operates an administrative and transportation facility to accommodate the oversight needs within the District.

Economic Condition and Outlook

In the 2010 Census classifications, the District was in the Cleveland-Elyria-Mentor Metropolitan Statistical Area (MSA), comprised of the five counties of Cuyahoga, Geauga, Lake, Lorain and Medina. It was also in the Cleveland-Akron Consolidated Statistical Area (CSA). Effective in 2003, the Cleveland-Lorain-Elyria Primary Metropolitan Statistical Area (PMSA) was redefined to exclude Ashtabula County and was reclassified as the MSA. Only limited statistics are now available for the new MSA and CSA.

The City’s 2010 population was 32,729. See **Demographic and Economic Statistics – Population** in the statistical section. Its area is approximately 15.9 square miles. Land use, as measured by the assessed value of real property, is presented in the following table.

	Percent of Assessed Valuation of Real Property
Residential	71.64%
Commercial/Industrial	28.36
Public Utility	0.00
Agricultural	0.00
Undeveloped	(a)

(a) Included in above categories.
Source: County Fiscal Officer.

The City of Westlake (the “City”) is one of the leaders in Cuyahoga County in growth and development. The School District’s general area is served by diversified transportation facilities, including three State and one U.S. highway and I-80, I-480 and I-90 (located within the City). It is served by Norfolk and Southern Railroad and is adjacent to areas served by Conrail and Amtrak, and is also served by passenger air services at Cleveland Hopkins International Airport located seven miles from the City and by Burke Lakefront Airport located 15 miles from the City. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority. While primarily developed as a residential suburb, the City contains a significant number of corporate facilities, office parks, hotels, wholesale distribution facilities and other industrial and commercial developments. While most of the residentially zoned land has been developed some commercial and industrial zoned land remains available for use. The City’s development plan forecasts full growth by 2020.

Banking and financial services are provided to the area by several local commercial banks and savings and loan associations, all of which have their principal offices elsewhere.

Several daily newspapers, including *The [Cleveland] Plain Dealer*, and two weekly newspapers serve the area. The District is within the broadcast area of seven television stations and 30 AM and FM radio stations. Multi-channel cable television service, including educational, governmental and public access channels, is currently available to District via the local cable authority.

Several acute-care hospitals with a total capacity in excess of 11,790 beds serve the PMSA. City residents are served by St. John-West Shore Hospital which is located in the City (and affiliated with University Hospitals of Cleveland), and three hospitals located in nearby cities: Lakewood Hospital, Southwest General Hospital and Fairview General Hospital. These four hospitals have a total capacity of approximately 1,400 beds. Also located within the City are clinic and outpatient facilities for every major health care provider in the Cleveland area, including the Cleveland Clinic. In addition, the main facilities of the Cleveland Clinic Foundation and University Hospitals Health Systems, with a total capacity in excess of 10,700 beds, serve the PMSA.

Within commuting distance are numerous public and private two-year and four-year colleges and universities, including Baldwin-Wallace College, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lorain County Community College, Notre Dame College, Oberlin College, University of Akron, Ursuline College, the Cleveland Institute of Music and the Cleveland Institute of Art. Cuyahoga Community College's Corporate College and Cleveland State University's West Center are located within the City.

The District is served by varied recreational facilities. The City operates a park system of four parks with a total of 290 acres, offering facilities which include playgrounds, tennis courts, baseball diamonds, an outdoor swimming pool, picnic areas and pavilions, an entertainment pavilion, a community cabin and a nature park. Additionally, the City purchased an existing nine-hole golf course in 1988 and also purchased, in 1990, an adjacent 18-hole golf course, which were reconfigured to create a 27-hole golf course that the City operates.

The City is one of three cities (Rocky River and Fairview Park being the others) that operate the 14-acre Tri-City Park offering a baseball diamond, soccer field, basketball court, playground area, parking facility and four tennis courts.

The City opened its Recreation Center to the public on November 2, 1998. The Recreation Center includes a recreation building with an aquatic room housing five pools, a diving well, and spectator seating and a family locker room in addition to men's and women's locker facilities. The pool area opens onto an outdoor terrace for summer use. The gymnasium contains two regulation basketball courts with optional use as four smaller basketball or volleyball courts. A one-twelfth-mile, three lane running/walking track occupies the gym at mezzanine level. Also included are a lobby and snack area overlooking the pool, an aerobics/multi-purpose room, an exercise and fitness room, an arts and crafts room, a babysitting facility, staff offices and meeting space, and a community room with an associated warming kitchen. The Recreation Center is situated on an 86-acre park-like setting, including two full-size soccer fields, three smaller soccer fields, two softball/baseball diamonds, five tennis courts, and an extensive paved path for biking, jogging, walking, and rollerblading. A concession/restroom building serves users of the playing fields.

Other recreational and community assets in the PMSA include four professional sports teams offering year-round entertainment at different locations in the PMSA, and the Cleveland Metroparks System (Metroparks), which consists of nearly 19,000 acres of natural beauty with many scenic, historic and geologic features in Cuyahoga, Lorain and Medina counties. Over 100 miles of parkways provide easy access to the Metroparks facilities designed in accordance with the park's conservation goals: wildlife management areas and waterfowl sanctuaries; picnic areas and playfields; hiking, bridle, all-purpose and physical fitness trails; six golf courses; swimming, boating and fishing areas; stables; tobogganing, sledding, skating and cross-country skiing areas; and four nature centers offering nature exhibits and programs. A principal asset of the Metroparks is the Cleveland Zoo counting over 3,000 animals occupying 165 rolling, wooded acres, and which is accredited by the American Association of Zoological Parks and Aquariums.

In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on eighty acres in the western part of the City. When fully completed, this development will create a downtown center for the City with retail, office, restaurant, and residential spaces. A grand opening for the first phase of this development was held in November 2004. In 2006, construction began on 116 units of residential housing consisting of lofts and townhomes that surround themed gardens.

In addition to new commercial/industrial development, the City approved plans for several additional upscale subdivisions throughout the City. Strong housing values continue to provide evidence of this upscale community. Recent new home sales range from \$600,000-\$800,000 with some topping \$1,000,000.

Due to the economic success of the City, the District has a positive outlook for future tax based revenues resulting from the good mix of residential, commercial and industrial entities.

Major Initiatives

During fiscal year 2011, 4,043 students were enrolled in the District's seven schools (four elementary schools, one intermediate school, one middle school, and one high school). The enrollment figure includes District residents attending classes at the West Shore Career Technical District (described further below).

The high school is accredited by the North Central Association of Colleges and Schools. The curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extracurricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs, and multipurpose rooms or gyms for student activities.

The District is one of the school districts in the West Shore Career Technical District (West Shore Career Tech), which also includes the Bay Village, Rocky River, and Lakewood City School Districts. During the 2010-11 school year, this vocational program had 624 students enrolled in either a two-year intensive training or one year work/study program. Vocational courses offered at the high school include Occupational Work Experience and Computer Office Education. Other vocational programs are available at West Shore Career Technical District.

As mentioned, the District operates four elementary buildings, one intermediate building, one middle school, and one high school. The neighborhood school concept is maintained for the District's younger children, while in the upper grades, the grade level buildings provide for a more efficient use of teaching personnel and equipment, and increase opportunities for staff teaming within grade levels and articulation between grade levels.

The District is characterized by high academic performance. Students consistently score well above the state average at the third through eighth and tenth grade levels on the State achievement tests, earning the District its 13th consecutive “Excellent” rating on the State “report card.” Westlake High School students score above the national and State averages on the SAT and the ACT tests. In recent years, the District has had dozens students earn National Merit Semifinalist and Commended student honors. The Westlake Schools is one of fewer than 400 public school districts in the nation to achieve a listing on the 2nd Annual AP Honor Roll for increasing access to Advanced Placement coursework while maintaining the percentage of students earning high scores on the exams. Westlake is one of 23 Ohio districts and one of only two in Northeast Ohio to achieve this distinction for two consecutive. Students earning the National Merit Semifinalist designation scored in the upper one-half of one percent of graduating seniors in the nation.

The School District’s educational program includes these attributes and accomplishments, among others:

- 18 Advanced Placement courses and 25 honors courses in a variety of disciplines.
- Gifted program offering differentiated services to students K-12. Students are selected for the program based on achievement tests, teacher assessments, parent assessments, and tests of cognitive ability.
- World Language program offered to students in grades 5-12 that included a materials adoption in 2009.
- Comprehensive K-12 Language Arts program that included a materials adoption in 2001.
- Comprehensive K-12 Mathematics program that included a materials adoption in 2009.
- Music program for all K-12 students that includes an instrumental, strings, and chorus program beginning in grade 5. Students are consistently recognized with superior performance ratings at Ohio Music Education Association State Contests.
- The Westlake High School television station, WHBS-TV, provides students a unique opportunity to experience a working television studio. The station has earned Emmy nominations from the National Academy of Television Arts and Sciences, Midwest Region. In 2003, a version of this program was offered to middle school students.
- Middle school and high school students participate in many academic contests through the year, including but not limited to Math Counts, Robotics Competitions, Design Squad Competitions, Science Olympiad, the Northwestern Midwest Talent Search, Scholastic Art Competitions, and Spelling and Geography Bees. Students have received regional, state, and national recognition for their accomplishments.
- In 2008, Lee Burneson Middle School received a \$500,000 grant from the Ohio Board of Regents to incorporate a STEM Program of Excellence. The grant was used for professional development, technology and instructional materials to strengthen the study and integration of science, technology, engineering and mathematics in to the middle school curriculum. The District’s STEM Program of Excellence was selected as a National Magna Best Practice by the American School Board Journal.

- The School District has partnered with institutions of higher learning in proposed National Science Foundation grant projects.
- District staff members have been recognized as Martha Holden Jennings scholars. The Martha Holden Jennings Math Teacher of the Year for the State of Ohio in 2009 was a School District staff member.
- The Lee Burneson Environmental Club was awarded national recognition and a \$10,000 grant award from Busch Gardens for its environmental projects. The Club traveled to Africa in July 2010 for the Maasai Music Project. This project is a joint educational, cross-cultural venture involving the Cincinnati Zoo, Miami University, the African Conservation Center, and the Environmental Club of the School District.
- In the spring of 2011, Westlake High School won Best In Show at the State Engineering & Technology Conference.
- The District has a nationally recognized arts program with two National Gold Key award winners.
- The District's girls softball and soccer teams were recognized as having the highest team GPAs in the State. The 2010 soccer team, which made it to the final 16 in the State tournament, was recognized in January 2011 as an Adidas All-American Team for having the 8th highest team GPA in the nation.

The District operates a before- and after-school care program which serves approximately 400 students during the school year and 220 students during the summer by providing supervised care and activities, and participates in a joint effort with the City and area churches to prevent chemical abuse.

A Continuous Improvement Plan (CIP) for the District was adopted by the Board on February 24, 2000, following its development from May to November 1999. This five-year, data-based, accountability plan (1999-2004) included (1) analysis of needs and strengths, (2) sets of goals, performance indicators, and strategies, (3) action plans for each goal (tasks, responsibilities, resources, timelines), (4) action plan chronology, and (5) structure for annual audits of performance indicators.

A Continuous Improvement Plan Monitoring Committee was established shortly after the adoption of the CIP in order to assess the implementation of action plans, status of yearly performance indicators, and degree to which CIP goals were reached. This Committee meets periodically to review data submitted by individuals identified as "persons responsible" for implementation of specific action plans during a given interval of time.

In June 2010, a two-day CIP Summit was held that included staff, students, parents, and business and community members. The information gathered at this Summit was used to write a new, three-year plan to build upon and strengthen the tradition of excellence in the School District. This plan was audited twice during the 2010-11 school year and, as a result, an updated plan is now in effect for the coming school year.

In addition to participation by area residents in activities, community involvement is evidenced by citizen membership on various Board and District committees that include, among others, buildings and grounds, transportation and curriculum advisement. A 20/20 Vision Committee was established two years ago to study and recommend facilities improvements for the District. The result was the successful passage of a 3.4 mill bond issue in May 2010. Board and City officials meet regularly to discuss matters of mutual interest. Furthermore, the District will be participating in several City/District partnerships in the coming bicentennial celebration year. Kindergarten through grade 12 students will participate in an art exchange with Tralee, Ireland, the middle school students will plant a rain garden with support from the Westlake Garden Club, and high school students will work with city engineers to design an eco-friendly retention basin.

The Board has established a community information program that includes a formal communications office, informational newsletters to residents, a District cable television channel, and an annual community survey.

Community News: The District has several avenues of communication, including print and e-mail newsletters, to deliver news and information about the School District to City residents:

- Commentary -- covers features on student and staff activities and awards, programs available to the public, financial information, the business side of the School District and other general news. This newsletter is delivered 4 to 6 times annually to all City residents.
- Key Communiqué -- an e-newsletter that is distributed at least once a month during the school year to provide the latest news and upcoming event information for the School District. Anyone can subscribe to this e-newsletter.
- News Releases -- individual news items sent to the local media about contests, photo opportunities, upcoming events, or general informational messages.

Employee News: The District offers different tools to communicate with staff on a range of topics:

- Around the Schools -- a publication for and about School District employees is delivered via e-mail to all staff members each Monday.
- Curriculum Notes -- a staff publication that focuses more on educational happenings within the School District, including features on classroom innovations, professional development opportunities, and State and national educational updates.

Website: The District website is a comprehensive source of information about the School District. Users of the site can access information on news from the schools and various departments, teacher web sites, athletic information, and upcoming events. Parents are granted access to the District's ProgressBook program for online access to student grades and other information posted by teachers.

The District's Performance Index Score (a weighted average of State "report card" performance levels across subject areas and each tested grade) has been 106.3 in 2008-09, 106.2 in 2009-10, and 107.3 in 2010-11. The graduation rate (State requirement 90%) for academic year 2009-10 (State reporting for 2010-11 not yet available) was 98.7%. The attendance rate (all grades) (State requirement 93%) for academic year 2009-10 was 95.4%.

The percentage of District students scoring at and above the proficient level in the State’s proficiency testing programs were as follows:

3rd Grade Achievement	District	State
Reading	95.5%	79.9%
Mathematics	95.2	82.0
4th Grade Achievement	District	State
Reading	96.4%	83.8%
Mathematics	95.3	78.1
5th Grade Achievement	District	State
Reading	89.0%	74.1%
Mathematics	77.7	66.1
Science	84.3	71.1
6th Grade Achievement	District	State
Reading	96.6%	85.6%
Mathematics	91.0	77.5
7th Grade Achievement	District	State
Reading	93.9%	77.3%
Mathematics	89.0	74.8
8th Grade Achievement	District	State
Reading	94.9%	85.1%
Mathematics	90.3	74.3
Science	90.9	67.4
10th Grade Achievement	District	State
Reading	97.8%	87.2%
Mathematics	93.4	82.6
Writing	98.4	89.5
Science	91.9	74.7
Social Studies	93.1	80.1
11th Grade Achievement	District	State
Reading	97.1%	92.4%
Mathematics	97.4	89.1
Writing	97.8	93.4
Science	95.5	84.2
Social Studies	96.5	88.0

For the 2010-11 school year, the District met 26 of the 26 State indicators and was designated an “Excellent” school district by the State Department of Education, based on achievement and proficiency test scores, attendance rate and graduation rate. School districts throughout the State were assigned the following designations, in the aggregate.

Designation	Number of School Districts
Excellent with Distinction	86
Excellent	266
Effective	215
Continuous Improvement	36
Academic Watch	6
Academic Emergency	0

The District does not take its Excellent designation lightly. A committed student body, supportive parents, dedicated staff and positive community input all works in synergy to make our mission of excellence reality.

Long-Term Financial Planning

As part of the District’s long-term planning, the CFO prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expense over the next five years and is accompanied by financial assumption notes. The Board of Education minimally reviews this document on a quarterly basis for changes that might impact their financial decisions.

Financial Policies Impacting the Financial Statements

The District has offered a Retirement Incentive Bonus (“RIB”) and a Health Care Reimbursement Account (“HRA”) to certified teaching employees who are currently eligible to retire with the State Teachers Retirement System. Teachers electing to retire and accept the RIB and HRA are entitled to their normal severance payment plus a \$17,000 RIB plus an \$8,000 HRA. The employee’s RIB payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee’s HRA payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date.

The employee’s RIB and HRA payments have been recorded as “retirement incentive payable” on the fund financial statements to the extent that each will be liquidated using current expendable financial resources. The entire liability is recorded on the statement of net assets.

The total liability for future RIB and HRA payments is \$568,750 at June 30, 2011. Of this total, \$175,000 is due within one year and recorded as a liability of the general fund. The long-term portion of the liability will be paid through fiscal year 2016.

Financial Information

Internal Accounting and Budgetary Control

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

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

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

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

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

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished with monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by the District are fully described in Note 2 of the basic financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Presentation

The District's basic financial statements consist of the following:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish those activities of the District that are governmental in nature.

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

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

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Accountants' Report, providing an assessment of the District's finances for fiscal year 2011 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Financial Highlights – Fiduciary Fund

The trust fund carried on the financial records of the District is a college scholarship private-purpose trust fund that has net assets totaling \$73,794 as of June 30, 2011. The trust fund earns interest and distributes scholarships.

Financial Highlights – Internal Service Fund

The only internal service fund carried on the financial records relates to former self-insurance program for employee medical, surgical, prescription drug, dental and vision benefits. The District is no longer self-insured for these risks of loss but has obtained insurance coverage through the Suburban Health Consortium, and insurance purchasing pool. The internal service fund had net assets of \$1,637,587 at June 30, 2011 and June 30, 2010. The internal service fund had no activity during fiscal year 2011.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Dave Yost, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2011. The opinion appears at the beginning of the financial section of this report.

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

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Westlake City School District for its CAFR for the fiscal year ended June 30, 2010. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

Acknowledgments

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

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

Special appreciation is expressed to the accounting firm of Julian & Grube, Inc. for assistance in planning, designing and reviewing this financial report.

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

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M. Pepera', with a horizontal line extending to the right.

Mark C. Pepera, CFO/Treasurer

A handwritten signature in black ink, appearing to read 'Daniel J. Keenan Jr.', written in a cursive style.

Dr. Daniel J. Keenan Jr., Superintendent of Schools

Westlake City School District
Principal Officials
June 30, 2011

Board of Education

Mr. Thomas Mays President
Ms. Carol Winter..... Vice-President
Mr. Nate CrossMember
Ms. Andrea Rocco.....Member
Mr. Timothy Sullivan.....Member

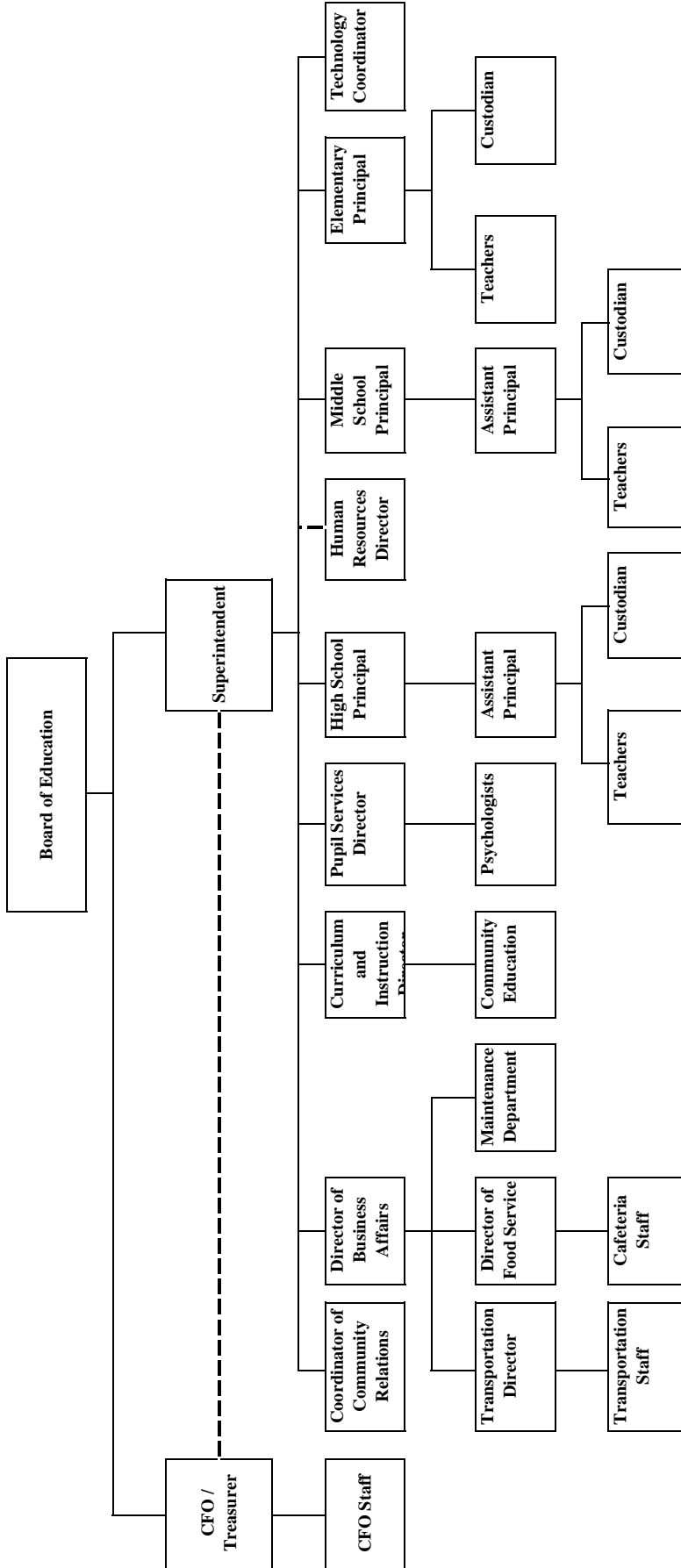
Chief Financial Officer/Treasurer

Mr. Mark C. Pepera

Executive Administration

Dr. Daniel J. Keenan Jr. Superintendent
Mr. David Puffer Director of Business Affairs
Mrs. Pam Griebel Director of Curriculum and Instruction

Westlake City School District Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westlake City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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.



Linda C. Danison

President

Jeffrey R. Enos

Executive Director

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westlake City School District
Cuyahoga County
27200 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westlake City School District, Cuyahoga County, Ohio, (the District), as of and for the year ended June 30, 2011, 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, each major fund, and the aggregate remaining fund information of Westlake City School District, Cuyahoga County, Ohio, as of June 30, 2011, 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.

As described in Note 3B, the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure. Also described in Note 3B, the District's "Energy Audit Fund" was eliminated due to inactivity, therefore, the funds were reclassified to the "Professional Development Grant Fund". Due to this reclassification, the June 30, 2010 fund balances of the above mentioned funds were restated.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011, 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 as listed in the table of contents, 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.



Dave Yost
Auditor of State

December 2, 2011

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The management's discussion and analysis of the Westlake City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2011. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2011 are as follows:

- In total, net assets of governmental activities increased \$3,578,932 which represents a 7.44% increase from 2010.
- General revenues accounted for \$56,974,756 in revenue or 89.30% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$6,826,809 or 10.70% of total revenues of \$63,801,565.
- The District had \$60,222,633 in expenses related to governmental activities; only \$6,826,809 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$56,974,756 were adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and building fund. The general fund had \$51,596,743 in revenues and other financing sources and \$50,404,231 in expenditures and other financing uses. During fiscal 2011, the general fund's fund balance increased \$1,192,512 from a restated balance of \$21,099,472 to \$22,291,984.
- The bond retirement fund had \$8,197,417 in revenues and other financing sources and \$6,234,599 in expenditures. During fiscal 2011, the bond retirement fund's fund balance increased \$1,962,818 from \$4,300,664 to \$6,263,482.
- The building fund had \$85,079,060 in revenues and other financing sources and \$3,655,561 in expenditures. During fiscal 2011, the building fund's fund balance increased \$81,423,499 from a deficit of \$76,115 to a positive balance of \$81,347,384 due to the issuance of \$84,055,000 in school improvement bonds.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes pertaining to those statements. These statements are organized so the reader can understand the 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 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 most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and building fund are by far the most significant funds, and the only governmental funds reported as major funds.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)

Reporting the District as a Whole

Statement of net assets and the statement of activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The statement of net assets and the statement of activities answer this question. These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take 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 causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net assets and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, and food service operations.

The District's statement of net assets and statement of activities can be found on pages 17-18 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net assets and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 19-23 of this report.

Proprietary Funds

Proprietary funds focus on the District's ongoing activities which are similar to those found in the private sector where net income is necessary or useful to sound financial management. Proprietary funds utilize the *accrual basis* of accounting under which revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
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The District's only proprietary fund is an internal service fund which was used to account for a former self-insurance program for employee medical, surgical, prescription drug, dental and vision benefits. 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, or to other governments on a cost-reimbursement basis. Proprietary fund statements can be found on pages 24-26 of the basic financial statements. For reporting on the statement of net assets and the statement of activities, internal service fund activities are eliminated and consolidated with governmental activities.

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals or other entities. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages 27-28. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 29-63 of this report.

The District as a Whole

The statement of net assets provides the perspective of the District as a whole. The table below provides a summary of the District's net assets for 2011 and 2010.

	Net Assets	
	Governmental Activities <u>2011</u>	Governmental Activities <u>2010</u>
<u>Assets</u>		
Current and other assets	\$ 162,353,458	\$ 75,477,710
Capital assets, net	<u>46,177,255</u>	<u>44,265,465</u>
Total assets	<u>208,530,713</u>	<u>119,743,175</u>
<u>Liabilities</u>		
Current liabilities	47,030,602	45,096,110
Long-term liabilities	<u>109,820,738</u>	<u>26,546,624</u>
Total liabilities	<u>156,851,340</u>	<u>71,642,734</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	26,697,219	27,100,371
Restricted	6,752,055	4,966,633
Unrestricted	<u>18,230,099</u>	<u>16,033,437</u>
Total net assets	<u>\$ 51,679,373</u>	<u>\$ 48,100,441</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

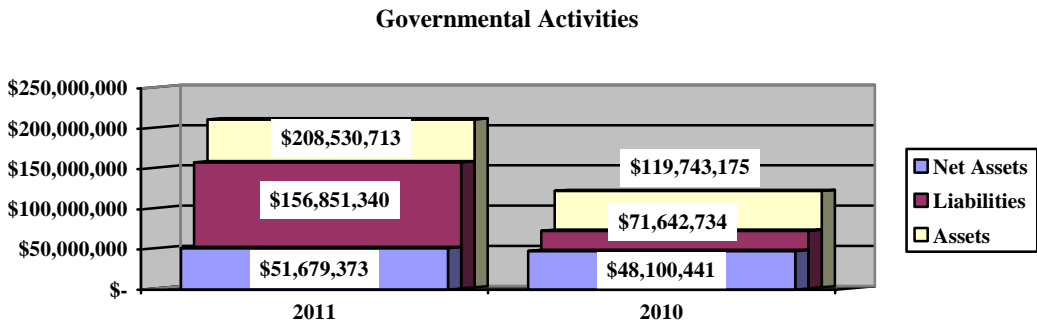
The increase in current assets and long-term liabilities is primarily due to an increase in equity in pooled cash and cash equivalents and long-term debt from the issuance of \$84,055,000 in school improvements bonds during the fiscal year. The voters of the District passed a 3.4 mill bond issue to support phase I of the District's capital improvement plan in May 2010. Property taxes receivable at June 30, 2011 increased approximately \$2.2 million over June 30, 2010 due to the tax levy supporting the bond issue. The increase in property taxes receivable is equally offset by an increase in unearned revenue which is reported as a current liability.

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2011, the District's assets exceeded liabilities by \$51,679,373. Of this total, \$6,752,055 is restricted in use.

At year-end, capital assets represented 22.14% of total assets. Capital assets include land, construction in progress (CIP), land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. Invested in capital assets, net of related debt to acquire the assets at June 30, 2011, were \$26,697,219. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net assets, \$6,752,055, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets is \$18,230,099.

The graph below illustrates the District's governmental activities assets, liabilities and net assets at June 30, 2011 and 2010:



The table on the following page shows the change in net assets for fiscal years 2011 and 2010.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)

Change in Net Assets

	Governmental Activities <u>2011</u>	Governmental Activities <u>2010</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 2,025,265	\$ 2,084,454
Operating grants and contributions	4,801,544	3,380,067
General revenues:		
Property taxes	45,092,885	41,783,590
Grants and entitlements	11,180,263	11,003,434
Investment earnings	545,781	280,765
Miscellaneous	155,827	108,120
Total revenues	<u>63,801,565</u>	<u>58,640,430</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	23,000,156	22,316,141
Special	5,355,715	4,879,232
Vocational	277,138	283,704
Adult/continuing	93,920	65,515
Other	1,584,547	1,266,107
Support services:		
Pupil	3,735,847	3,513,646
Instructional staff	3,631,697	3,481,561
Board of education	31,539	25,952
Administration	2,946,534	2,987,406
Fiscal	1,246,556	1,212,175
Business	345,423	359,885
Operations and maintenance	4,709,177	4,726,262
Pupil transportation	4,679,476	4,506,745
Central	151,995	154,053
Operation of non-instructional services:		
Other non-instructional services	736,810	752,129
Food service operations	1,276,077	1,233,229
Extracurricular activities	1,604,308	1,627,922
Interest and fiscal charges	4,815,718	1,064,601
Total expenses	<u>60,222,633</u>	<u>54,456,265</u>
Change in net assets	3,578,932	4,184,165
Net assets at beginning of year	<u>48,100,441</u>	<u>43,916,276</u>
Net assets at end of year	<u>\$ 51,679,373</u>	<u>\$ 48,100,441</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

Governmental Activities

Net assets of the District's governmental activities increased \$3,578,932. Total governmental expenses of \$60,222,633 were offset by program revenues of \$6,826,809 and general revenues of \$56,974,756. Program revenues supported 11.34% of the total governmental expenses.

In the area of program revenues, the significant increase was in operating grants and contributions which increased \$1,421,477. This increase is attributable primarily to federal subsidies in the amount of \$1.35 million to offset debt service costs related to the issuance of Building America Bonds (BABs) and Qualified School Construction Bonds (QSCBs).

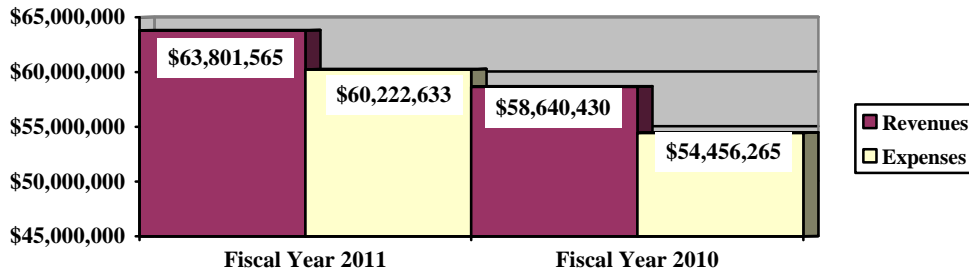
The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 88.20 percent of total governmental revenue. Tax revenue increased as the District's began collection of the 3.4 mill bond issue to support phase I of the District's capital improvement plan which was approved by the voters in May 2010.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$30,311,476 or 50.33 percent of total governmental expenses for fiscal 2011. Instruction expenses increased \$1,500,777, or 5.2 percent, from fiscal year 2010.

The increase in general revenues, primarily taxes of 7.92 percent, coupled with expenditures increasing about 10.59 percent over the prior year still allowed the increase in change in net assets. The increase in expenditures is primarily from the increase in interest and fiscal charges due to the bond issue for the District's capital improvement plan. As stated above, the District received a \$1.35 subsidy from the federal government to help offset debt service expenses. The District has worked to control costs through retirement incentives and other measures.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2011 and 2010.

Governmental Activities - Revenues and Expenses



**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>
Program expenses				
Instruction:				
Regular	\$ 23,000,156	\$ 22,581,759	\$ 22,316,141	\$ 21,893,397
Special	5,355,715	4,596,740	4,879,232	4,251,666
Vocational	277,138	277,138	283,704	283,704
Adult/continuing	93,920	1,468	65,515	11,363
Other	1,584,547	1,265,578	1,266,107	974,256
Support services:				
Pupil	3,735,847	3,397,937	3,513,646	3,134,107
Instructional staff	3,631,697	3,323,356	3,481,561	3,203,959
Board of education	31,539	31,539	25,952	25,952
Administration	2,946,534	2,848,012	2,987,406	2,897,287
Fiscal	1,246,556	1,246,556	1,212,175	1,212,175
Business	345,423	345,423	359,885	359,885
Operations and maintenance	4,709,177	4,486,520	4,726,262	4,501,580
Pupil transportation	4,679,476	4,469,775	4,506,745	4,090,466
Central	151,995	131,070	154,053	130,810
Operation of non-instructional services:				
Other non-instructional services	736,810	(27,320)	752,129	4,934
Food service operations	1,276,077	19,432	1,233,229	19,022
Extracurricular activities	1,604,308	937,087	1,627,922	932,580
Interest and fiscal charges	4,815,718	3,463,754	1,064,601	1,064,601
	<u>4,815,718</u>	<u>3,463,754</u>	<u>1,064,601</u>	<u>1,064,601</u>
Total expenses	<u>\$ 60,222,633</u>	<u>\$ 53,395,824</u>	<u>\$ 54,456,265</u>	<u>\$ 48,991,744</u>

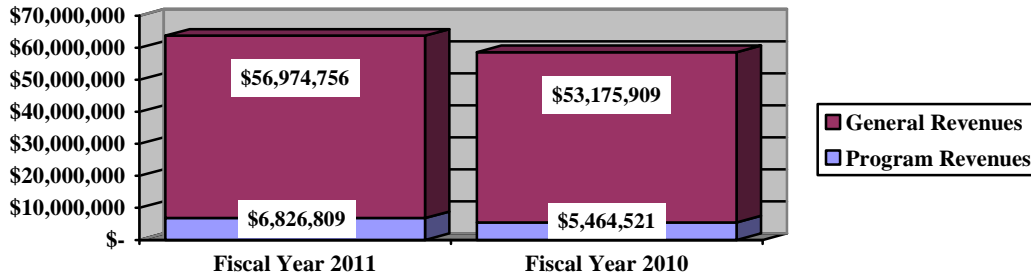
The dependence upon tax and other general revenues for governmental activities is apparent, 94.76% of instruction activities are supported through taxes, grants and entitlements and other general revenues. For all governmental activities, general revenue support is 88.66%. Taxes and unrestricted grants and entitlements from the State of Ohio, as a whole, are by far the primary support for the District's students.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)

The graph below presents the District's governmental activities revenue for fiscal year 2011 and 2010.

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds (as presented on page 19) reported a combined fund balance of \$110,256,994, which is higher than last year's restated total of \$25,522,850. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2011 and 2010. The District restated fund balance as described in Note 3.B.

	Fund Balance <u>June 30, 2011</u>	Restated Fund Balance (deficit) <u>June 30, 2010</u>	<u>Increase</u>
General	\$ 22,291,984	\$ 21,099,472	\$ 1,192,512
Bond Retirement	6,263,482	4,300,664	1,962,818
Building	81,347,384	(76,115)	81,423,499
Other Governmental	<u>354,144</u>	<u>198,829</u>	<u>155,315</u>
Total	<u>\$ 110,256,994</u>	<u>\$ 25,522,850</u>	<u>\$ 84,734,144</u>

General Fund

The District's general fund balance increased \$1,192,512. An analysis of the general fund's revenues and expenditures is presented on the following page.

Bond Retirement Fund

The bond retirement fund had \$8,197,417 in revenues and other financing sources and \$6,234,599 in expenditures. During fiscal 2011, the bond retirement fund's fund balance increased \$1,962,818 from \$4,300,664 to \$6,263,482. Revenues increased due to collection on the 3.4 mill bond levy approved by the voters in May 2010. In addition, the District received \$1.35 in subsidies from the federal government to help offset debt service expenses related to the issuance of BABs and QSCBs. The bond retirement fund also reported other financing sources of \$664,895 for premium on the school improvement bond issue. Taxes generated by the District for bond retirement are sufficient to repay future principal and interest obligations.

**WESTLAKE CITY SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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Building Fund

The building fund had \$85,079,060 in revenues and other financing sources and \$3,655,561 in expenditures. During fiscal 2011, the building fund's fund balance increased \$81,423,499 from a deficit of \$76,115 to a balance of \$81,347,384. The increase in the building fund was due to the issuance of \$84,055,000 of school improvement bonds. The building fund also reported other financing sources of \$720,896 for premium on the school improvement bond issue; however, this premium was offset by bond issue cost expenditures of \$714,366. During fiscal year 2011, the District recorded expenditures of approximately \$3 million related to construction costs on the building project.

Other Governmental Funds

The fund balances of the other governmental funds increased 78.11% from the prior year. This increase was primarily due to a decrease in the pupil transportation expenses of the IDEA, Part B special education fund in the amount of \$97,940 and an increase in intergovernmental federal revenue support.

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

	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Increase <u>(Decrease)</u>	Percentage <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 39,463,715	\$ 38,444,417	\$ 1,019,298	2.65 %
Tuition	425,948	403,330	22,618	5.61 %
Earnings on investments	258,868	278,049	(19,181)	(6.90) %
Intergovernmental	10,823,041	10,923,353	(100,312)	(0.92) %
Other revenues	<u>624,764</u>	<u>658,805</u>	<u>(34,041)</u>	(5.17) %
Total	<u>\$ 51,596,336</u>	<u>\$ 50,707,954</u>	<u>\$ 888,382</u>	1.75 %
<u>Expenditures</u>				
Instruction	\$ 28,250,210	\$ 27,144,091	1,106,119	4.07 %
Support services	20,528,719	19,517,721	1,010,998	5.18 %
Other non-instructional services	250,088	257,486	(7,398)	(2.87) %
Extracurricular activities	1,242,596	1,312,721	(70,125)	(5.34) %
Facilities acquisition and construction	37,943	448,879	(410,936)	(91.55) %
Debt service	<u>84,675</u>	<u>84,678</u>	<u>(3)</u>	(0.00) %
Total	<u>\$ 50,394,231</u>	<u>\$ 48,765,576</u>	<u>\$ 1,628,655</u>	3.34 %

The increase in tax revenue for fiscal year 2011 resulted from fluctuations in the amount of tax advance available from the Cuyahoga County Auditor at fiscal year-end. The amount of tax advance available can vary depending upon when tax bills are sent out by Cuyahoga County. At June 30, 2011, 2010 and 2009, the amount of tax advance available to the general fund was \$5,377,929, \$5,001,385, and \$5,616,831, respectively. The amount of tax advance available at fiscal year-end is reported as revenue in the general fund on the modified accrual basis of accounting. All other revenue items were comparable to the prior year or were immaterial in variance amount.

**WESTLAKE CITY SCHOOL DISTRICT
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Instruction and support services expenditures increased due to normal and customary increases in employee wage, benefit and retirement contributions.

Facilities acquisition and construction decreased as the District started to perform more building improvement projects in the building fund versus the general fund. All expenditure items remained consistent with the prior year or were immaterial in variance amount.

General Fund Budgeting Highlights

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

During the course of fiscal 2011 the District amended its general fund budget several times. For the general fund, final budgeted revenues and other financing sources were \$50,352,382, which is higher than original budgeted revenues and other financing sources estimate of \$49,881,724. Actual revenues and other financing sources for fiscal 2011 were \$50,562,063, this is an increase of \$209,681 from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$54,489,196 were decreased to \$54,384,326 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2011 totaled \$52,430,461, which were \$1,953,865 lower than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2011, the District had \$46,177,255 invested in land, construction in progress (CIP), land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. This entire amount is reported in governmental activities. The following table shows fiscal 2011 balances compared to 2010:

**Capital Assets at June 30
(Net of Depreciation)**

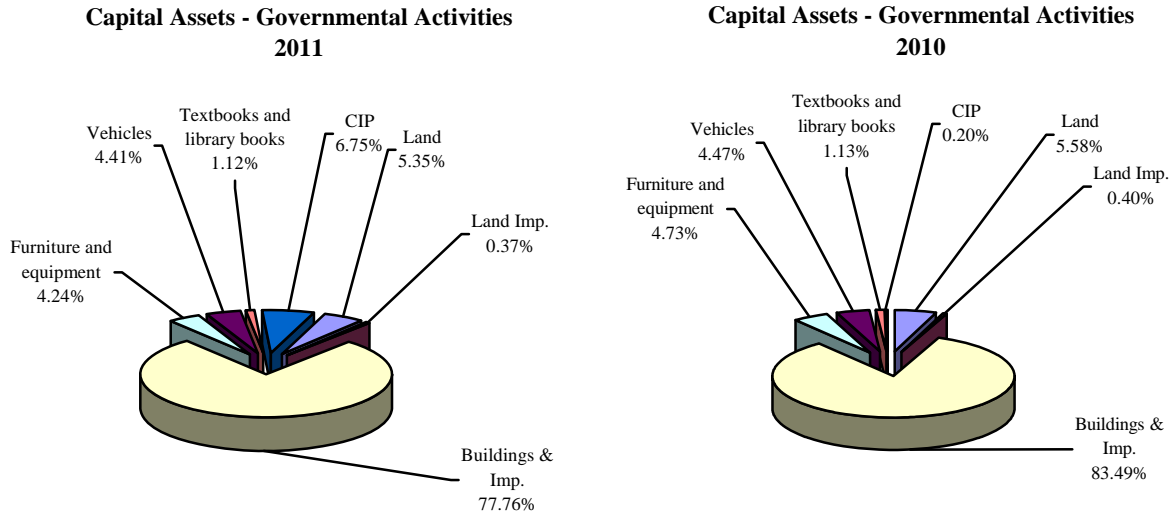
	Governmental Activities	
	2011	2010
Land	\$ 2,468,751	\$ 2,468,751
Construction in progress	3,116,957	87,881
Land improvements	169,811	177,052
Buildings and improvements	35,905,928	36,960,053
Furniture and equipment	1,959,376	2,094,293
Vehicles	2,039,236	1,976,914
Textbooks and library books	517,196	500,521
Total	\$ 46,177,255	\$ 44,265,465

The overall increase in capital assets of \$1,911,790 is primarily due to capital outlays of \$3,818,908 exceeding depreciation expense of \$1,903,341 and disposals of \$3,777 (net of accumulated depreciation) in the fiscal year. Capital outlays increased as the District began construction projects financed by the \$84,055,000 school improvement bond issue. The costs related to this construction project are reported as construction in progress.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
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The graphs below present the District's capital assets for fiscal 2011 and fiscal 2010.



See Note 9 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2011 the District had \$103,372,182 in general obligation bonds (the issue is comprised of current issue bonds, term bonds, sinking fund bonds and capital appreciation bonds) outstanding. Of this total, \$3,960,000 is due within one year and \$99,412,182 is due within greater than one year. The following table summarizes the bonds outstanding.

Outstanding Debt, at Year End

	Governmental Activities <u>2011</u>	Governmental Activities <u>2010</u>
Current interest bonds	\$ 32,955,000	\$ 19,365,000
Term bonds	57,165,000	-
Sinking fund bonds	11,260,000	-
Capital appreciation bonds	<u>1,992,182</u>	<u>1,731,748</u>
Total	<u>\$ 103,372,182</u>	<u>\$ 21,096,748</u>

The District made \$2,040,000 in principal payments on the current interest bonds during fiscal year 2011. The capital appreciation bonds accreted \$260,434 in interest during 2011 and none of the capital appreciation bonds matured during the fiscal year. The \$84,055,000 bond issue in fiscal year 2011 consisted of \$15,630,000 in serial bonds (current interest), \$57,165,000 in BABs (term bonds) and \$11,260,000 in QSCBs (sinking fund bonds).

See Note 10 to the basic financial statements for detail on the District's debt administration.

**WESTLAKE CITY SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
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Current Financial Related Activities

The Westlake Board of Education and administration closely monitor revenues and expenditures in accordance with its financial forecast and the School District Continuous Improvement Plan (CIP), which provides a roadmap for District achievement and performance measurement. This process was recently affirmed by the rating agencies of Moody's and Standard and Poor's.

The financial future of the District is not without its internal as well as external challenges. In the foreseeable future, the internal challenge will remain as long as the District is required to rely on local property taxes to fund its operations. External challenges continue to evolve as the economy and the State of Ohio determine the outcome and viability of the State's educational funding system and in dealing with the many unfunded mandates being handed down from the State and Federal government.

While the District relies on its local property taxpayers to support its operations, the fiscal capacity and community support for the schools is quite strong. In May of 2000, the Westlake voters had passed a 5.5 mill replacement levy, which helped fund the general operations and permanent improvements of the District over the last several years. In addition, the community overwhelmingly passed a bond issue in late 2002 to support the construction of a new district Performing Arts center. In May of 2006, the community passed a 6.9 mill continuing levy for general operations. Most recently, in May of 2010, the community overwhelmingly passed a 3.4 mill bond issue to support phase I of its capital improvement plan.

Looking at financial ratios, one is able to better gauge the financial health of the District. The District's liquidity or the ability to meet its short-term obligations has improved to 3.45 in Fiscal 2011 from 1.67 in Fiscal 2010, which means the District is in a better position to meet current obligations in having enough assets to cover its liabilities. Another important financial concept is solvency. While the District's solvency ratio is lower at .25 in 2011 compared to .40 in 2010 due to the issuance of additional long-term debt, the ratio still indicates the ability of the District to cover obligations in the short and long term. In addition, the debt ratio for the District remained relatively low at .53 as compared to .22 in 2010 indicating the district is not heavily reliant on debt to facilitate its operations.

Externally, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational funding system, one that was neither 'adequate' nor 'equitable'. Since 1997, the State has directed its additional financial support toward school districts with little property tax wealth. In May of 2000, the Ohio Supreme Court again, ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes, which are inherently not 'equitable' nor 'adequate'. The court directed the Governor and the legislature to address the fundamental issue creating the inequities. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..". In the Summer of 2010, the Legislature approved HB1 which contained a major educational reform package proposed by the Governor. Due to funding constraints being experienced by the State, the new funding model was to be phased-in over several years. Most recently, in the Summer of 2011, a new administration emerged and HB153, the Biennial Budget was passed. The Bill contains many funding reform initiatives. At this time, the District is unable to determine with certainty what effect the new funding model will have on its future State funding and ultimately its financial operations.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011
(UNAUDITED)**

The District has not projected any meaningful growth in State revenues due to the economy and a going concern regarding a new funding model and legislation which requires the redistribution and/or accelerated phase-out of state-reimbursed personal property taxes. With approximately 80 percent of general fund revenues being derived from local sources, one can see the significant impact these changes will have on the District and ultimately, the residential taxpayers.

As a result of the challenges mentioned above, it will be imperative that management continues to carefully and prudently plan their finances in order to provide the facilities and resources required to meet student needs over the next several years. The District continues to communicate to the community the reliance upon their support for the majority of its operations and will continue to work diligently to plan expenses, staying carefully within the District's financial five-year plan. The Westlake community understands the income generated by local levies remains relatively constant, thereby forcing the District to come back to the voters from time to time asking for additional support.

In summary, the District has committed itself to financial and educational excellence for many years to come. The District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1993. Educationally, the District continues to rank among the top schools in Ohio for educational excellence receiving one of the highest performance designations by the Ohio Department of Education for the last 13 years.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to report the District's accountability for the money it receives.

If you have questions about this report or need additional financial information please contact: Mark C. Pepera, Chief Financial Officer/Treasurer, Westlake City School District, 27200 Hilliard Boulevard, Westlake, Ohio 44145. Or if you prefer, you may email inquiries to: Pepera@wlake.org.

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>Governmental Activities</u>
Assets:	
Equity in pooled cash and investments	\$ 113,309,867
Receivables:	
Property taxes	47,600,856
Accounts	40,152
Accrued interest	86,199
Intergovernmental	409,450
Materials and supplies inventory	8,999
Inventory held for resale	6,561
Unamortized bond issuance costs	891,374
Capital assets:	
Land and construction in progress	5,585,708
Depreciable capital assets, net	40,591,547
Total capital assets, net	<u>46,177,255</u>
 Total assets	 <u>208,530,713</u>
 Liabilities:	
Accounts payable	398,167
Contracts payable	250,680
Accrued wages and benefits	5,256,685
Pension obligation payable	1,291,690
Intergovernmental payable	510,471
Unearned revenue	38,870,846
Accrued interest payable	452,063
Long-term liabilities:	
Due within one year	4,470,079
Due in more than one year	105,350,659
 Total liabilities	 <u>156,851,340</u>
 Net Assets:	
Invested in capital assets, net of related debt	26,697,219
Restricted for:	
Capital projects	103,307
Debt service	6,177,809
Locally funded programs	44,771
State funded programs	4,614
Federally funded programs	198,208
Student activities	199,167
Other purposes	24,179
Unrestricted	<u>18,230,099</u>
 Total net assets	 <u>\$ 51,679,373</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services and Sales	Operating Grants and Contributions	
Governmental activities:				
Instruction:				
Regular	\$ 23,000,156	\$ 150,267	\$ 268,130	\$ (22,581,759)
Special	5,355,715	-	758,975	(4,596,740)
Vocational	277,138	-	-	(277,138)
Adult/continuing.	93,920	1,702	90,750	(1,468)
Other	1,584,547	-	318,969	(1,265,578)
Support services:				
Pupil.	3,735,847	-	337,910	(3,397,937)
Instructional staff	3,631,697	109	308,232	(3,323,356)
Board of education	31,539	-	-	(31,539)
Administration.	2,946,534	84,845	13,677	(2,848,012)
Fiscal.	1,246,556	-	-	(1,246,556)
Business.	345,423	-	-	(345,423)
Operations and maintenance	4,709,177	42,216	180,441	(4,486,520)
Pupil transportation.	4,679,476	9,662	200,039	(4,469,775)
Central	151,995	-	20,925	(131,070)
Operation of non-instructional services:				
Other non-instructional services	736,810	267,213	496,917	27,320
Food service operations	1,276,077	982,339	274,306	(19,432)
Extracurricular activities.	1,604,308	486,912	180,309	(937,087)
Interest and fiscal charges	4,815,718	-	1,351,964	(3,463,754)
Total governmental activities	\$ 60,222,633	\$ 2,025,265	\$ 4,801,544	(53,395,824)

General Revenues:

Property taxes levied for:	
General purposes	39,263,204
Debt service.	5,829,681
Grants and entitlements not restricted	
to specific programs	11,180,263
Investment earnings	545,781
Miscellaneous	155,827
Total general revenues	56,974,756
Change in net assets	3,578,932
Net assets at beginning of year.	48,100,441
Net assets at end of year	\$ 51,679,373

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and investments	\$ 24,364,232	\$ 5,273,194	\$ 81,593,907	\$ 440,947	\$ 111,672,280
Receivables:					
Property taxes.	40,206,195	7,394,661	-	-	47,600,856
Accounts	32,627	-	-	7,525	40,152
Accrued interest	50,195	-	36,004	-	86,199
Intergovernmental.	-	-	-	409,450	409,450
Materials and supplies inventory.	6,540	-	-	2,459	8,999
Inventory held for resale.	-	-	-	6,561	6,561
Total assets	<u>\$ 64,659,789</u>	<u>\$ 12,667,855</u>	<u>\$ 81,629,911</u>	<u>\$ 866,942</u>	<u>\$ 159,824,497</u>
Liabilities:					
Accounts payable	\$ 356,698	\$ -	\$ -	\$ 41,469	\$ 398,167
Contracts payable.	-	-	250,680	-	250,680
Accrued wages and benefits.	5,071,732	-	-	184,953	5,256,685
Compensated absences payable	179,962	-	-	-	179,962
Retirement incentive payable	175,000	-	-	-	175,000
Intergovernmental payable	1,720,462	-	-	81,699	1,802,161
Deferred revenue	2,031,088	366,390	31,847	204,677	2,634,002
Unearned revenue.	<u>32,832,863</u>	<u>6,037,983</u>	<u>-</u>	<u>-</u>	<u>38,870,846</u>
Total liabilities.	<u>42,367,805</u>	<u>6,404,373</u>	<u>282,527</u>	<u>512,798</u>	<u>49,567,503</u>
Fund Balances:					
Nonspendable:					
Materials and supplies inventory.	6,540	-	-	9,020	15,560
Restricted:					
Debt service	-	6,263,482	-	-	6,263,482
Capital improvements	-	-	81,347,384	680	81,348,064
Adult education	-	-	-	1,924	1,924
Food service operations	-	-	-	47,955	47,955
Non-public schools	-	-	-	30,095	30,095
Special education	-	-	-	16,678	16,678
Targeted academic assistance	-	-	-	4,004	4,004
Other purposes.	-	-	-	46,415	46,415
Extracurricular	-	-	-	199,167	199,167
Assigned:					
Student instruction	1,392,358	-	-	-	1,392,358
Student and staff support.	1,274,571	-	-	-	1,274,571
Facilities acquisition and construction	157,956	-	-	-	157,956
School supplies.	21,089	-	-	-	21,089
Other purposes.	96,472	-	-	-	96,472
Unassigned (deficit).	<u>19,342,998</u>	<u>-</u>	<u>-</u>	<u>(1,794)</u>	<u>19,341,204</u>
Total fund balances	<u>22,291,984</u>	<u>6,263,482</u>	<u>81,347,384</u>	<u>354,144</u>	<u>110,256,994</u>
Total liabilities and fund balances	<u>\$ 64,659,789</u>	<u>\$ 12,667,855</u>	<u>\$ 81,629,911</u>	<u>\$ 866,942</u>	<u>\$ 159,824,497</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2011

Total governmental fund balances		\$	110,256,994
<i>Amounts reported for governmental activities on 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.			46,177,255
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes receivable	\$	2,356,987	
Accrued interest receivable		72,338	
Intergovernmental receivable		204,677	
Total		204,677	2,634,002
An internal service fund used by management to charge the costs of medical, dental and vision insurance to individual funds. The assets and liabilities of the internal service fund are included on the statement of net assets.			1,637,587
Unamortized bond issuance costs are not recognized in the funds.			891,374
Unamortized premiums on bond issuances are not recognized in the funds.			(2,597,623)
Unamortized deferred charges on refundings are not recognized in the funds.			1,000,129
On the statement of net assets, interest is accrued on outstanding bonds, whereas in governmental funds, interest is reported when due.			(452,063)
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 bonds		(103,372,182)	
Capital lease obligations		(225,189)	
Compensated absences		(3,877,161)	
Retirement incentives		(393,750)	
Total		(107,868,282)	(107,868,282)
Net assets of governmental activities		\$	51,679,373

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Property taxes	\$ 39,463,715	\$ 5,626,011	\$ -	\$ -	\$ 45,089,726
Tuition	425,948	-	-	-	425,948
Transportation fees	9,662	-	-	-	9,662
Earnings on investments	258,868	-	303,164	207	562,239
Charges for services	-	-	-	982,339	982,339
Extracurricular	98,493	-	-	192,843	291,336
Classroom materials and fees	253,414	-	-	-	253,414
Rental income	42,216	-	-	3,930	46,146
Contributions and donations	61,544	-	-	123,457	185,001
Contract services	16,420	-	-	-	16,420
Other local revenues	143,015	-	-	12,812	155,827
Intergovernmental - state	10,823,041	554,547	-	502,583	11,880,171
Intergovernmental - federal	-	1,351,964	-	2,490,434	3,842,398
Total revenues	51,596,336	7,532,522	303,164	4,308,605	63,740,627
Expenditures:					
Current:					
Instruction:					
Regular	22,180,042	-	-	160,788	22,340,830
Special	4,573,721	-	-	696,346	5,270,067
Vocational	258,978	-	-	-	258,978
Adult/continuing	672	-	-	86,315	86,987
Other	1,236,797	-	-	342,777	1,579,574
Support services:					
Pupil	3,318,846	-	-	311,674	3,630,520
Instructional staff	3,278,563	-	-	290,442	3,569,005
Board of education	31,539	-	-	-	31,539
Administration	2,946,801	-	-	13,731	2,960,532
Fiscal	1,220,613	5,587	-	-	1,226,200
Business	383,740	-	-	-	383,740
Operations and maintenance	4,540,179	-	-	180,338	4,720,517
Pupil transportation	4,681,708	-	-	9,949	4,691,657
Central	126,730	-	-	20,925	147,655
Operation of non-instructional services:					
Other non-instructional services	250,088	-	-	484,772	734,860
Food service operations	-	-	-	1,230,889	1,230,889
Extracurricular activities	1,242,596	-	-	334,344	1,576,940
Facilities acquisition and construction	37,943	-	2,941,195	-	2,979,138
Debt service:					
Principal retirement	63,859	2,040,000	-	-	2,103,859
Interest and fiscal charges	20,816	4,189,012	-	-	4,209,828
Bond issuance costs	-	-	714,366	-	714,366
Total expenditures	50,394,231	6,234,599	3,655,561	4,163,290	64,447,681
Excess of revenues over (under) expenditures	1,202,105	1,297,923	(3,352,397)	145,315	(707,054)
Other financing sources (uses):					
Premium on bonds and notes sold	-	664,895	720,896	-	1,385,791
Sale of bonds	-	-	84,055,000	-	84,055,000
Sale of capital assets	407	-	-	-	407
Transfers in	-	-	-	10,000	10,000
Transfers (out)	(10,000)	-	-	-	(10,000)
Total other financing sources (uses)	(9,593)	664,895	84,775,896	10,000	85,441,198
Net change in fund balances	1,192,512	1,962,818	81,423,499	155,315	84,734,144
Fund balances (deficit)					
at beginning of year (restated)	21,099,472	4,300,664	(76,115)	198,829	25,522,850
Fund balances at end of year	\$ 22,291,984	\$ 6,263,482	\$ 81,347,384	\$ 354,144	\$ 110,256,994

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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, 2011

Net change in fund balances - total governmental funds	\$	84,734,144
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense during the current period.		
Capital asset additions	\$ 3,818,908	
Current year depreciation	(1,903,341)	
Total		1,915,567
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets.		
		(3,777)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent property taxes	3,159	
Interest	(16,252)	
Intergovernmental	74,031	
Total		60,938
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported on the statement of activities:		
Increase in accrued interest payable	(367,309)	
Accretion of interest on "capital appreciation" bonds	(260,434)	
Amortization of bond premiums	228,820	
Amortization of loss on refunding	(165,480)	
Amortization of issuance costs	(41,487)	
Total		(605,890)
Repayment of bond and capital lease obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.		
Principal payments during the year were:		
Bonds	2,040,000	
Capital lease	63,859	
Total		2,103,859
The issuance of bonds is an other financing source in the governmental funds, but the issuance increases long-term liabilities on the statement of net assets.		
		(84,055,000)
Premiums on bonds issuance are recognized as an other financing source in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		
		(1,385,791)
Bond issuance costs are recognized as expenditures in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		
		714,366
Some expenses reported in the statement of activities, such as compensated absences and retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		100,516
Change in net assets of governmental activities	\$	3,578,932

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 38,556,489	\$ 38,920,289	\$ 39,082,365	\$ 162,076
Tuition	39,334	39,705	39,870	165
Transportation fees	9,532	9,622	9,662	40
Earnings on investments	291,768	294,521	295,747	1,226
Classroom materials and fees	16,145	16,297	16,365	68
Rental income	42,195	42,593	42,770	177
Contract services	16,199	16,352	16,420	68
Other local revenues	9,857	9,950	9,991	41
Intergovernmental - state	10,677,411	10,778,158	10,823,041	44,883
Total revenues	<u>49,658,930</u>	<u>50,127,487</u>	<u>50,336,231</u>	<u>208,744</u>
Expenditures:				
Current:				
Instruction:				
Regular	23,118,225	22,874,221	22,444,683	429,538
Special	4,448,098	4,544,772	4,524,353	20,419
Vocational	451,464	368,580	278,276	90,304
Adult/continuing	-	750	750	-
Other	2,507,786	2,409,118	2,168,806	240,312
Support services:				
Pupil	3,576,098	3,641,150	3,477,966	163,184
Instructional staff	3,360,469	3,445,456	3,403,839	41,617
Board of education	42,421	42,421	30,609	11,812
Administration	3,251,573	3,367,723	3,145,242	222,481
Fiscal	1,264,110	1,272,595	1,264,652	7,943
Business	399,535	560,308	556,760	3,548
Operations and maintenance	5,379,326	5,492,257	4,944,521	547,736
Pupil transportation	4,807,495	4,860,017	4,854,707	5,310
Central	152,965	169,945	147,552	22,393
Extracurricular activities	933,761	923,761	915,931	7,830
Facilities acquisition and construction	161,591	197,248	195,898	1,350
Total expenditures	<u>53,854,917</u>	<u>54,170,322</u>	<u>52,354,545</u>	<u>1,815,777</u>
Excess of revenues over (under) expenditures	<u>(4,195,987)</u>	<u>(4,042,835)</u>	<u>(2,018,314)</u>	<u>2,024,521</u>
Other financing sources (uses):				
Refund of prior year's expenditures	103,891	104,871	105,308	437
Transfers (out)	(510,000)	(89,725)	(10,000)	79,725
Advances in	118,501	119,619	120,117	498
Advances (out)	(80,000)	(80,000)	(21,637)	58,363
Other uses	(44,279)	(44,279)	(44,279)	-
Sale of capital assets	402	405	407	2
Total other financing sources (uses)	<u>(411,485)</u>	<u>10,891</u>	<u>149,916</u>	<u>139,025</u>
Net change in fund balance	(4,607,472)	(4,031,944)	(1,868,398)	2,163,546
Fund balance at beginning of year	20,146,936	20,146,936	20,146,936	-
Prior year encumbrances appropriated	2,784,326	2,784,326	2,784,326	-
Fund balance at end of year	<u>\$ 18,323,790</u>	<u>\$ 18,899,318</u>	<u>\$ 21,062,864</u>	<u>\$ 2,163,546</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2011

	<u>Internal Service Fund</u>
Assets:	
Current assets:	
Equity in pooled cash and cash equivalents	\$ 1,637,587
Total assets	<u>1,637,587</u>
 Net assets:	
Unrestricted.	<u>1,637,587</u>
Total net assets	<u>\$ 1,637,587</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Internal Service Fund</u>
Net assets at beginning of year	<u>\$ 1,637,587</u>
Net assets at end of year.	<u><u>\$ 1,637,587</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Internal Service Fund</u>
Cash and cash equivalents at beginning of year . . .	\$ 1,637,587
Cash and cash equivalents at end of year	<u>\$ 1,637,587</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	<u>Private Purpose Trust</u>	
	<u>Scholarship</u>	<u>Agency</u>
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 73,794	\$ 278,560
Receivables:		
Accounts	<u> -</u>	<u> 1,796</u>
Total assets.	<u>\$ 73,794</u>	<u>\$ 280,356</u>
Liabilities:		
Accounts payable.	\$ 500	\$ 2,750
Due to students.	<u> -</u>	<u> 277,606</u>
Total liabilities	<u> 500</u>	<u>\$ 280,356</u>
Net assets:		
Held in trust for scholarships	<u> 73,294</u>	
Total net assets	<u>\$ 73,294</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Private Purpose Trust
	Scholarship
Additions:	
Interest	\$ 39
Gifts and contributions	8,601
Total additions	8,640
 Deductions:	
Scholarships awarded	7,814
Change in net assets	826
Net assets at beginning of year	72,968
Net assets at end of year	\$ 73,794

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

Westlake City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District operates under a locally-elected five-member Board form of government.

The District is located in Westlake, Ohio, Cuyahoga County. The District ranks as the 102nd largest in terms of enrollment (among 918 public school districts and community schools) in the State of Ohio. The Board of Education controls the District’s seven instructional/support facilities staffed by 244 classified employees, 295 certified full-time teaching personnel and 17 administrators who provide services to 4,043 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental activities and internal service fund provided it does not conflict with or contradict GASB pronouncements. The most significant of the District’s accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units”. When applying GASB Statement No. 14, management has considered all potential component units. Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the debt, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The financial statements of the reporting entity include only those of the District (the primary government). The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For Westlake City School District, this includes general operations, food service and student related activities of the District.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following organizations are described due to their relationship to the District.

RELATED ORGANIZATION

Porter Public Library

The Porter Public Library (the "Library") is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Westlake City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the 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 rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Porter Public Library, Ms. Judy Dobbs, Fiscal Officer, at 27333 Center Ridge Road, Westlake, Ohio 44145.

JOINTLY GOVERNED ORGANIZATIONS

Lake Erie Educational Computer Association

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization among thirty School Districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of the governments of these schools supports LEECA based upon a per pupil charge dependent upon the software package utilized. The LEECA assembly consists of a superintendent or designated representative from each participating school district and a representative from the fiscal agent. LEECA is governed by a Board of Directors chosen from the general membership of the LEECA assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each of the operating committees and at least one Assembly member from each county in which participating school districts are located. The degree of control exercised by any participating school district is limited to its representation on the Board. The District paid \$116,102 to LEECA in fiscal year 2011. Financial information can be obtained by contacting Ms. Jill Orseno, Treasurer at the Lorain County Educational Service Center, who serves as the fiscal agent, at 1885 Lake Avenue, Elyria, Ohio 44035.

Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization comprised of one hundred fifty-seven member school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2011, the District paid \$2,645 to the Council for annual membership and other fees. Financial information can be obtained by contacting David A. Cottrell, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

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

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

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

INSURANCE PURCHASING POOL

Suburban Health Consortium

The Suburban Health Consortium (the "Consortium") is a shared health risk pool created on October 1, 2001, formed by the Boards of Education of several school districts in northeast Ohio, for the purposes of maximizing benefits and/or reducing costs of group health, life, dental and/or other insurance coverage's for their employees and the eligible dependents and designated beneficiaries of such employees. The Consortium was formed and operates as a legally separate entity under Ohio Revised Code Section 9.833. The Board of Directors shall be the governing body of the Consortium. The Board of Education of each Consortium Member shall appoint its Superintendent or such Superintendent's designee to be its representative of the Board of Directors. The officers of the Board of Directors shall consist of a Chairman, Vice-Chairman and Recording Secretary, who shall be elected at the annual meeting of Board of Directors and serve until the next annual meeting. All of the authority of the Consortium shall be exercised by or under the direction of the Board of Directors. The Board of Directors shall also set all premiums and other amounts to be paid by the Consortium Members, and the Board of Directors shall also have the authority to waive premiums and other payments. All members of the Board of Directors shall serve without compensation.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Fiscal Agent shall be the Board of Education responsible for administering the financial transactions of the Consortium (North Royalton City School District). The Fiscal Agent shall carry out the responsibilities of the Consortium Fund, enter into contracts on behalf of the Consortium as authorized by the Directors and carry out such other responsibilities as approved by the Directors and agreed to by the Fiscal Agent. Each District Member enrolled in a benefit program may require contributions from its employees toward the cost of any benefit program being offered by such District Member, and such contributions shall be included in the payments from such District Member to the Fiscal Agent for such benefit program. Contributions are to be submitted by each District Member, to the Fiscal Agent, required under the terms of the Consortium Agreement and any benefit program in which such District Member is enrolled to the Fiscal Agent on a monthly basis, or as otherwise required in accordance with any benefit program in which such District Member is enrolled. All general administrative costs incurred by the Consortium that are not covered by the premium payments shall be shared equally by the Consortium Members as approved by the Directors, and shall be paid by each Consortium Member upon receipt of notice from the Fiscal Agent that such payment is due. It is the express intention of the Consortium Members that the Consortium Agreement and the Consortium shall continue for an indefinite term, but may be terminated as provided in the Consortium Agreement. Any Consortium Member wishing to withdraw from participation in the Consortium or any benefit program shall notify the Fiscal Agent at least one hundred eighty (180) days prior to the effective date of withdrawal.

Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal, a withdrawal fee in the amount equal to two months' premiums at the Consortium Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided that the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Member's current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from Richard McIntosh, Treasurer of the North Royalton City School District (the "Fiscal Agent") at 6579 Royalton Road, North Royalton, Ohio 44133.

B. Fund Accounting

The District uses funds to report 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. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

GOVERNMENTAL FUNDS

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond retirement fund - The bond retirement fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Building fund - The building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, not reported in the building fund, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. Proprietary funds consist of enterprise funds and internal service funds. The District has only an internal service fund.

Internal Service Fund - 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, or to other governments, on a cost-reimbursement basis. The District's only internal service fund accounts for a former self-insurance program for employee health, prescription drug and dental benefits. This fund had no activity in fiscal year 2011. The District discontinued the self-insured program during fiscal year 2007.

FIDUCIARY FUNDS

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Basis of Presentation and Measurement Focus

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 "doubling up" revenues and expenses.

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues 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 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 fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is 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 fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

Private-purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Basis of Accounting

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

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

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

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

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2011 are recorded as deferred revenue in the fund financial statements.

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

E. Budgetary Process

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

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

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

F. Cash and Cash Equivalents

To improve cash management, cash received by the District is pooled. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

During fiscal year 2011, investments were limited to non-negotiable certificates of deposit, Federal Home Loan Bank (FHLB) bonds and discount notes, Federal Farm Credit bank (FFCB) bonds, Federal Home Loan Mortgage Corporation (FHLMC) bonds and discount notes, Federal National Mortgage Association (FNMA) bonds, commercial paper, bankers acceptances, U.S. treasury bills and notes, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts, such as non-negotiable certificates of deposit, are reported at cost.

The District has invested funds in STAR Ohio during fiscal year 2011. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share's price which is the price the investment could be sold for on June 30, 2011.

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$258,868 which includes \$58,165 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year end is provided in Note 4B.

G. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when received. Inventories are accounted for using the consumption method. Fund balance has been presented as nonspendable equal to the balance of the inventory at fiscal year-end.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

H. Capital Assets

All capital assets of the District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$1,000 for its general capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress 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>Governmental Activities Estimated Lives</u>
Buildings and improvements	30 - 50 years
Furniture and equipment	5 - 10 years
Vehicles	10 years
Land improvements	30 years
Textbooks	5 years
Library books	2 years

I. Interfund Loans

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

J. Unamortized Bond Issuance Costs/Bond Premium/Accounting Gain or Loss

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 10.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Compensated Absences

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

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2011, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables and accrued liabilities payable from internal service funds are reported on the internal service fund financial statements. There were no payables or accrued liabilities reported in the internal service fund at June 30, 2011.

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

M. Net Assets

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

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Estimates

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

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are residual miscellaneous operating revenues of the District's former self-insurance program. Operating expenses are necessary costs incurred to provide the goods or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating. The internal service fund had no operating revenues or operating expenses in fiscal year 2011.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2011.

R. Interfund Activity

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

S. Nonpublic Schools

Within the District boundaries, there are various nonpublic schools. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the District on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public schools. The receipt and expenditure of these state monies by the District are reflected in a nonmajor governmental fund for financial reporting purposes.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2011, the District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the District.

B. Fund Reclassifications

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. These fund reclassifications had the following effect on the District's governmental fund balances as previously reported:

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Fund balance (deficit) as previously reported	\$ 20,848,721	\$ 4,300,664	\$ (76,115)	\$ 449,580	\$ 25,522,850
Fund reclassifications:					
Public school support fund	229,362	-	-	(229,362)	-
Interdistrict summer school fund	75,576	-	-	(75,576)	-
Community education fund	(69,358)	-	-	69,358	-
Uniform school supplies fund	<u>15,171</u>	<u>-</u>	<u>-</u>	<u>(15,171)</u>	<u>-</u>
Total fund reclassifications	<u>250,751</u>	<u>-</u>	<u>-</u>	<u>(250,751)</u>	<u>-</u>
Restated fund balance (deficit) at July 1, 2010	<u>\$ 21,099,472</u>	<u>\$ 4,300,664</u>	<u>\$ (76,115)</u>	<u>\$ 198,829</u>	<u>\$ 25,522,850</u>

The fund reclassifications above did not have an effect on net assets as previously reported.

In addition to the above, the energy audit nonmajor governmental fund was combined with the professional development grant nonmajor governmental fund for reporting purposes at July 1, 2010. This fund reclassification had the following effect on the fund balances as previously reported:

	<u>Nonmajor Governmental Funds</u>	
	<u>Energy Audit</u>	<u>Professional Development Grant</u>
Fund balance as previously reported	\$ 786	\$ 34,560
Fund reclassification	<u>(786)</u>	<u>786</u>
Restated fund balance at July 1, 2010	<u>\$ -</u>	<u>\$ 35,346</u>

**WESTLAKE CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The fund reclassification did not have an effect on total fund balance of the nonmajor governmental funds or on net assets as previously reported.

C. Deficit Fund Balances

Fund balances at June 30, 2011 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Early Childhood Education Development	\$ 1,543
Improving Teacher Quality	251

The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

**WESTLAKE CITY SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

A. Deposits with Financial Institutions

At June 30, 2011, the carrying amount of all District deposits was \$18,249,482. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2011, \$7,728,834 of the District's bank balance of \$18,626,023 was exposed to custodial risk as discussed below, while \$10,897,189 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2011, the District had the following investments and maturities:

Investment type	Fair Value	6 months or less	Investment Maturities			
			7 to 12 months	13 to 18 months	19 to 24 months	Greater Than 24 months
FHLB bonds	\$ 30,475,267	\$ 7,759,033	\$ 5,628,209	\$ 12,981,700	\$ 2,884,101	\$ 1,222,224
FFCB bonds	2,685,146	-	1,523,285	1,161,861	-	-
FHLMC bonds	17,458,188	-	-	14,706,235	2,751,953	-
FNMA bonds	10,405,568	-	-	8,757,680	-	1,647,888
FHLB discount notes	9,485,885	-	9,485,885	-	-	-
Commercial paper	14,930,950	14,930,950	-	-	-	-
Bankers acceptances	4,246,638	4,246,638	-	-	-	-
U.S Treasury bills and notes	5,543,284	3,134,875	2,408,409	-	-	-
U.S government money market mutual funds	76,340	76,340	-	-	-	-
STAR Ohio	105,473	105,473	-	-	-	-
Total	\$ 95,412,739	\$ 30,253,309	\$ 19,045,788	\$ 37,607,476	\$ 5,636,054	\$ 2,870,112

The weighted average maturity of investments is 0.98 years.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less. The District's investment policy also requires that the investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk: The District's investments in federal agency securities and U.S Treasury obligations were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio and the U.S. government money market mutual funds were rated AAAM by Standard & Poor's. The commercial paper was rated A-1 or A-1+ and P-1 by Moody's and Standard & Poor's, respectively. The District has no investment policy that would further limit its investment choices.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities, U.S. Treasury obligations, commercial paper and bankers acceptances are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2011:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB bonds	\$ 30,475,267	31.94
FFCB bonds	2,685,146	2.81
FHLMC bonds	17,458,188	18.30
FNMA bonds	10,405,568	10.91
FHLB discount notes	9,485,885	9.94
Commercial paper	14,930,950	15.65
Bankers acceptances	4,246,638	4.45
U.S. Treasury bills and notes	5,543,284	5.81
U.S. government money market mutual funds	76,340	0.08
STAR Ohio	105,473	0.11
	<u>\$ 95,412,739</u>	<u>100.00</u>

C. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 18,249,482
Investments	<u>95,412,739</u>
Total	<u>\$ 113,662,221</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 113,309,867
Private-purpose trust fund	73,794
Agency fund	<u>278,560</u>
Total	<u>\$ 113,662,221</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 5 - INTERFUND TRANSACTIONS

Interfund transfers for the year ended June 30, 2011, consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from general fund to:</u>	
Nonmajor governmental funds	<u>\$ 10,000</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property, public utility property, and certain tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in the District's fiscal year ended June 30, 2011 (other than public utility property) generally represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009 on the value as of December 31, 2009. Amounts paid by multi-county taxpayers were due September 20, 2010. Single county taxpayers could pay annually or semiannually. If paid semiannually, the first payment was due April 30, 2010, with the remainder payable by September 20, 2010.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 6 - PROPERTY TAXES - (Continued)

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available as an advance at June 30, 2011 was \$5,377,929 in the general fund and \$989,863 in the bond retirement debt service fund. This amount is recorded as revenue. The amount available for advance at June 30, 2010 was \$5,001,385 in the general fund and \$371,421 in the bond retirement debt service fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,346,534,600	98.69	\$ 1,351,387,610	98.66
Public utility personal	<u>17,904,860</u>	<u>1.31</u>	<u>18,395,760</u>	<u>1.34</u>
Total	<u>\$ 1,364,439,460</u>	<u>100.00</u>	<u>\$ 1,369,783,370</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 66.70		\$ 70.10	

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 7 - RECEIVABLES

Receivables at June 30, 2011 consisted of taxes, accounts (billings for user charged services and student fees), 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 of receivables reported on the statement of net assets follows:

Governmental activities	
Property taxes	\$ 47,600,856
Accounts	40,152
Intergovernmental	409,450
Accrued interest	<u>86,199</u>
Total governmental activities	<u>\$ 48,136,657</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2009, the District entered into capital lease agreements for copiers. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the statement of revenues, expenditures and changes in fund balances - general fund. These expenditures are reflected as program/function expenditures on a budgetary basis. Capital assets acquired by lease have been capitalized in the amount of \$348,014, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2011 was \$72,485 leaving a current book value of \$275,529.

A corresponding liability was recorded in the statement of net assets. Principal payments in the 2011 fiscal year totaled \$63,859. This amount is reflected as debt service principal retirement in the general fund and as a reduction to the long-term liabilities reported on the statement of net assets. The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2011.

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2012	\$ 84,675
2013	84,683
2014	<u>84,675</u>
	254,033
Less: amount representing interest	<u>(28,844)</u>
Present value of minimum lease payments	<u>\$ 225,189</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year-ended June 30, 2011, was as follows:

	Balance <u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2011</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,468,751	\$ -	\$ -	\$ 2,468,751
Construction in progress	<u>87,881</u>	<u>3,029,076</u>	<u>-</u>	<u>3,116,957</u>
Total capital assets, not being depreciated	<u>2,556,632</u>	<u>3,029,076</u>	<u>-</u>	<u>5,585,708</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	214,415	-	-	214,415
Buildings and improvements	55,488,532	-	-	55,488,532
Furniture and equipment	6,347,109	169,061	(5,050)	6,511,120
Vehicles	4,339,946	410,895	(237,003)	4,513,838
Textbooks and library books	<u>2,886,014</u>	<u>209,876</u>	<u>-</u>	<u>3,095,890</u>
Total capital assets, being depreciated	<u>69,276,016</u>	<u>789,832</u>	<u>(242,053)</u>	<u>69,823,795</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(37,363)	(7,241)	-	(44,604)
Buildings and improvements	(18,528,479)	(1,054,125)	-	(19,582,604)
Furniture and equipment	(4,252,816)	(302,968)	4,040	(4,551,744)
Vehicles	(2,363,032)	(345,806)	234,236	(2,474,602)
Textbooks and library books	<u>(2,385,493)</u>	<u>(193,201)</u>	<u>-</u>	<u>(2,578,694)</u>
Total accumulated depreciation	<u>(27,567,183)</u>	<u>(1,903,341)</u>	<u>238,276</u>	<u>(29,232,248)</u>
Governmental activities capital assets, net	<u>\$ 44,265,465</u>	<u>\$ 1,915,567</u>	<u>\$ (3,777)</u>	<u>\$ 46,177,255</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 918,357
Special	115,901
Vocational	17,320
Adult/continuing	6,933
Support Services:	
Pupil	85,028
Instructional staff	111,125
Administration	81,253
Fiscal	9,998
Business	7,962
Operations and maintenance	92,118
Pupil transportation	359,425
Central	2,587
Operation of non instructional services:	
Food service operations	45,535
Extracurricular activities	<u>49,799</u>
Total depreciation expense	<u>\$ 1,903,341</u>

NOTE 10 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the District's long-term obligations follows:

<u>Debt Issue</u>	<u>Original Issue Date</u>	<u>Original Issue Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>
General Obligation Bonds:				
School Improvements - Series 2003	2003	8,700,000	2.0-5.0%	December 1, 2027
School Improvements				
Refunding - Series 2004	2004	13,925,000	2.0-15.4%	December 1, 2016
Library Improvements				
Refunding - Series 2006	2006	3,785,000	3.55-5.0%	December 1, 2017
School Improvements - Series 2010	2010	84,055,000	1.5-6.028%	December 1, 2043

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The following is a schedule of the changes in long-term obligations during fiscal year 2011:

	Balance			Balance	Amounts
	<u>June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2011</u>	<u>Due in</u> <u>One Year</u>
Governmental activities					
General Obligation bonds:					
Library improvements refunding - Series 2006:					
Serial bonds	\$ 3,430,000	\$ -	\$ (310,000)	\$ 3,120,000	\$ 340,000
Unamortized premium	188,176	-	(25,372)	162,804	-
Deferred amount on refunding	(129,179)	-	17,418	(111,761)	-
School improvements - Series 2003:					
Serial bonds	7,205,000	-	(200,000)	7,005,000	220,000
Unamortized premium	121,492	-	(7,147)	114,345	-
School improvements refunding - Series 2004:					
Serial bonds	8,730,000	-	(1,530,000)	7,200,000	1,645,000
Unamortized premium	142,338	-	(20,334)	122,004	-
Capital appreciation bonds	725,000	-	-	725,000	-
Accretion on capital appreciation bonds	1,006,748	260,434	-	1,267,182	-
Unamortized premium	988,646	-	(141,235)	847,411	-
Deferred amount on refunding	(1,036,430)	-	148,062	(888,368)	-
School improvements - Series 2010:					
Serial bonds	-	15,630,000	-	15,630,000	1,755,000
Unamortized premium	-	1,385,791	(34,732)	1,351,059	-
Term bonds	-	57,165,000	-	57,165,000	-
Sinking fund bonds	-	11,260,000	-	11,260,000	-
Total general obligation bonds	<u>21,371,791</u>	<u>85,701,225</u>	<u>(2,103,340)</u>	<u>104,969,676</u>	<u>3,960,000</u>
Capital lease obligation	289,048	-	(63,859)	225,189	69,164
Retirement incentive	825,000	6,250	(262,500)	568,750	175,000
Compensated absences	<u>4,060,785</u>	<u>400,521</u>	<u>(404,183)</u>	<u>4,057,123</u>	<u>265,915</u>
Total governmental activities long-term liabilities	<u>\$ 26,546,624</u>	<u>\$86,107,996</u>	<u>\$ (2,833,882)</u>	<u>\$ 109,820,738</u>	<u>\$ 4,470,079</u>

All general obligation bonds will be paid from property taxes in the bond retirement fund.

Compensated absences will be paid from the general fund and the following nonmajor governmental funds: food service fund, auxiliary services fund, IDEA Part B special education fund, Title I fund and the early childhood educational development fund. The retirement incentive will be paid from the general fund.

The capital lease obligations will be paid from the general fund. See Note 8 for more detail.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Library Improvement Refunding Bonds – Series 2006

On October 12, 2006, the District issued \$3,785,000 in library improvement refunding bonds to advance refund a portion of the 1998 library improvement bonds. The refunding bonds were sold at a premium of \$279,092. Proceeds of \$3,996,593 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1998 library improvement bonds. As a result, \$3,805,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2011 the outstanding amount of the refunded bonds are \$3,190,000.

Interest payments on the refunding bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2017.

The reacquisition price exceeded the net carrying amount of the old debt by \$191,593. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

School Improvement Bonds – Series 2003

On March 1, 2003, the District issued bonds for the purpose of constructing a performing arts center in the amount of \$8,700,000. The bonds were issued at a premium of \$171,520 for a 25 year period with final maturity at December 1, 2027.

School Improvement Refunding Bonds – Series 2004

On March 15, 2004, the District issued \$13,925,000, in general obligation refunding bonds, which included \$13,200,000 in serial bonds and \$725,000 in capital appreciation bonds at interest rates varying from 2.0 percent to 15.417 percent. Proceeds were used to refund \$13,925,000 of the outstanding 1997 school improvement bonds.

The bonds were sold at a premium of \$2,140,791. Proceeds of \$15,886,812 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1995 classroom facilities improvement bonds. As a result, \$13,925,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2011 the outstanding amount of the refunded bonds are \$8,445,000.

The serial bonds were issued for an 11 year period with a final maturity at December 1, 2014. The capital appreciation bonds were issued for a 13 year period with a final maturity at December 1, 2016 in the amount of \$4,305,000. At June 30, 2011, a total of \$1,267,182 in accreted interest has been recorded on the capital appreciation bonds. The bonds are being retired from the bond retirement fund. The 2004 school improvement refunding bonds are not subject to redemption prior to stated maturity.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

School Improvement Bonds - Series 2010

On August 10, 2010, the District issued \$84,055,000, in general obligation school improvement bonds, including \$15,630,000 in serial bonds, \$57,165,000 in term Build America Bonds (BABs) and \$11,260,000 in sinking fund Qualified School Construction Bonds (QSCBs). Proceeds from the bond issue are being used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$1,385,761. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year. Principal and interest payments are made from the Bond Retirement fund.

The serial bonds were issued for a nine year period with a final maturity at December 1, 2019. The serial bonds mature on December 1 in each year 2011 through 2019 and bear interest rates ranging from 1.5 percent to 5.0 percent. The serial bonds are not subject to redemption prior to maturity.

The BABs mature on December 1, 2030, December 1, 2035 and December 1, 2043 in the amounts of \$8,120,000, \$14,545,000 and \$34,500,000, respectively. These BABs bear interest rates ranging from 5.628 percent to 6.028 percent. The District receives a direct payment subsidy from the United States Treasury equal to thirty-five percent of the corresponding interest payments due on the BABs. The District records this subsidy from the federal government in the Bond Retirement fund. The BABs are subject to optional redemption and extraordinary optional redemption prior to maturity, at the sole discretion of the District, at a redemption price equal to 100 percent of the principal amount redeemed, plus accrued interest to the redemption date. The BABs are subject to mandatory sinking fund redemption as follows:

<u>Year</u>	<u>Mandatory Sinking Fund Redemption</u>
2027	\$ 1,745,000
2028	2,010,000
2029	2,125,000
2030	2,240,000
2031	2,545,000
2032	2,680,000
2033	2,825,000
2034	3,165,000
2035	3,330,000
2036	3,500,000
2037	3,895,000
2038	4,095,000
2039	4,255,000
2040	4,420,000
2041	4,595,000
2042	4,775,000
2043	<u>4,965,000</u>
Total	<u>\$ 57,165,000</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The QSCBs mature on December 1, 2026 in the amount of \$11,260,000. The QSCBs bear an interest rate of 5.227 percent. The District receives a direct payment subsidy from the United States Treasury equal to 100% of the lesser of the interest payments on the bonds or the federal tax credits that would otherwise have been available to the holders of the bonds. The District records this subsidy from the federal government in the Bond Retirement fund. The QSCBs are subject to optional redemption, on any date on or after December 31, 2020, and extraordinary optional redemption, at the sole discretion of the District, at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest to the redemption date. On December 1 in each year 2020 through 2026, the District is required to make a mandatory deposit into a sinking fund that will provide for payment of the QSCBs upon maturity. The QSCBs are subject to mandatory sinking fund requirements as follows:

<u>Year</u>	<u>Mandatory Sinking Fund Requirement</u>
2020	\$ 1,295,000
2021	1,490,000
2022	1,530,000
2023	1,565,000
2024	1,755,000
2025	1,795,000
2026	<u>1,830,000</u>
Total	<u>\$ 11,260,000</u>

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2011, are as follows:

<u>Fiscal Year Ending</u>	<u>General Obligation Bonds</u>		<u>Capital Appreciation Bonds</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 3,960,000	\$ 5,125,165	\$ -	\$ -	\$ 3,960,000	\$ 5,125,165
2013	4,230,000	5,015,361	-	-	4,230,000	5,015,361
2014	4,635,000	4,888,386	-	-	4,635,000	4,888,386
2015	4,900,000	4,721,131	-	-	4,900,000	4,721,131
2016	3,095,000	4,575,609	-	-	3,095,000	4,575,609
2017 - 2021	9,770,000	21,362,146	725,000	3,580,000	10,495,000	24,942,146
2022 - 2026	10,625,000	20,388,954	-	-	10,625,000	20,388,954
2027 - 2031	11,120,000	16,333,523	-	-	11,120,000	16,333,523
2032 - 2036	14,545,000	12,598,855	-	-	14,545,000	12,598,855
2037 - 2041	20,165,000	7,492,051	-	-	20,165,000	7,492,051
2042 - 2044	<u>14,335,000</u>	<u>1,318,475</u>	<u>-</u>	<u>-</u>	<u>14,335,000</u>	<u>1,318,475</u>
Total	<u>\$ 101,380,000</u>	<u>\$ 103,819,656</u>	<u>\$ 725,000</u>	<u>\$ 3,580,000</u>	<u>\$ 102,105,000</u>	<u>\$ 107,399,656</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2011, are a voted debt margin of \$25,841,524 (including available funds of \$6,263,482) and an unvoted debt margin of \$1,369,783.

NOTE 11 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty-one days of vacation per year, depending upon type of contract, length of service and hours worked. Teachers and administrators who are not on a twelve month contract do not earn vacation time. Administrators employed to work 260 days per year earn vacation annually as specified in their individual contracts. Classified employees and administrators who earn vacation are paid for accumulated unused vacation time upon termination of employment. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 325 days for classified employees. The certified employees' sick leave accrual is continuous, without limit. Upon retirement, certified employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. Classified employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. In addition, the classified employee may qualify based on sick leave usage to receive 10% of his/her unused days accumulated but unused during the last five years of employment. Administrative employees with five or more years of service receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 260 days. In addition, administrative employees with 10 or more years of service receive an additional 10 days for every year worked in excess of 10 years to a maximum of 30 additional days.

B. Insurance Benefits

The District provides term life insurance and accidental death and dismemberment insurance to eligible employees through Anthem Life Insurance, in the amount of \$50,000 or \$25,000 for all certified employees depending upon full and part time teaching, \$45,000 or \$30,000 for all noncertified employees depending upon the number of years each employee worked, and \$60,000 for each administrator except the superintendent and treasurer which are three times annual compensation and \$100,000, respectively.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 11 - OTHER EMPLOYEE BENEFITS - (Continued)

C. Retirement Incentive Plan

During fiscal year 2006 and 2009, the District offered a Retirement Incentive Bonus (“RIB”) and a Health Care Reimbursement Account (“HRA”) to certified teaching employees who are currently eligible to retire with the State Teachers Retirement System. Teachers electing to retire and accept the RIB and HRA are entitled to their normal severance payment (See Note 11.A.) plus a \$17,000 RIB plus an \$8,000 HRA. The employee’s severance payment is payable in three substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee’s RIB payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date. The employee’s HRA payment is payable in four substantially-equal payments with the first payment being made on or about the one-year anniversary date of the employee’s retirement and each subsequent payment being payable on or about the yearly anniversary of the retirement date.

At June 30, 2011, the total liability for retirement incentives (both RIB and HRA payments) is \$568,750. Of this total, \$175,000 is due within one year and recorded as a liability of the general fund. The remaining long-term portion is payable through fiscal year 2016.

The District has entered into a Memorandum of Agreement (MOA) with the Westlake Teachers Association whereby any teacher who would like to retire under the STRS parameters of age 55 with at least 25 years of service credit, or age 60 with at least 5 years of service credit, may do so and may be eligible for the retirement incentive plan. Under the MOA, any teacher who elects to retire and is eligible to retire under STRS parameters can do so under the retirement incentive plan.

The employee’s severance payment has been recorded as a component of “compensated absences payable” on the fund financial statements and the RIB and HRA payments have been recorded as “retirement incentive” on the fund financial statements to the extent that each will be liquidated using current expendable financial resources. The entire liability is recorded on the statement of net assets.

NOTE 12 - RISK MANAGEMENT

A. Property and Liability

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. For fiscal year 2011, the District once again contracted with the Ohio School Plan to provide property, fleet and liability insurance, as well as boiler and machinery coverage. There is a \$1,000 deductible with an agreed value co-insurance for property and a \$1,000 deductible for boiler and machinery coverage. There is no deductible for general liability.

General liability is provided by Ohio School Plan with a \$5,000,000 single occurrence limit, a \$7,000,000 aggregate limit in addition to a \$5,000,000 excess coverage policy. Employee dishonesty coverage is also provided by the Ohio School Plan with a \$1,000 deductible. Vehicles are covered by the Ohio School Plan and have a \$250 deductible for comprehensive and \$500 deductible for collision; buses have a \$1,000 deductible for comprehensive and \$1,000 deduction for collision. Automobile liability has a \$5,000,000 combined single limit of liability excluding the excess coverage indicated above.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 12 - RISK MANAGEMENT - (Continued)

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

B. Employee Medical Benefits

The District is a member of the Suburban Health Consortium, a shared risk pool (Note 2.A.) to provide employee medical, surgical, prescription drug, vision and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution and a pro-rata share of their "buy-in" contribution to existing plan reserves which is placed in a common fund from which the claim payments are made for all participating districts. For fiscal year 2011, the District paid 90% of the cost of the monthly medical and prescription-drug premium for classified, certified and administrative employees.

C. Workers' Compensation

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. In December of 2009, the District enrolled in a Group Retrospective rating program for calendar 2010 offered by the Ohio Bureau of Worker's Compensation and administered by CompManagement Inc. The District was enrolled in the same program again in calendar 2011.

NOTE 13 - PENSION PLANS

A. School Employees Retirement System

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2011, 11.77 percent and 0.04 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$976,483, \$1,003,077 and \$673,973, respectively; 55.19 percent has been contributed for fiscal year 2011 and 100 percent has been contributed for fiscal years 2010 and 2009.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 13 - PENSION PLANS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio website at www.strsoh.org, under "Publications".

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Funding Policy - For fiscal year 2011, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2011, 2010 and 2009 were \$3,218,832, \$3,111,261 and \$2,920,173, respectively; 83.34 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. Contributions to the DC and Combined Plans for fiscal year 2011 were \$128,011 made by the District and \$91,437 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2011, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Chapter 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 and SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "*Media/Financial Reports*".

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2011, 1.43 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2011, 2010 and 2009 were \$237,626, \$186,396 and \$417,212, respectively; 55.19 percent has been contributed for fiscal year 2011 and 100 percent has been contributed for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$62,839, \$59,651 and \$55,608, respectively; 55.19 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

**WESTLAKE CITY SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

B. State Teachers Retirement System of Ohio

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2011, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2011, 2010 and 2009 were \$247,602, \$239,328 and \$224,629, respectively; 83.34 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous Federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

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

NOTE 16 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 2,654,268
Building	6,632,764
Other governmental	<u>132,420</u>
 Total	 <u>\$ 9,419,452</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 17 - SET-ASIDES

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 the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. These amounts must be carried forward to be used for the same purposes in future years.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-aside balance June 30, 2010	\$ -	\$ -
Current year set-aside requirement	588,347	588,347
Contributions in excess of the current fiscal year set-aside requirement	-	-
Current year qualifying expenditures	(653,566)	(1,783,993)
Excess qualified expenditures from prior years	(1,283,594)	-
Current year offsets	-	-
Waiver granted by ODE	-	-
Prior year offset from bond proceeds	-	-
Total	<u>\$ (1,348,813)</u>	<u>\$ (1,195,646)</u>
Balance carried forward to fiscal year 2012	<u>\$ -</u>	<u>\$ -</u>
Set-aside balance June 30, 2011	<u>\$ -</u>	<u>\$ -</u>

The District had qualifying disbursements and offsets during the fiscal year that reduced the textbook set-aside amount to below zero. Effective July 1, 2011, the textbook set-aside is no longer required and has been removed from existing law. This negative balance is therefore not being presented as being carried forward to the future fiscal year.

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

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (1,868,398)
Net adjustment for revenue accruals	461,629
Net adjustment for expenditure accruals	(202,239)
Net adjustment for other sources/uses	(159,509)
Funds budgeted elsewhere	(8,364)
Adjustment for encumbrances	2,969,393
GAAP basis	<u>\$ 1,192,512</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the public school support fund, the interdistrict summer school fund, the community education fund and the uniform school supplies fund.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MAJOR FUNDS

General Fund

The general fund accounts for and reports all financial resources not accounted for and reported in another fund. These general fund's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

OTHER MAJOR FUNDS

Bond Retirement Fund

The bond retirement fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Building Fund

This building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or and other capital assets.

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Property taxes	\$ 38,556,489	\$ 38,920,289	\$ 39,082,365	\$ 162,076
Tuition	39,334	39,705	39,870	165
Transportation fees	9,532	9,622	9,662	40
Earnings on investments	291,768	294,521	295,747	1,226
Classroom materials and fees	16,145	16,297	16,365	68
Rental income.	42,195	42,593	42,770	177
Contract services	16,199	16,352	16,420	68
Other local revenues	9,857	9,950	9,991	41
Intergovernmental - State	10,677,411	10,778,158	10,823,041	44,883
Total revenues.	<u>49,658,930</u>	<u>50,127,487</u>	<u>50,336,231</u>	<u>208,744</u>
Expenditures:				
Instruction:				
Regular:				
Salaries and wages	16,332,746	16,214,990	16,200,396	14,594
Fringe benefits	5,331,137	5,221,648	5,011,621	210,027
Purchased services	67,206	79,828	74,060	5,768
Supplies	1,040,385	860,444	860,444	-
Capital outlay	346,751	497,311	298,162	199,149
Total regular	<u>23,118,225</u>	<u>22,874,221</u>	<u>22,444,683</u>	<u>429,538</u>
Special:				
Salaries and wages	3,103,072	3,205,058	3,205,058	-
Fringe benefits	1,289,887	1,284,887	1,276,602	8,285
Purchased services	3,206	9,462	9,328	134
Supplies	39,649	13,818	13,818	-
Capital outlay	284	19,547	19,547	-
Other	12,000	12,000	-	12,000
Total special	<u>4,448,098</u>	<u>4,544,772</u>	<u>4,524,353</u>	<u>20,419</u>
Vocational:				
Salaries and wages	329,922	225,500	167,691	57,809
Fringe benefits	58,213	58,213	52,355	5,858
Purchased services	61,544	78,603	51,966	26,637
Supplies	1,785	6,264	6,264	-
Total vocational	<u>451,464</u>	<u>368,580</u>	<u>278,276</u>	<u>90,304</u>
Adult/continuing:				
Supplies	-	750	750	-
Total adult/continuing	<u>-</u>	<u>750</u>	<u>750</u>	<u>-</u>
Other:				
Salaries and wages	146,941	95,841	95,815	26
Fringe benefits	82,907	82,907	74,340	8,567
Purchased services	2,277,938	2,230,370	1,998,651	231,719
Total other	<u>2,507,786</u>	<u>2,409,118</u>	<u>2,168,806</u>	<u>240,312</u>
Total instruction	<u>30,525,573</u>	<u>30,197,441</u>	<u>29,416,868</u>	<u>780,573</u>
Support Services:				
Pupil:				
Salaries and wages	2,027,246	2,069,462	2,069,462	-
Fringe benefits	698,250	698,250	656,656	41,594
Purchased services	810,704	806,286	686,550	119,736
Supplies	11,327	37,836	37,309	527
Capital outlay	-	745	745	-
Other	28,571	28,571	27,244	1,327
Total pupil	<u>3,576,098</u>	<u>3,641,150</u>	<u>3,477,966</u>	<u>163,184</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Instructional staff:				
Salaries and wages	\$ 2,068,185	\$ 2,129,964	\$ 2,129,964	\$ -
Fringe benefits	759,493	759,493	755,339	4,154
Purchased services	202,771	232,262	195,025	37,237
Supplies	317,218	179,156	179,156	-
Capital outlay	5,455	137,867	137,841	26
Other	7,347	6,714	6,514	200
Total instructional staff	<u>3,360,469</u>	<u>3,445,456</u>	<u>3,403,839</u>	<u>41,617</u>
Board of Education:				
Salaries and wages	16,594	16,594	13,500	3,094
Fringe benefits	2,517	2,517	2,425	92
Purchased services	7,100	7,100	2,490	4,610
Supplies	3,510	3,510	2,928	582
Other	12,700	12,700	9,266	3,434
Total board of education	<u>42,421</u>	<u>42,421</u>	<u>30,609</u>	<u>11,812</u>
Administration:				
Salaries and wages	1,886,127	1,886,127	1,850,650	35,477
Fringe benefits	835,552	826,234	779,946	46,288
Purchased services	420,483	394,471	290,407	104,064
Supplies	34,637	183,040	179,276	3,764
Capital outlay	1,500	4,752	4,252	500
Other	73,274	73,099	40,711	32,388
Total administration	<u>3,251,573</u>	<u>3,367,723</u>	<u>3,145,242</u>	<u>222,481</u>
Fiscal:				
Salaries and wages	353,029	353,457	353,457	-
Fringe benefits	148,584	156,269	156,269	-
Purchased services	46,273	47,182	45,639	1,543
Supplies	8,711	8,710	5,868	2,842
Capital outlay	27,575	28,196	27,075	1,121
Other	679,938	678,781	676,344	2,437
Total fiscal	<u>1,264,110</u>	<u>1,272,595</u>	<u>1,264,652</u>	<u>7,943</u>
Business:				
Salaries and wages	260,536	256,602	253,564	3,038
Fringe benefits	119,665	120,526	120,526	-
Purchased services	17,350	103,043	103,043	-
Supplies	942	77,997	77,667	330
Capital outlay		200	200	-
Other	1,042	1,940	1,760	180
Total business	<u>399,535</u>	<u>560,308</u>	<u>556,760</u>	<u>3,548</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operations and maintenance:				
Salaries and wages	\$ 1,912,652	\$ 1,912,652	\$ 1,909,710	\$ 2,942
Fringe benefits	744,559	739,559	726,419	13,140
Purchased services	1,939,084	2,510,300	1,978,646	531,654
Supplies	750,253	278,730	278,730	-
Capital outlay	32,778	51,016	51,016	-
Total operations and maintenance	<u>5,379,326</u>	<u>5,492,257</u>	<u>4,944,521</u>	<u>547,736</u>
Pupil transportation:				
Salaries and wages	2,423,146	2,487,102	2,487,102	-
Fringe benefits	1,138,362	1,128,978	1,128,978	-
Purchased services	423,740	221,843	221,843	-
Supplies	455,253	618,463	613,319	5,144
Capital outlay	366,369	389,893	389,727	166
Other	625	13,738	13,738	-
Total pupil transportation	<u>4,807,495</u>	<u>4,860,017</u>	<u>4,854,707</u>	<u>5,310</u>
Central:				
Salaries and wages	51,543	61,576	61,576	-
Fringe benefits	22,592	23,778	23,778	-
Purchased services.	75,425	77,195	54,802	22,393
Supplies	3,105	4,827	4,827	-
Capital outlay	-	2,069	2,069	-
Other	300	500	500	-
Total central.	<u>152,965</u>	<u>169,945</u>	<u>147,552</u>	<u>22,393</u>
Total support services	<u>22,233,992</u>	<u>22,851,872</u>	<u>21,825,848</u>	<u>1,026,024</u>
Extracurricular activities:				
Academic and subject oriented activities:				
Salaries and wages	134,989	134,989	134,549	440
Fringe benefits	21,936	21,936	20,573	1,363
Total academic and subject oriented activities	<u>156,925</u>	<u>156,925</u>	<u>155,122</u>	<u>1,803</u>
Sports oriented activities:				
Salaries and wages	622,395	622,395	621,152	1,243
Fringe benefits	153,691	143,691	139,657	4,034
Purchased services.	-	-	-	-
Other	750	750	-	750
Total sports oriented activities	<u>776,836</u>	<u>766,836</u>	<u>760,809</u>	<u>6,027</u>
Total extracurricular activities	<u>933,761</u>	<u>923,761</u>	<u>915,931</u>	<u>7,830</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Facilities acquisition and construction:				
Site improvement services:				
Capital outlay- replacement	\$ 34,032	\$ 31,467	\$ 31,232	\$ 235
Architecture and engineering services:				
Purchased services	103,684	139,855	139,780	75
Building acquisition and construction services:				
Other	-	1,040	-	1,040
Building improvement services:				
Purchased services	5,428	-	-	-
Capital outlay-replacement	18,447	24,886	24,886	-
Total building improvement services. . .	23,875	24,886	24,886	-
Total facilities acquisition and construction . .	161,591	197,248	195,898	1,350
Total expenditures	53,854,917	54,170,322	52,354,545	1,815,777
Excess of revenues over (under) expenditures	(4,195,987)	(4,042,835)	(2,018,314)	2,024,521
Other financing sources (uses):				
Refund of prior year's expenditures	103,891	104,871	105,308	437
Transfers (out).	(510,000)	(89,725)	(10,000)	79,725
Advances in.	118,501	119,619	120,117	498
Advances (out).	(80,000)	(80,000)	(21,637)	58,363
Other uses.	(44,279)	(44,279)	(44,279)	-
Sale of capital assets	402	405	407	2
Total other financing sources (uses)	(411,485)	10,891	149,916	139,025
Net change in fund balance	(4,607,472)	(4,031,944)	(1,868,398)	2,163,546
Fund balance at beginning of year	20,146,936	20,146,936	20,146,936	-
Prior year encumbrances appropriated . . .	2,784,326	2,784,326	2,784,326	-
Fund balance at end of year.	<u>\$ 18,323,790</u>	<u>\$ 18,899,318</u>	<u>\$ 21,062,864</u>	<u>\$ 2,163,546</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Property taxes	\$ 3,999,921	\$ 4,739,928	\$ 5,007,144	\$ 267,216
Intergovernmental - State	442,996	524,953	554,547	29,594
Intergovernmental-federal	1,080,007	1,279,814	1,351,964	72,150
Total revenues.	<u>5,522,924</u>	<u>6,544,695</u>	<u>6,913,655</u>	<u>368,960</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Purchased services	3,700	3,700	3,125	575
Other.	14,000	14,000	3,100	10,900
Total fiscal	<u>17,700</u>	<u>17,700</u>	<u>6,225</u>	<u>11,475</u>
Debt service:				
Principal retirement	2,040,000	2,040,000	2,040,000	-
Interest and fiscal charges	2,837,048	4,189,465	4,189,012	453
Total debt service.	<u>4,877,048</u>	<u>6,229,465</u>	<u>6,229,012</u>	<u>453</u>
Total expenditures	<u>4,894,748</u>	<u>6,247,165</u>	<u>6,235,237</u>	<u>11,928</u>
Excess of revenues (under) expenditures	<u>628,176</u>	<u>297,530</u>	<u>678,418</u>	<u>380,888</u>
Other financing sources (uses):				
Premium on bonds sold	531,147	629,412	664,895	35,483
Total other financing sources (uses)	<u>531,147</u>	<u>629,412</u>	<u>664,895</u>	<u>35,483</u>
Net change in fund balance	1,159,323	926,942	1,343,313	416,371
Fund balance at beginning of year	<u>3,929,881</u>	<u>3,929,881</u>	<u>3,929,881</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 5,089,204</u>	<u>\$ 4,856,823</u>	<u>\$ 5,273,194</u>	<u>\$ 416,371</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 242,032	\$ 244,813	\$ 2,781
Total revenues	242,032	244,813	2,781
Expenditures:			
Facilities acquisition and construction:			
Building acquisition and construction services:			
Purchased services	9,457,104	9,445,973	11,131
Supplies	4,000	-	4,000
Capital outlay	3,000	-	3,000
Total facilities acquisition and construction .	9,464,104	9,445,973	18,131
Debt service:			
Bond issue costs	720,896	714,365	6,531
Total debt service.	720,896	714,365	6,531
Total expenditures	10,185,000	10,160,338	24,662
Excess of revenues over (under) expenditures	(9,942,968)	(9,915,525)	27,443
Other financing sources (uses):			
Premium on bonds sold	712,708	720,896	8,188
Proceeds from the sale of bonds.	83,100,260	84,055,000	954,740
Total other financing sources (uses)	83,812,968	84,775,896	962,928
Net change in fund balance	73,870,000	74,860,371	990,371
Fund balance at beginning of year	11,766	11,766	-
Fund balance at end of year.	\$ 73,881,766	\$ 74,872,137	\$ 990,371

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report specific revenue sources that are restricted or committed to an expenditure for a specific purpose. A description of the District's special revenue funds follows:

Food Service Fund

This fund accounts for the financial transactions related to the food service operations of the District.

Local Grants Fund

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

Professional Development Grant Fund

This fund accounts for grant monies that are legally restricted to expenditures for professional development.

Athletic and Music Fund

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

Auxiliary Services Fund

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

Educational Management Information Systems Fund

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

Data Communications Support Fund

This fund accounts for State monies received to provide Ohio Educational Computer Network Connections.

Adult Basic Education Fund

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

Education Jobs Fund

This fund accounts for federal monies whose purpose is to create education jobs for the 2010-2011 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

IDEA, Part B Special Education Fund

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

Education Stabilization Fund

Grant from the American Recovery and Reinvestment Act (ARRA) in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

Stimulus Title II D Fund

Grant focus on Professional Development and Student Learning. Through sustained, collaborative, job-embedded professional development and the use of research-based methods, teachers will experience new models and strategies for teaching and learning.

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS

Nonmajor Special Revenue Funds - (Continued)

Limited English Proficiency Fund

This fund accounts for federal monies used for instruction in the child's native language to the extent necessary to allow a child to achieve competence in English.

Title I Fund

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

Early Childhood Education Development Fund

This fund accounts for federal monies which partially support the preschool program focusing on the early education of handicapped children.

Improving Teacher Quality Fund

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

Miscellaneous Federal Grants Fund

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

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Uniform School Supplies Fund

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

Interdistrict Summer School Fund

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

Community Education Fund

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

Public School Support Fund

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

Nonmajor Capital Projects Fund

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or and other capital assets.

Permanent Improvement Fund

This fund accounts for the acquisition and construction of permanent improvements as authorized by Chapter 5705, Revised Code.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Equity in pooled cash and investments	\$ 440,267	\$ 680	\$ 440,947
Receivables:			
Accounts	7,525	-	7,525
Intergovernmental	409,450	-	409,450
Inventory held for resale	6,561	-	6,561
Materials and supplies inventory	<u>2,459</u>	<u>-</u>	<u>2,459</u>
Total assets	<u>\$ 866,262</u>	<u>\$ 680</u>	<u>\$ 866,942</u>
 Liabilities:			
Accounts payable	\$ 41,469	\$ -	\$ 41,469
Accrued wages and benefits	184,953	-	184,953
Intergovernmental payable	81,699	-	81,699
Deferred revenue	<u>204,677</u>	<u>-</u>	<u>204,677</u>
Total liabilities	<u>512,798</u>	<u>-</u>	<u>512,798</u>
 Fund Balances:			
Nonspendable:			
Materials and supplies inventory	9,020	-	9,020
Restricted:			
Capital improvements	-	680	680
Adult education	1,924	-	1,924
Food service operations	47,955	-	47,955
Non-public schools	30,095	-	30,095
Special education	16,678	-	16,678
Targeted academic assistance	4,004	-	4,004
Other purposes	46,415	-	46,415
Extracurricular	199,167	-	199,167
Unassigned (deficit)	<u>(1,794)</u>	<u>-</u>	<u>(1,794)</u>
Total fund balances (deficit)	<u>353,464</u>	<u>680</u>	<u>354,144</u>
Total liabilities and fund balances	<u>\$ 866,262</u>	<u>\$ 680</u>	<u>\$ 866,942</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Charges for services	\$ 982,339	\$ -	\$ 982,339
Earnings on investments	206	1	207
Extracurricular	192,843	-	192,843
Classroom materials and fees.	-	-	-
Rental income	3,930	-	3,930
Contributions and donations	123,457	-	123,457
Other local revenues	12,812	-	12,812
Intergovernmental - State	502,583	-	502,583
Intergovernmental - Federal	2,490,434	-	2,490,434
	<hr/>	<hr/>	<hr/>
Total revenue	4,308,604	1	4,308,605
Expenditures:			
Current:			
Instruction:			
Regular	160,788	-	160,788
Special	696,346	-	696,346
Adult/continuing	86,315	-	86,315
Other	342,777	-	342,777
Support services:			
Pupil	311,674	-	311,674
Instructional staff.	290,442	-	290,442
Administration	13,731	-	13,731
Operations and maintenance	180,338	-	180,338
Pupil transportation	9,949	-	9,949
Central	20,925	-	20,925
Operation of non-instructional services:			
Food service operations	1,230,889	-	1,230,889
Other non-instructional services	484,772	-	484,772
Extracurricular activities	334,344	-	334,344
Facilities acquisition and construction	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	4,163,290	-	4,163,290
Excess of revenues over (under) expenditures.	<hr/>	<hr/>	<hr/>
	145,314	1	145,315
Other financing sources:			
Transfers in	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Total other financing sources	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Net change in fund balances.	155,314	1	155,315
Fund balances at beginning of year (restated).	<hr/>	<hr/>	<hr/>
	198,150	679	198,829
Fund balances (deficit) at end of year	<hr/>	<hr/>	<hr/>
	\$ 353,464	\$ 680	\$ 354,144

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011

	Food Service	Local Grants	Professional Development Grant	Athletic and Music
Assets:				
Equity in pooled cash and investments	\$ 137,041	\$ 1,644	\$ 38,250	\$ 199,323
Receivables:				
Accounts	460	-	6,521	544
Intergovernmental	36,784	-	-	-
Inventory held for resale	6,561	-	-	-
Materials and supplies inventory	2,459	-	-	-
Total assets.	<u>\$ 183,305</u>	<u>\$ 1,644</u>	<u>\$ 44,771</u>	<u>\$ 199,867</u>
Liabilities:				
Accounts payable.	\$ 10,774	\$ -	\$ -	\$ 549
Accrued wages and benefits	70,593	-	-	-
Intergovernmental payable	44,963	-	-	151
Deferred revenue.	-	-	-	-
Total liabilities.	126,330	-	-	700
Fund Balances:				
Nonspendable:				
Materials and supplies inventory.	9,020	-	-	-
Restricted:				
Adult education	-	-	-	-
Food service operations	47,955	-	-	-
Non-public schools	-	-	-	-
Special education	-	-	-	-
Targeted academic assistance	-	-	-	-
Other purposes.	-	1,644	44,771	-
Extracurricular	-	-	-	199,167
Unassigned (deficit).	-	-	-	-
Total fund balances (deficits).	56,975	1,644	44,771	199,167
Total liabilities and fund balances	<u>\$ 183,305</u>	<u>\$ 1,644</u>	<u>\$ 44,771</u>	<u>\$ 199,867</u>

Auxiliary Services	Adult Basic Education	Education Jobs	IDEA, Part B Special Education	Stimulus Title II D	Limited English Proficiency
\$ 63,890	\$ 7	\$ -	\$ 87	\$ -	\$ -
-	-	-	-	-	-
-	30,748	114,533	112,762	87	3,550
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 63,890</u>	<u>\$ 30,755</u>	<u>\$ 114,533</u>	<u>\$ 112,849</u>	<u>\$ 87</u>	<u>\$ 3,550</u>
\$ 6,394	\$ 2,041	\$ -	\$ 7,951	\$ -	\$ -
20,581	9,400	-	27,907	-	-
6,820	4,613	-	12,141	-	-
-	12,777	114,533	48,172	87	3,550
<u>33,795</u>	<u>28,831</u>	<u>114,533</u>	<u>96,171</u>	<u>87</u>	<u>3,550</u>
-	-	-	-	-	-
-	1,924	-	-	-	-
-	-	-	-	-	-
30,095	-	-	-	-	-
-	-	-	16,678	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>30,095</u>	<u>1,924</u>	<u>-</u>	<u>16,678</u>	<u>-</u>	<u>-</u>
<u>\$ 63,890</u>	<u>\$ 30,755</u>	<u>\$ 114,533</u>	<u>\$ 112,849</u>	<u>\$ 87</u>	<u>\$ 3,550</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2011

	Title I	Early Childhood Education Development	Improving Teacher Quality	Total Nonmajor Special Revenue Funds
Assets:				
Equity in pooled cash and investments	\$ 14	\$ 4	\$ 7	\$ 440,267
Receivables:				
Accounts	-	-	-	7,525
Intergovernmental	94,397	4,897	11,692	409,450
Inventory held for resale	-	-	-	6,561
Materials and supplies inventory	-	-	-	2,459
	<u>94,411</u>	<u>4,901</u>	<u>11,699</u>	<u>866,262</u>
Total assets.	<u>\$ 94,411</u>	<u>\$ 4,901</u>	<u>\$ 11,699</u>	<u>\$ 866,262</u>
Liabilities:				
Accounts payable.	\$ 13,760	\$ -	\$ -	\$ 41,469
Accrued wages and benefits	51,539	4,933	-	184,953
Intergovernmental payable	11,511	1,242	258	81,699
Deferred revenue.	13,597	269	11,692	204,677
	<u>90,407</u>	<u>6,444</u>	<u>11,950</u>	<u>512,798</u>
Total liabilities.	<u>90,407</u>	<u>6,444</u>	<u>11,950</u>	<u>512,798</u>
Fund Balances:				
Nonspendable:				
Materials and supplies inventory.	-	-	-	9,020
Restricted:				
Adult education	-	-	-	1,924
Food service operations	-	-	-	47,955
Non-public schools	-	-	-	30,095
Special education	-	-	-	16,678
Targeted academic assistance	4,004	-	-	4,004
Other purposes.	-	-	-	46,415
Extracurricular	-	-	-	199,167
Unassigned (deficit).	-	(1,543)	(251)	(1,794)
	<u>4,004</u>	<u>(1,543)</u>	<u>(251)</u>	<u>353,464</u>
Total fund balances (deficits).	<u>4,004</u>	<u>(1,543)</u>	<u>(251)</u>	<u>353,464</u>
Total liabilities and fund balances	<u>\$ 94,411</u>	<u>\$ 4,901</u>	<u>\$ 11,699</u>	<u>\$ 866,262</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Food Service</u>	<u>Local Grants</u>	<u>Professional Development Grant</u>	<u>Athletic and Music</u>
Revenues:				
From local sources:				
Charges for services	\$ 982,339	\$ -	\$ -	\$ -
Earnings on investments	105	-	-	-
Extracurricular	-	-	-	192,843
Rental income.	-	-	3,930	-
Contributions and donations	-	-	7,575	115,882
Other local revenues	1,094	-	6,521	5,197
Intergovernmental - State	5,255	-	-	-
Intergovernmental - Federal	268,946	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue.	1,257,739	-	18,026	313,922
Expenditures:				
Current:				
Instruction:				
Regular.	-	1,068	1,364	-
Special	-	-	-	-
Adult/continuing	-	-	3,725	-
Other	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff.	-	-	239	-
Administration	-	-	-	-
Operations and maintenance.	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	1,230,889	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities.	-	-	3,273	331,071
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	1,230,889	1,068	8,601	331,071
Excess of revenues over (under) expenditures.	26,850	(1,068)	9,425	(17,149)
Other financing sources:				
Transfers in.	-	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources.	-	-	-	10,000
Net change in fund balances	26,850	(1,068)	9,425	(7,149)
Fund balances (deficit)				
at beginning of year (restated).	30,125	2,712	35,346	206,316
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at end of year	\$ 56,975	\$ 1,644	\$ 44,771	\$ 199,167

<u>Auxiliary Services</u>	<u>Educational Management Information Systems</u>	<u>Data Communications Support</u>	<u>Adult Basic Education</u>	<u>IDEA, Part B Special Education</u>	<u>Education Stabilization</u>	<u>Stimulus Title II D</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
101	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
449,789	5,000	15,925	26,614	-	-	-
-	-	-	100,272	1,239,048	205,620	1,237
<u>449,890</u>	<u>5,000</u>	<u>15,925</u>	<u>126,886</u>	<u>1,239,048</u>	<u>205,620</u>	<u>1,237</u>
-	-	-	-	-	-	-
-	-	-	-	676,822	-	-
-	-	-	82,590	-	-	-
-	-	-	-	-	27,032	-
-	-	-	-	279,597	-	-
-	-	-	36,540	138,789	-	1,244
-	-	-	7,294	-	-	-
-	-	-	1,750	-	178,588	-
-	-	-	-	-	-	-
-	5,000	15,925	-	-	-	-
-	-	-	-	-	-	-
440,304	-	-	127	34,790	-	14
-	-	-	-	-	-	-
<u>440,304</u>	<u>5,000</u>	<u>15,925</u>	<u>128,301</u>	<u>1,129,998</u>	<u>205,620</u>	<u>1,258</u>
9,586	-	-	(1,415)	109,050	-	(21)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,586	-	-	(1,415)	109,050	-	(21)
20,509	-	-	3,339	(92,372)	-	21
<u>\$ 30,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,924</u>	<u>\$ 16,678</u>	<u>\$ -</u>	<u>\$ -</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Limited English Proficiency</u>	<u>Title I</u>	<u>Early Childhood Education Development</u>	<u>Improving Teacher Quality</u>
Revenues:				
From local sources:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Earnings on investments	-	-	-	-
Extracurricular	-	-	-	-
Rental income.	-	-	-	-
Contributions and donations	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - State	-	-	-	-
Intergovernmental - Federal	24,129	526,209	32,824	85,424
	<u>24,129</u>	<u>526,209</u>	<u>32,824</u>	<u>85,424</u>
Total revenue.	<u>24,129</u>	<u>526,209</u>	<u>32,824</u>	<u>85,424</u>
Expenditures:				
Current:				
Instruction:				
Regular.	-	124,202	-	34,154
Special	19,207	-	317	-
Adult/continuing	-	-	-	-
Other	-	315,745	-	-
Support services:				
Pupil	-	13,387	18,690	-
Instructional staff.	4,922	48,155	10,467	50,086
Administration	-	6,437	-	-
Operations and maintenance.	-	-	-	-
Pupil transportation	-	2,165	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	-	8,594	-	943
Extracurricular activities.	-	-	-	-
	<u>24,129</u>	<u>518,685</u>	<u>29,474</u>	<u>85,183</u>
Total expenditures	<u>24,129</u>	<u>518,685</u>	<u>29,474</u>	<u>85,183</u>
Excess of revenues over (under) expenditures.	-	7,524	3,350	241
Other financing sources:				
Transfers in.	-	-	-	-
Total other financing sources.	-	-	-	-
Net change in fund balances	-	7,524	3,350	241
Fund balances (deficit) at beginning of year (restated).	<u>-</u>	<u>(3,520)</u>	<u>(4,893)</u>	<u>(492)</u>
Fund balances (deficit) at end of year	<u>\$ -</u>	<u>\$ 4,004</u>	<u>\$ (1,543)</u>	<u>\$ (251)</u>

Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ 982,339
-	206
-	192,843
-	3,930
-	123,457
-	12,812
-	502,583
6,725	2,490,434
6,725	4,308,604
-	160,788
-	696,346
-	86,315
-	342,777
-	311,674
-	290,442
-	13,731
-	180,338
7,784	9,949
-	20,925
-	1,230,889
-	484,772
-	334,344
7,784	4,163,290
(1,059)	145,314
-	10,000
-	10,000
(1,059)	155,314
1,059	198,150
\$ -	\$ 353,464

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Charges for services	\$ 964,964	\$ 982,339	\$ 17,375
Earnings on investments	103	105	2
Other local revenues	257	262	5
Intergovernmental - State	5,162	5,255	93
Intergovernmental - Federal	229,113	233,238	4,125
Total revenues	1,199,599	1,221,199	21,600
Expenditures:			
Operation of non-instructional services:			
Food service operations:			
Salaries and wages	445,151	444,763	388
Fringe benefits	180,698	180,632	66
Purchased services	2,000	1,929	71
Supplies	586,299	582,943	3,356
Capital outlay	3,775	3,774	1
Total food service operations	1,217,923	1,214,041	3,882
Total expenditures	1,217,923	1,214,041	3,882
Excess of revenues over (under) expenditures	(18,324)	7,158	25,482
Other financing sources:			
Refund of prior year's expenditures	401	408	7
Total other financing sources	401	408	7
Net change in fund balance	(17,923)	7,566	25,489
Fund balance at beginning of year	87,552	87,552	-
Prior year encumbrances appropriated	19,801	19,801	-
Fund balance at end of year	\$ 89,430	\$ 114,919	\$ 25,489

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Supplies	\$ 1,068	\$ 1,068	\$ -
Total regular	<u>1,068</u>	<u>1,068</u>	<u>-</u>
Total expenditures	<u>1,068</u>	<u>1,068</u>	<u>-</u>
Net change in fund balance	(1,068)	(1,068)	-
Fund balance at beginning of year	<u>2,712</u>	<u>2,712</u>	<u>-</u>
Fund balance at end of year.	<u><u>\$ 1,644</u></u>	<u><u>\$ 1,644</u></u>	<u><u>\$ -</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROFESSIONAL DEVELOPMENT GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Rental income	\$ 2,784	\$ 3,930	\$ 1,146
Contributions and donations	5,366	7,575	2,209
Total revenues	<u>8,150</u>	<u>11,505</u>	<u>3,355</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	2,360	-	2,360
Supplies	-	-	-
Capital outlay	1,379	1,364	15
Total regular	<u>3,739</u>	<u>1,364</u>	<u>2,375</u>
Adult/continuing:			
Salaries and wages	3,217	3,217	-
Fringe benefits	508	508	-
Total adult/continuing	<u>3,725</u>	<u>3,725</u>	<u>-</u>
Support services:			
Instructional staff:			
Salaries and wages	1,126	-	1,126
Fringe benefits	293	-	293
Purchased services	1,620	239	1,381
Total instructional staff	<u>3,039</u>	<u>239</u>	<u>2,800</u>
Extracurricular:			
School and public service co-curricular activities:			
Purchased services	5,273	5,273	-
Total school and public service co-curricular activities	<u>5,273</u>	<u>5,273</u>	<u>-</u>
Facilities acquisition and construction:			
Site improvement services:			
Capital outlay	428	-	428
Total facilities acquisition and construction	<u>428</u>	<u>-</u>	<u>428</u>
Total expenditures	<u>16,204</u>	<u>10,601</u>	<u>5,603</u>
Net change in fund balance	(8,054)	904	8,958
Fund balance at beginning of year (restated).	<u>35,346</u>	<u>35,346</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27,292</u>	<u>\$ 36,250</u>	<u>\$ 8,958</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ATHLETIC AND MUSIC FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Extracurricular	\$ 186,057	\$ 192,843	\$ 6,786
Contributions and donations	111,805	115,882	4,077
Other local revenues	3,217	3,334	117
Total revenues.	301,079	312,059	10,980
Expenditures:			
Extracurricular activities:			
Sports oriented activities:			
Salaries and wages	16,643	16,643	-
Fringe benefits	2,000	1,821	179
Purchased services	83,678	81,259	2,419
Supplies	115,287	108,889	6,398
Capital outlay	14,418	6,768	7,650
Other	145,558	139,230	6,328
Total extracurricular activities.	377,584	354,610	22,974
Total expenditures	377,584	354,610	22,974
Excess of revenues over (under) expenditures	(76,505)	(42,551)	33,954
Other financing sources:			
Refund of prior year's expenditures	1,273	1,319	46
Transfers in.	9,648	10,000	352
Total other financing sources	10,921	11,319	398
Net change in fund balance	(65,584)	(31,232)	34,352
Fund balance at beginning of year	187,186	187,186	-
Prior year encumbrances appropriated	20,129	20,129	-
Fund balance at end of year.	\$ 141,731	\$ 176,083	\$ 34,352

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 101	\$ 101	\$ -
Intergovernmental - State	449,784	449,789	5
Total revenues.	<u>449,885</u>	<u>449,890</u>	<u>5</u>
Expenditures:			
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	116,236	99,734	16,502
Fringe benefits	56,755	50,953	5,802
Purchased services	115,340	115,340	-
Supplies	172,789	172,698	91
Capital outlay	50,367	50,367	-
Total other non-instructional services	<u>511,487</u>	<u>489,092</u>	<u>22,395</u>
Total expenditures	<u>511,487</u>	<u>489,092</u>	<u>22,395</u>
Net change in fund balance	(61,602)	(39,202)	22,400
Fund balance at beginning of year	50,314	50,314	-
Prior year encumbrances appropriated	11,289	11,289	-
Fund balance at end of year.	<u>\$ 1</u>	<u>\$ 22,401</u>	<u>\$ 22,400</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EDUCATIONAL MANAGEMENT INFORMATION SYSTEMS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental - State	\$ 5,000	\$ 5,000	\$ -
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Central:			
Salaries and wages	5,000	5,000	-
Total central	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-State	\$ 15,925	\$ 15,925	\$ -
Total revenues	15,925	15,925	-
Expenditures:			
Current:			
Support services:			
Central:			
Purchased services	15,925	15,925	-
Total central	15,925	15,925	-
Total expenditures	15,925	15,925	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADULT BASIC EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - State	\$ 33,497	\$ 26,614	\$ (6,883)
Intergovernmental - Federal	112,336	89,253	(23,083)
Total revenues	145,833	115,867	(29,966)
Expenditures:			
Current:			
Instruction:			
Adult/Continuing:			
Salaries and wages	63,306	50,773	12,533
Fringe benefits	10,784	8,377	2,407
Supplies	9,769	9,275	494
Capital outlay	8,951	8,560	391
Total adult/continuing	92,810	76,985	15,825
Support services:			
Instructional staff:			
Salaries and wages	34,045	28,159	5,886
Fringe benefits	5,760	4,654	1,106
Purchased services	3,481	2,674	807
Supplies	290	290	-
Other	200	200	-
Total instructional staff	43,776	35,977	7,799
Administration:			
Salaries and wages	6,972	6,190	782
Fringe benefits	1,184	1,026	158
Total administration	8,156	7,216	940
Operations and maintenance:			
Purchased services	1,750	1,750	-
Total operations and maintenance	1,750	1,750	-
Operation of non-instructional services:			
Other non-instructional services:			
Supplies	250	127	123
Total other non-instructional services	250	127	123
Total expenditures	146,742	122,055	24,687
Excess of revenues over (under) expenditures	(909)	(6,188)	(5,279)
Other financing sources (uses):			
Advances in	3,804	3,022	(782)
Advances (out)	(3,022)	(3,022)	-
Total other financing sources (uses)	782	-	(782)
Net change in fund balance	(127)	(6,188)	(6,061)
Fund balance at beginning of year	127	127	-
Fund balance (deficit) at end of year	\$ -	\$ (6,061)	\$ (6,061)

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IDEA, PART B SPECIAL EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 1,280,310	\$ 1,167,547	\$ (112,763)
Total revenues	1,280,310	1,167,547	(112,763)
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	59,017	49,102	9,915
Purchased services	647,465	640,385	7,080
Supplies	9,740	8,014	1,726
Capital outlay	23,185	23,185	-
Total special	739,407	720,686	18,721
Support services:			
Pupil:			
Salaries and wages	57,049	47,465	9,584
Purchased services	254,140	254,140	-
Supplies	10,350	10,350	-
Total pupil	321,539	311,955	9,584
Instructional staff:			
Salaries and wages	50,995	45,831	5,164
Fringe benefits	41,630	36,903	4,727
Purchased services	72,417	65,766	6,651
Total instructional staff	165,042	148,500	16,542
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	34,790	34,790	-
Total other non-instructional services	34,790	34,790	-
Total expenditures	1,260,778	1,215,931	44,847
Excess of revenues over (under) expenditures	19,532	(48,384)	(67,916)
Other financing (uses):			
Advances (out)	(19,853)	(19,853)	-
Total other financing (uses)	(19,853)	(19,853)	-
Net change in fund balance	(321)	(68,237)	(67,916)
Fund balance (deficit) at beginning of year.	(103,815)	(103,815)	-
Prior year encumbrances appropriated . . .	104,136	104,136	-
Fund balance (deficit) at end of year	\$ -	\$ (67,916)	\$ (67,916)

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EDUCATION STABILIZATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-Federal	\$ 205,620	\$ 205,620	\$ -
Total revenues	<u>205,620</u>	<u>205,620</u>	<u>-</u>
Expenditures:			
Current:			
Instruction:			
Other:			
Purchased services	27,032	27,032	-
Total other instruction	<u>27,032</u>	<u>27,032</u>	<u>-</u>
Support services:			
Operations and maintenance:			
Purchased services	178,588	178,588	-
Total operations and maintenance	<u>178,588</u>	<u>178,588</u>	<u>-</u>
Total expenditures	<u>205,620</u>	<u>205,620</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STIMULUS TITLE II D FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental-Federal	\$ 1,323	\$ 1,237	\$ (86)
Total revenues	<u>1,323</u>	<u>1,237</u>	<u>(86)</u>
Expenditures:			
Current:			
Support services:			
Support services-instructional staff			
Purchased services	1,244	1,244	-
Total support services-instructional staff	<u>1,244</u>	<u>1,244</u>	<u>-</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	100	14	86
Total other non-instructional services	<u>100</u>	<u>14</u>	<u>86</u>
Total expenditures	<u>1,344</u>	<u>1,258</u>	<u>86</u>
Net change in fund balance	(21)	(21)	-
Fund balance at beginning of year	<u>21</u>	<u>21</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIMITED ENGLISH PROFICIENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 27,679	\$ 24,129	\$ (3,550)
Total revenues	27,679	24,129	(3,550)
Expenditures:			
Current:			
Instruction:			
Special:			
Salaries and wages	15,359	15,359	-
Supplies	4,825	3,847	978
Total special	20,184	19,206	978
Support services:			
Instructional staff:			
Salaries and wages	1,995	833	1,162
Purchased services	5,500	4,090	1,410
Total instructional staff	7,495	4,923	2,572
Total expenditures	27,679	24,129	3,550
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TITLE I FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental - Federal	\$ 616,981	\$ 522,584	\$ (94,397)
Total revenues	<u>616,981</u>	<u>522,584</u>	<u>(94,397)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	43,392	35,742	7,650
Fringe benefits	7,303	5,731	1,572
Purchased services	18,188	18,188	-
Supplies	83,052	79,940	3,112
Total regular	<u>151,935</u>	<u>139,601</u>	<u>12,334</u>
Other:			
Salaries and wages	316,445	268,054	48,391
Fringe benefits	51,770	44,083	7,687
Total other	<u>368,215</u>	<u>312,137</u>	<u>56,078</u>
Support services:			
Pupil:			
Purchased services	13,387	13,387	-
Total pupil	<u>13,387</u>	<u>13,387</u>	<u>-</u>
Instructional staff:			
Fringe benefits	39	-	39
Purchased services	20,996	20,498	498
Supplies	33,208	28,279	4,929
Total instructional staff	<u>54,243</u>	<u>48,777</u>	<u>5,466</u>
Administration			
Salaries and wages	5,520	5,520	-
Fringe benefits	925	917	8
Total administration	<u>6,445</u>	<u>6,437</u>	<u>8</u>
Pupil transportation:			
Salaries and wages	2,165	2,165	-
Total pupil transportation	<u>2,165</u>	<u>2,165</u>	<u>-</u>
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	12,526	6,738	5,788
Fringe benefits	2,032	1,070	962
Supplies	700	685	15
Total other non-instructional services	<u>15,258</u>	<u>8,493</u>	<u>6,765</u>
Total expenditures	<u>611,648</u>	<u>530,997</u>	<u>80,651</u>
Excess of revenues over (under) expenditures	<u>5,333</u>	<u>(8,413)</u>	<u>(13,746)</u>
Other financing (uses):			
Advances (out)	(5,360)	(5,360)	-
Total other financing (uses)	<u>(5,360)</u>	<u>(5,360)</u>	<u>-</u>
Net change in fund balance	(27)	(13,773)	(13,746)
Fund balance (deficit) at beginning of year.	(18,096)	(18,096)	-
Prior year encumbrances appropriated . . .	18,123	18,123	-
Fund balance (deficit) at end of year. . . .	<u>\$ -</u>	<u>\$ (13,746)</u>	<u>\$ (13,746)</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EARLY CHILDHOOD EDUCATION DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 34,052	\$ 29,155	\$ (4,897)
Total revenues	34,052	29,155	(4,897)
Expenditures:			
Current:			
Instruction:			
Special:			
Supplies	554	317	237
Total special	554	317	237
Support services:			
Pupil:			
Salaries and wages	21,280	18,441	2,839
Total pupil	21,280	18,441	2,839
Instructional staff:			
Salaries and wages	11,018	9,222	1,796
Purchased services	1,200	1,200	-
Total instructional staff	12,218	10,422	1,796
Total expenditures	34,052	29,180	4,872
Net change in fund balance	-	(25)	(25)
Fund balance at beginning of year	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ (25)	\$ (25)

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IMPROVING TEACHER QUALITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 107,285	\$ 95,594	\$ (11,691)
Total revenues	107,285	95,594	(11,691)
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	38,000	38,000	-
Fringe benefits	6,346	6,346	-
Total regular	44,346	44,346	-
Support services:			
Instructional staff:			
Salaries and wages	27,655	20,077	7,578
Fringe benefits	3,487	3,330	157
Purchased services	25,840	23,010	2,830
Supplies	2,367	2,367	-
Capital outlay	2,292	2,292	-
Total instructional staff	61,641	51,076	10,565
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	1,320	943	377
Total other non-instructional services	1,320	943	377
Total expenditures	107,307	96,365	10,942
Net change in fund balance	(22)	(771)	(749)
Fund balance (deficit) at beginning of year.	(10,170)	(10,170)	-
Prior year encumbrances appropriated	10,192	10,192	-
Fund balance (deficit) at end of year	\$ -	\$ (749)	\$ (749)

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MISCELLANEOUS FEDERAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 72,525	\$ 72,525	\$ -
Total revenues	72,525	72,525	-
Expenditures:			
Current:			
Support services:			
Pupil transportation:			
Purchased services	7,784	7,784	-
Total pupil transportation	7,784	7,784	-
Total expenditures	7,784	7,784	-
Excess of revenues over (under) expenditures	64,741	64,741	-
Other financing (uses):			
Advances (out)	(64,741)	(64,741)	-
Total other financing (uses)	(64,741)	(64,741)	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Classroom materials and fees	\$ 36,459	\$ 39,830	\$ 3,371
Total revenues.	<u>36,459</u>	<u>39,830</u>	<u>3,371</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Supplies	34,003	34,003	-
Total regular	<u>34,003</u>	<u>34,003</u>	<u>-</u>
Total expenditures	<u>34,003</u>	<u>34,003</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>2,456</u>	<u>5,827</u>	<u>3,371</u>
Other financing sources (uses):			
Advances in	10,541	10,541	-
Advances (out)	<u>(10,541)</u>	<u>(10,541)</u>	<u>-</u>
Total other financing sources (uses).	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	2,456	5,827	3,371
Fund balance at beginning of year	<u>15,171</u>	<u>15,171</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 17,627</u>	<u>\$ 20,998</u>	<u>\$ 3,371</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERDISTRICT SUMMER SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Tuition	\$ 54,660	\$ 64,060	\$ 9,400
Total revenues	54,660	64,060	9,400
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	58,000	51,534	6,466
Fringe benefits	8,600	7,953	647
Supplies	3,500	727	2,773
Capital outlay	13,672	12,368	1,304
Total regular	83,772	72,582	11,190
Support services:			
Administration:			
Salaries and wages	14,000	12,415	1,585
Fringe benefits	2,100	2,039	61
Purchased services	1,825	996	829
Supplies	1,000	-	1,000
Total administration	18,925	15,450	3,475
Total expenditures	102,697	88,032	14,665
Excess of revenues (under) expenditures	(48,037)	(23,972)	24,065
Other financing uses:			
Refund of prior year's (receipts)	800	800	-
Total other financing uses	800	800	-
Net change in fund balance	(47,237)	(23,172)	24,065
Fund balance at beginning of year	119,413	119,413	-
Fund balance at end of year	\$ 72,176	\$ 96,241	\$ 24,065

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Tuition	\$ 315,661	\$ 322,018	\$ 6,357
Classroom materials and fees	3,018	3,079	61
Other local revenues	10,125	10,329	204
Total revenues.	<u>328,804</u>	<u>335,426</u>	<u>6,622</u>
Expenditures:			
Current:			
Support services:			
Administration:			
Salaries and wages	48,302	48,302	-
Fringe benefits	27,523	27,523	-
Total administration	<u>75,825</u>	<u>75,825</u>	<u>-</u>
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	170,139	170,139	-
Fringe benefits	47,030	47,030	-
Purchased services	7,792	7,783	9
Supplies	29,009	28,186	823
Capital outlay	390	200	190
Total other non-instructional services	<u>254,360</u>	<u>253,338</u>	<u>1,022</u>
Total expenditures	<u>330,185</u>	<u>329,163</u>	<u>1,022</u>
Excess of revenues (under) expenditures	<u>(1,381)</u>	<u>6,263</u>	<u>7,644</u>
Other financing sources (uses):			
Refund of prior year's (receipts)	(1,710)	(910)	800
Advances in	7,915	8,074	159
Advances (out)	(16,600)	(16,600)	-
Total other financing sources (uses).	<u>(10,395)</u>	<u>(9,436)</u>	<u>959</u>
Net change in fund balance	(11,776)	(3,173)	8,603
Fund balance at beginning of year	17,453	17,453	-
Prior year encumbrances appropriated	1,735	1,735	-
Fund balance at end of year.	<u>\$ 7,412</u>	<u>\$ 16,015</u>	<u>\$ 8,603</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Extracurricular	\$ 97,100	\$ 98,493	\$ 1,393
Classroom materials and fees	191,337	194,080	2,743
Contributions and donations	56,701	57,514	813
Other local revenues	4,271	4,332	61
Total revenues	<u>349,409</u>	<u>354,419</u>	<u>5,010</u>
Expenditures:			
Current:			
Support services:			
Board of education:			
Purchased services	2,500	319	2,181
Total support services-board of education	<u>2,500</u>	<u>319</u>	<u>2,181</u>
Support services-central			
Purchased services	500	466	34
Total support services-central	<u>500</u>	<u>466</u>	<u>34</u>
Total support services	<u>3,000</u>	<u>785</u>	<u>2,215</u>
Operation of non-instructional services:			
Other non-instructional services:			
Supplies	4,494	4,226	268
Total other non-instructional services	<u>4,494</u>	<u>4,226</u>	<u>268</u>
Extracurricular activities:			
School and public service co-curricular activities:			
Supplies	464,767	350,674	114,093
Capital outlay	53,332	21,199	32,133
Total school and public service co-curricular activities	<u>518,099</u>	<u>371,873</u>	<u>146,226</u>
Total expenditures	<u>525,593</u>	<u>376,884</u>	<u>148,709</u>
Excess of revenues over (under) expenditures	<u>(176,184)</u>	<u>(22,465)</u>	<u>153,719</u>
Other financing sources:			
Refund of prior year's expenditures	591	599	8
Total other financing sources	<u>591</u>	<u>599</u>	<u>8</u>
Net change in fund balance	(175,593)	(21,866)	153,727
Fund balance at beginning of year	219,619	219,619	-
Prior year encumbrances appropriated	16,939	16,939	-
Fund balance at end of year	<u>\$ 60,965</u>	<u>\$ 214,692</u>	<u>\$ 153,727</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUND
JUNE 30, 2011

	Permanent Improvement
Assets:	
Equity in pooled cash and investments	\$ 680
Total assets	\$ 680
Fund Balances:	
Restricted:	
Capital improvements	\$ 680
Total fund balances	680
Total liabilities and fund balances	\$ 680

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Permanent Improvement
Revenues:	
From local sources:	
Earnings on investments	\$ 1
Total revenue	1
Net change in fund balances	1
Fund balances at beginning of year	679
Fund balances at end of year	\$ 680

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ -	\$ 1	\$ 1
Total revenues	-	1	1
Expenditures:			
Facilities acquisition and construction:			
Building improvement services:			
Capital outlay	679	-	679
Total facilities acquisition and construction	679	-	679
Total expenditures	679	-	679
Net change in fund balance	(679)	1	680
Fund balance at beginning of year	679	679	-
Fund balance at end of year	\$ -	\$ 680	\$ 680

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
PROPRIETARY FUND DESCRIPTION**

Internal Service Fund

Internal service funds 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 to recoup the total cost of such services.

Self Insurance Fund

A fund used to account for a former self-insurance program that provided medical, dental and vision benefits to employees.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF INSURANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating expenses:			
Purchased services	\$ 20,000	\$ -	\$ 20,000
Total operating expenses	20,000	-	20,000
Net change in fund equity	(20,000)	-	20,000
Fund equity at beginning of year	1,637,587	1,637,587	-
Fund equity at end of year	\$ 1,617,587	\$ 1,637,587	\$ 20,000

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FIDUCIARY FUND DESCRIPTIONS

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust and agency funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results.

Private-Purpose Trust Funds

Scholarship Fund

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District. The principal and income from such a fund may be expended.

Agency Funds

Student Activities

This fund reflects resources that belong to the student bodies of various schools, accounting for sale and other revenue generating activities.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOLARSHIP FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 37	\$ 39	\$ 2
Other local revenues	8,088	8,601	513
Total revenues.	8,125	8,640	515
Expenses:			
Current:			
Instruction:			
Regular:			
Supplies	490	486	4
Total regular	490	486	4
Extracurricular activities:			
School and public service:			
Purchased services	22,263	7,764	14,499
Total school and public service	22,263	7,764	14,499
Total expenses.	22,753	8,250	14,503
Excess of revenues over (under) expenditures	(14,628)	390	15,018
Other financing sources (uses):			
Refund of prior year's (receipts)	(50)	(50)	-
Total other financing sources (uses)	(50)	(50)	-
Net change in fund equity	(14,678)	340	15,018
Fund equity at beginning of year	72,968	72,968	-
Fund equity at end of year.	\$ 58,290	\$ 73,308	\$ 15,018

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Beginning Balance <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>June 30, 2011</u>
Student Activities				
Assets:				
Equity in pooled cash and investments	\$ 265,714	\$ 339,983	\$ 327,137	\$ 278,560
Receivables				
Accounts	<u> -</u>	<u> 1,796</u>	<u> -</u>	<u> 1,796</u>
Total assets	<u>\$ 265,714</u>	<u>\$ 341,779</u>	<u>\$ 327,137</u>	<u>\$ 280,356</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,750	\$ -	\$ 2,750
Due to students	<u>265,714</u>	<u>339,029</u>	<u>327,137</u>	<u>277,606</u>
Total liabilities.	<u>\$ 265,714</u>	<u>\$ 341,779</u>	<u>\$ 327,137</u>	<u>\$ 280,356</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

This part of the Westlake 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 These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	116-127
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	128-135
Debt Capacity 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.	136-139
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	140-141
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	142-153

Sources: Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that year.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 26,697,219	\$ 27,100,371	\$ 26,089,735	\$ 24,749,953
Restricted	6,752,055	4,966,633	4,883,579	4,862,901
Unrestricted (Deficit)	18,230,099	16,033,437	12,942,962	9,990,465
Total governmental activities net assets	<u>\$ 51,679,373</u>	<u>\$ 48,100,441</u>	<u>\$ 43,916,276</u>	<u>\$ 39,603,319</u>

Source: School District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 23,919,272	\$ 22,301,426	\$ 23,730,387	\$ 23,293,698	\$ 18,625,939	\$ 16,650,496
4,144,612	4,860,941	2,623,364	2,109,310	3,722,056	4,858,187
1,103,109	(2,954,828)	(4,286,694)	(1,968,260)	(456,470)	410,444
<u>\$ 29,166,993</u>	<u>\$ 24,207,539</u>	<u>\$ 22,067,057</u>	<u>\$ 23,434,748</u>	<u>\$ 21,891,525</u>	<u>\$ 21,919,127</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 23,000,156	\$ 22,316,141	\$ 22,673,208	\$ 20,733,249
Special	5,355,715	4,879,232	4,526,920	3,966,107
Vocational	277,138	283,704	455,026	426,626
Adult/Continuing	93,920	65,515	75,909	36,757
Other instructional	1,584,547	1,266,107	1,047,544	1,207,397
Support services:				
Pupil	3,735,847	3,513,646	3,471,572	3,212,792
Instructional staff	3,631,697	3,481,561	3,391,280	3,042,408
Board of education	31,539	25,952	34,216	27,009
Administration	2,946,534	2,987,406	3,117,290	2,927,678
Fiscal	1,246,556	1,212,175	1,164,119	1,189,276
Business	345,423	359,885	467,300	436,519
Operations and maintenance	4,709,177	4,726,262	4,560,697	4,420,612
Pupil transportation	4,679,476	4,506,745	4,196,978	3,956,627
Central	151,995	154,053	145,385	120,267
Operation of non-instructional services				
Food service operations	1,276,077	1,233,229	1,171,096	1,131,429
Other non-instructional services	736,810	752,129	830,827	766,805
Extracurricular activities	1,604,308	1,627,922	1,544,201	1,544,991
Interest and fiscal charges	4,815,718	1,064,601	1,050,230	1,104,594
Total governmental activities expenses	<u>\$ 60,222,633</u>	<u>\$ 54,456,265</u>	<u>\$ 53,923,798</u>	<u>\$ 50,251,143</u>

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	20,374,661	\$ 20,190,940	\$ 20,578,822	\$ 20,669,591	\$ 18,915,663	\$ 18,561,778
	3,717,072	3,555,142	3,801,153	3,597,814	3,405,179	3,320,191
	397,990	477,265	475,462	469,663	392,114	308,959
	34,064	56,634	45,809	70,955	58,192	39,473
	1,290,541	1,214,300	-	-	-	-
	3,048,974	2,963,597	2,625,987	2,481,334	2,184,689	2,187,073
	2,870,362	2,671,046	2,790,065	2,897,289	1,977,693	1,987,734
	45,462	27,125	29,261	2,066	79,923	27,743
	2,919,666	2,829,414	2,890,037	2,884,080	2,674,304	2,505,538
	1,067,467	1,084,520	1,071,904	1,003,922	936,066	1,072,157
	454,909	394,801	439,462	245,822	358,033	402,168
	4,317,707	4,126,995	3,745,704	3,682,109	3,358,389	3,185,520
	3,758,572	3,307,927	3,752,277	3,408,168	3,456,556	2,766,196
	108,327	142,244	187,161	147,463	134,189	145,174
	1,072,986	927,577	961,507	935,514	816,766	786,465
	870,831	696,189	978,734	758,102	802,918	711,847
	1,423,143	1,352,070	1,359,205	1,386,634	1,192,747	1,382,233
	1,127,099	1,304,616	1,436,038	1,561,790	1,773,682	1,687,411
	<u>\$ 48,899,833</u>	<u>\$ 47,322,402</u>	<u>\$ 47,168,588</u>	<u>\$ 46,202,316</u>	<u>\$ 42,517,103</u>	<u>\$ 41,077,660</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 150,267	\$ 149,017	\$ 145,688	\$ 152,776
Special	-	-	-	-
Vocational	-	-	-	-
Adult/Continuing	1,702	1,276	2,660	-
Support services:				
Pupil	-	-	-	-
Instructional staff	109	679	2,390	-
Board of education	-	-	253	97
Administration	84,845	81,151	85,259	84,816
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	42,216	66,563	97,238	91,900
Pupil transportation	9,662	8,867	235,506	263,872
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	982,339	963,486	933,603	948,821
Other non-instructional services	267,213	260,349	247,519	268,965
Extracurricular activities	486,912	553,066	507,994	578,185
Operating grants and contributions:				
Instruction:				
Regular	268,130	273,727	441,448	67,572
Special	758,975	627,566	443,996	531,496
Adult/Continuing	90,750	52,876	70,844	67,048
Other	318,969	291,851	-	-
Support services:				
Pupil	337,910	379,539	206,538	196,527
Instructional staff	308,232	276,923	249,131	305,478
Board of education	-	-	52	18
Administration	13,677	8,968	753	-
Operations and maintenance	180,441	158,119	-	-
Pupil transportation	200,039	407,412	-	-
Central	20,925	23,243	32,781	35,315
Operation of non-instructional services:				
Food service operations	274,306	250,721	215,760	177,214
Other non-instructional services	496,917	486,846	489,310	498,673
Extracurricular activities	180,309	142,276	119,935	104,619
Interest and fiscal charges	1,351,964	-	-	-
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	27,880
Support services:				
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	47,281	25,712
Total governmental program revenues	<u>\$ 6,826,809</u>	<u>\$ 5,464,521</u>	<u>\$ 4,575,939</u>	<u>\$ 4,426,984</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (53,395,824)</u>	<u>\$ (48,991,744)</u>	<u>\$ (49,347,859)</u>	<u>\$ (45,824,159)</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 118,726	\$ 109,724	\$ 118,064	\$ 149,346	\$ 157,176	\$ 147,691
-	-	9,560	-	-	-
-	-	1,373	-	-	-
-	-	-	-	-	-
-	-	7,373	-	-	-
-	-	7,159	-	-	-
-	-	869	-	674	-
87,421	128,000	93,025	-	87,604	112,284
-	-	3,158	-	-	-
-	-	1,294	-	-	21,412
89,231	83,044	10,940	54,545	51,146	55,842
121,090	22,242	10,071	33,151	-	-
-	-	373	-	-	-
866,401	867,448	836,920	755,888	717,887	676,691
266,439	212,786	225,021	314,571	238,959	200,098
531,518	533,335	503,064	535,955	506,141	439,863
173,634	46,455	41,326	79,428	152,704	56,101
584,854	417,238	553,493	750,363	498,630	339,973
37,651	65,289	44,631	79,168	46,813	44,127
-	-	-	-	-	-
135,839	183,967	57,663	28,562	87,629	86,052
260,434	258,771	223,372	81,765	81,482	83,780
-	-	-	-	-	42
-	-	-	-	4,172	3,143
-	-	3,770	-	3,338	3,666
-	-	-	-	-	-
34,824	34,759	33,685	35,176	38,521	38,137
163,190	139,300	101,685	106,374	-	58,071
540,665	630,693	622,368	494,652	556,992	497,765
108,061	107,659	72,493	84,547	32,156	65,425
-	-	-	-	-	-
-	-	36,225	-	-	-
-	-	-	-	-	1,100
-	-	-	19,066	-	46,157
<u>\$ 4,119,978</u>	<u>\$ 3,840,710</u>	<u>\$ 3,618,975</u>	<u>\$ 3,602,557</u>	<u>\$ 3,262,024</u>	<u>\$ 2,977,420</u>
<u>\$ (44,779,855)</u>	<u>\$ (43,481,692)</u>	<u>\$ (43,549,613)</u>	<u>\$ (42,599,759)</u>	<u>\$ (39,255,079)</u>	<u>\$ (38,100,240)</u>

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 39,263,204	\$ 39,046,558	\$ 39,762,946	\$ 43,133,279
Debt service	5,829,681	2,737,032	2,625,491	2,820,681
Grants and entitlements not restricted to specific programs	11,180,263	11,003,434	10,290,480	9,198,641
Investment earnings	545,781	280,765	782,731	1,010,579
Gain on sale of capital assets	-	-	-	-
Miscellaneous	155,827	108,120	199,168	134,559
Total governmental activities	<u>\$ 56,974,756</u>	<u>\$ 53,175,909</u>	<u>\$ 53,660,816</u>	<u>\$ 56,297,739</u>
Change in Net Assets				
Governmental activities	<u>\$ 3,578,932</u>	<u>\$ 4,184,165</u>	<u>\$ 4,312,957</u>	<u>\$ 10,473,580</u>

Source: School District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 37,720,302	\$ 33,550,807	\$ 30,545,074	\$ 32,333,981	\$ 28,045,815	\$ 34,584,031
2,981,953	3,894,057	3,591,433	4,119,328	3,292,240	3,542,274
7,945,412	7,357,649	7,522,123	7,315,688	7,356,828	6,865,844
977,551	730,754	397,000	282,326	407,405	370,873
1,632	-	-	-	-	-
112,459	88,907	126,292	91,659	125,189	52,456
<u>\$ 49,739,309</u>	<u>\$ 45,622,174</u>	<u>\$ 42,181,922</u>	<u>\$ 44,142,982</u>	<u>\$ 39,227,477</u>	<u>\$ 45,415,478</u>
<u>\$ 4,959,454</u>	<u>\$ 2,140,482</u>	<u>\$ (1,367,691)</u>	<u>\$ 1,543,223</u>	<u>\$ (27,602)</u>	<u>\$ 7,315,238</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:				
Nondspendable	\$ 6,540	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	2,942,446	-	-	-
Unassigned	19,342,998	-	-	-
Reserved	-	7,668,287	8,064,469	7,826,707
Unreserved (deficit)	-	13,180,434	10,857,245	6,362,075
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total general fund	<u>\$ 22,291,984</u>	<u>\$ 20,848,721</u>	<u>\$ 18,921,714</u>	<u>\$ 14,188,782</u>
All Other Governmental Funds:				
Nondspendable	\$ 9,020	\$ -	\$ -	\$ -
Restricted	87,957,784	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned (deficit)	(1,794)	-	-	-
Reserved	-	4,423,702	4,215,267	3,945,718
Unreserved (deficit), reported in:				
Special revenue funds	-	325,863	516,687	575,333
Capital projects funds	-	(75,436)	11,436	10,902
Debt service funds	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total all other governmental funds	<u>\$ 87,965,010</u>	<u>\$ 4,674,129</u>	<u>\$ 4,743,390</u>	<u>\$ 4,531,953</u>
Total governmental funds	<u>\$ 110,256,994</u>	<u>\$ 25,522,850</u>	<u>\$ 23,665,104</u>	<u>\$ 18,720,735</u>

Source: School District financial records.

Note: The School District implemented GASB 54 in 2011.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,406,103	4,585,206	5,422,395	6,305,643	4,769,165	7,342,773
204,662	(1,189,649)	(1,956,239)	897,476	1,704,821	678,909
<u>\$ 6,610,765</u>	<u>\$ 3,395,557</u>	<u>\$ 3,466,156</u>	<u>\$ 7,203,119</u>	<u>\$ 6,473,986</u>	<u>\$ 8,021,682</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,472,172	4,019,137	863,335	5,455,916	1,219,840	1,069,603
588,056	604,950	301,564	567,848	581,585	594,940
23,537	142,183	182,055	506,831	8,286,260	1,174,376
-	-	2,954,018	2,960,566	2,395,910	1,951,208
<u>\$ 4,083,765</u>	<u>\$ 4,766,270</u>	<u>\$ 4,300,972</u>	<u>\$ 9,491,161</u>	<u>\$ 12,483,595</u>	<u>\$ 4,790,127</u>
<u>\$ 10,694,530</u>	<u>\$ 8,161,827</u>	<u>\$ 7,767,128</u>	<u>\$ 16,694,280</u>	<u>\$ 18,957,581</u>	<u>\$ 12,811,809</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
From local sources:				
Property taxes	\$ 45,089,726	\$ 41,131,376	\$ 43,331,596	\$ 44,919,560
Tuition	425,948	403,330	417,510	461,172
Transportation fees	9,662	8,867	17,201	15,676
Charges for services	982,339	963,486	933,603	948,821
Earnings on investments	562,239	278,293	802,027	990,006
Extracurricular	291,336	332,193	326,839	386,484
Classroom materials and fees	253,414	289,196	242,364	237,183
Contributions and donations	185,001	154,134	130,720	110,446
Rental income	46,146	70,613	102,288	91,900
Other local revenues	172,247	124,889	199,168	134,559
Intergovernmental	15,722,569	14,206,900	12,925,406	11,136,896
Total revenues	<u>63,740,627</u>	<u>57,963,277</u>	<u>59,428,722</u>	<u>59,432,703</u>
Expenditures				
Current:				
Instruction:				
Regular	22,340,830	22,074,806	21,540,301	20,467,323
Special	5,270,067	4,871,042	4,362,750	3,833,676
Vocational	258,978	271,866	433,570	419,596
Adult/Continuing	86,987	58,582	106,960	37,994
Other	1,579,574	1,262,671	1,041,855	1,204,857
Current:				
Pupil	3,630,520	3,444,392	3,332,392	3,166,059
Instructional staff	3,569,005	3,411,558	3,243,215	2,917,571
Board of education	31,539	25,952	34,216	27,009
Administration	2,960,532	2,975,946	3,046,009	2,738,591
Fiscal	1,226,200	1,183,863	1,169,785	1,149,518
Business	383,740	349,305	452,497	435,762
Operations and maintenance	4,720,517	4,450,026	4,482,016	4,163,862
Pupil transportation	4,691,657	4,628,794	4,247,517	3,890,867
Central	147,655	153,295	141,709	112,689
Operation of non-instructional services:				
Food service operations	1,230,889	1,200,931	1,167,000	1,078,495
Other non-instructional services	734,860	748,294	792,378	768,356
Extracurricular activities	1,576,940	1,632,120	1,542,829	1,516,854
Facilities acquisitions and construction	2,979,138	536,858	660,047	822,693
Capital outlay	-	-	348,014	-
Debt service:				
Principal retirement	2,103,859	1,978,966	1,816,167	1,694,658
Interest and fiscal charges	4,209,828	847,164	872,284	929,315
Bond issuance costs	714,366	-	-	-
Total expenditures	<u>64,447,681</u>	<u>56,106,431</u>	<u>54,833,511</u>	<u>51,375,745</u>
Excess of revenues over (under) expenditures	(707,054)	1,856,846	4,595,211	8,056,958
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	10,000	12,089
Transfers (out)	(10,000)	(10,000)	(10,000)	(12,089)
Payment to refunded bond escrow agent	-	-	-	-
Sale of capital assets	407	900	1,144	6,501
Inception of Lease	-	-	348,014	-
Bonds issued	84,055,000	-	-	-
Premium on bonds	1,385,791	-	-	-
Total other financing sources (uses)	<u>85,441,198</u>	<u>900</u>	<u>349,158</u>	<u>6,501</u>
Net change in fund balances	<u>\$ 84,734,144</u>	<u>\$ 1,857,746</u>	<u>\$ 4,944,369</u>	<u>\$ 8,063,459</u>
Capital expenditures (included in expenditures above)	3,818,908	1,516,369	1,337,258	1,000,439
Debt service as a percentage of noncapital expenditures	11.592%	5.177%	5.243%	5.209%

Source: School District financial records.

	2007	2006	2005	2004	2003	2002
\$	41,112,568	\$ 37,291,262	\$ 33,898,407	\$ 36,863,886	\$ 30,876,368	\$ 37,510,455
	431,003	411,740	603,441	726,473	715,411	628,830
	23,897	22,242	-	-	-	-
	866,401	867,448	873,361	773,199	734,988	715,278
	984,115	664,008	397,000	284,238	407,405	371,759
	330,093	297,213	319,623	289,239	258,838	253,931
	243,008	274,892	-	-	-	-
	227,348	108,268	72,893	84,224	32,156	66,691
	89,231	83,044	31,839	54,545	50,350	55,842
	112,459	88,907	126,292	91,659	125,189	52,030
	9,745,061	9,236,576	9,120,922	9,041,153	8,776,049	8,120,366
	54,165,184	49,345,600	45,443,778	48,208,616	41,976,754	47,775,182
	20,277,095	19,199,554	20,122,682	19,966,271	18,063,764	18,265,000
	3,695,144	3,598,717	3,673,697	3,450,581	3,372,679	3,219,762
	389,208	464,226	463,537	456,127	382,559	293,653
	34,064	63,625	45,101	64,786	58,078	39,473
	1,293,840	1,188,732	-	-	-	-
	2,978,081	2,852,742	2,528,374	2,364,661	2,071,929	2,067,422
	2,831,709	2,677,746	2,798,253	2,572,913	1,998,084	1,946,930
	45,462	27,125	29,985	1,342	32,633	27,743
	2,880,859	2,868,430	2,893,638	2,693,589	2,563,907	2,267,068
	1,074,777	1,107,229	1,090,299	984,521	914,567	1,059,205
	391,821	424,687	465,880	280,150	260,981	279,895
	4,067,776	3,837,147	3,981,154	3,485,862	3,230,539	3,165,275
	3,855,696	3,246,356	3,557,715	3,147,406	3,307,033	2,649,378
	104,855	140,866	189,052	161,673	128,603	135,190
	1,057,083	925,578	992,600	873,448	796,763	813,300
	872,274	735,560	1,044,258	666,651	756,871	701,145
	1,390,364	1,370,828	1,344,416	1,363,726	1,170,928	1,362,764
	380,169	305,272	-	-	-	-
	-	-	4,939,263	4,079,092	1,788,880	518,067
	3,023,696	2,722,834	2,896,791	2,313,518	1,916,738	1,760,472
	994,317	1,193,647	1,331,337	1,559,585	1,766,888	1,694,525
	66,290	-	-	165,194	122,152	-
	51,704,580	48,950,901	54,388,032	50,651,096	44,704,576	42,266,267
	2,460,604	394,699	(8,944,254)	(2,442,480)	(2,727,822)	5,508,915
	9,570	10,000	135,000	185,000	531,199	631,997
	(9,570)	(10,000)	(135,000)	(185,000)	(531,199)	(631,997)
	(3,996,593)	-	-	(15,886,812)	-	-
	4,600	-	-	200	2,074	426
	-	-	17,102	-	-	-
	3,785,000	-	-	13,925,000	8,700,000	-
	279,092	-	-	2,140,791	171,520	-
	72,099	-	17,102	179,179	8,873,594	426
\$	2,532,703	\$ 394,699	\$ (8,927,152)	\$ (2,263,301)	\$ 6,145,772	\$ 5,509,341
	285,117	5,775,497	4,778,466	2,012,792	1,498,357	2,156,618
	7.943%	9.071%	8.523%	8.303%	8.808%	8.614%

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2011	\$ 1,351,387,610	\$ 3,861,107,457	\$ -	\$ -	\$ 18,395,760	\$ 20,904,273
2010 (3)	1,346,534,600	3,847,241,714	-	-	17,904,860	20,346,432
2009	1,382,016,100	3,948,617,429	12,193,793	195,100,688	16,859,840	19,158,909
2008	1,370,873,670	3,916,781,914	21,832,430	174,659,440	15,913,580	18,083,616
2007 (2)	1,366,677,360	3,904,792,457	57,142,606	248,446,113	20,385,360	23,165,182
2006	1,230,619,170	3,516,054,771	68,945,138	299,761,470	20,367,010	23,144,330
2005	1,209,509,470	3,455,741,343	64,928,167	282,296,378	22,225,550	25,256,307
2004 (3)	1,181,766,920	3,376,476,914	67,303,512	292,645,704	22,652,240	25,741,182
2003	1,092,555,030	3,121,585,800	74,078,302	322,079,574	22,213,040	25,242,091
2002	1,072,485,940	3,064,245,543	77,021,986	308,087,944	23,522,370	26,729,966

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

- (1) This amount is calculated based on the following percentages:
 Real estate is assessed at 35 percent of actual value.
 Public utility personal is assessed at varying rates of actual value.
 Tangible personal property, including inventory, was eliminated in calander year 2009.
- (2) Reappraisal of property values.
- (3) Triennial update of property values.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 1,369,783,370	\$ 3,882,011,730	35.29%	\$ 70.10
1,364,439,460	3,867,588,146	35.28%	66.70
1,411,069,733	4,162,877,026	33.90%	66.50
1,408,619,680	4,109,524,970	34.28%	66.50
1,444,205,326	4,176,403,752	34.58%	66.50
1,319,931,318	3,838,960,571	34.38%	60.80
1,296,663,187	3,763,294,028	34.46%	60.70
1,271,722,672	3,694,863,800	34.42%	61.00
1,188,846,372	3,468,907,465	34.27%	61.20
1,173,030,296	3,399,063,453	34.51%	60.60

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Tax Year/ Collection Year	Overlapping Rates			Direct Rates			
	County	Library	City	Voted		Unvoted	Total
				General	Bond		
2010/2011	\$ 18.40	\$ 2.88	\$ 9.60	\$ 58.60	\$ 5.70	\$ 5.80	\$ 70.10
2009/2010	18.10	2.80	9.60	58.60	2.30	5.80	66.70
2008/2009	18.10	2.80	9.60	58.60	2.10	5.80	66.50
2007/2008	18.20	2.50	9.80	58.60	2.10	5.80	66.50
2006/2007	18.20	2.50	9.90	58.60	2.10	5.80	66.50
2005/2006	18.30	2.50	10.00	51.70	3.30	5.80	60.80
2004/2005	18.30	2.50	10.10	51.70	3.20	5.80	60.70
2003/2004	18.00	2.50	10.10	51.70	3.50	5.80	61.00
2002/2003	16.20	2.00	10.30	51.70	3.70	5.80	61.20
2001/2002	16.20	2.00	10.30	53.70	3.10	5.80	62.60

Source: Cuyahoga County Auditor's Office

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2010 AND DECEMBER 31, 2001

December 31, 2010			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Toledo Lucas County Port Authority	\$ 38,920,310	1	2.88%
Promenade Delaware LLC	11,229,580	2	0.83%
Crocker Park LLC	8,921,590	3	0.66%
Energizer Battery Manufacturing	7,417,280	4	0.55%
ARC Westlake Village, Inc.	7,371,040	5	0.55%
University Hospitals Health System	7,215,120	6	0.53%
Sturbridge Square Apartments	7,035,010	7	0.52%
Remington Apartments	6,755,010	8	0.50%
BCM Westlake, LLC	5,659,650	9	0.42%
Village in the Park	5,147,770	10	0.38%
Total	\$ 105,672,360		\$ 1,351,387,610

December 31, 2001			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
UHHS/CSAAHS Cuyahoga, Inc.	\$ 12,418,140	1	1.16%
Westlake Center Association Ltd.	8,853,880	2	0.83%
University Hospitals	8,246,840	3	0.77%
Eveready Battery Company	7,381,185	4	0.69%
Cleveland Retirement Properties	6,037,500	5	0.56%
JG Westlake Hotel	5,887,385	6	0.55%
KOPF-Newton Venture I	5,728,905	7	0.53%
Remington Inc.	5,713,120	8	0.53%
Sturbridge Square Apartments	5,381,145	9	0.50%
Oakwood Garden Apartments	5,190,465	10	0.48%
Total	\$ 70,838,565		1,072,485,940

Source: Cuyahoga County Auditor's Office

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**PRINCIPAL TAXPAYERS
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY TAX
DECEMBER 31, 2010 AND DECEMBER 31, 2001**

December 31, 2010			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 15,050,750	1	81.82%
Columbia Gas of Ohio	2,304,460	2	12.53%
Total	\$ 17,355,210		\$ 18,395,760
December 31, 2001			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$ 13,415,115	1	13.34%
USG Interiors, Inc.	7,862,790	2	7.82%
Ohio Bell Telephone Company	5,633,110	3	5.60%
Eveready Battery Company	3,738,630	4	3.72%
Truserv Corporation	2,689,350	5	2.67%
Bonne Bell, Inc.	2,632,950	6	2.62%
Aluminum Line Products, Inc.	2,391,920	7	2.38%
Nordson Corp.	2,077,850	8	2.07%
Columbia Gas of Ohio, Incorporated	1,898,750	9	1.89%
Uniroyal Chemical Co Inc.	1,820,580	10	1.81%
Total	\$ 44,161,045		\$ 100,544,356

Source: Cuyahoga County Auditor's Office

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS

Tax Year/ Collection Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected
2010/2011	\$ 51,791,950	\$ 2,462,228	\$ 54,254,178	\$ 49,535,385	95.64%
2009/2010	46,835,159	2,407,628	49,242,787	45,410,732	96.96%
2008/2009	46,531,097	1,875,415	48,406,512	44,880,351	96.45%
2007/2008	47,386,744	2,045,810	49,432,554	45,407,786	95.82%
2006/2007	48,577,064	1,823,623	50,400,687	46,836,166	96.42%
2005/2006	39,789,285	1,756,087	41,545,372	39,743,798	99.89%
2004/2005	39,699,267	2,214,049	41,913,316	37,878,790	95.41%
2003/2004	38,967,423	2,620,334	41,587,757	37,394,113	95.96%
2002/2003	38,158,204	2,854,274	41,012,478	35,859,530	93.98%
2001/2002	37,912,913	1,892,060	39,804,973	35,401,042	93.37%

Source: Cuyahoga County Auditor's Office

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) Represents collection year information cannot be presented because all collections have not been made by June 30.

(3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions.

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
\$ 1,310,486	\$ 50,845,871	93.72%
1,283,853	46,694,585	94.83%
891,324	45,771,675	94.56%
1,597,512	47,005,298	95.09%
952,159	47,788,325	94.82%
1,175,113	40,918,911	98.49%
1,361,128	39,239,918	93.62%
1,401,979	38,796,092	93.29%
1,685,033	37,544,563	91.54%
1,219,689	36,620,731	92.00%

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					
	(a) General Obligation Bonds	Capital Leases	Total Primary Government	(b) Per Capita	(b) Per ADM	(c) Percentage of Personal Income
2011	\$ 103,702,494	\$ 225,189	\$ 103,927,683	3,175	25,706	4.48%
2010	20,365,043	289,048	20,654,091	646	5,143	1.74%
2009	22,313,651	348,014	22,661,665	709	5,608	1.91%
2008	24,147,260	11,167	24,158,427	756	5,862	2.04%
2007	25,860,870	20,825	25,881,695	810	6,297	2.19%
2006	28,535,000	29,521	28,564,521	893	7,022	2.41%
2005	31,250,000	37,355	31,287,355	979	7,834	2.64%
2004	34,140,000	95,867	34,235,867	1,071	8,740	2.89%
2003	36,365,000	184,385	36,549,385	1,143	9,420	3.09%
2002	29,500,000	266,123	29,766,123	931	7,952	2.51%

Sources:

- (a) See notes to the financial statements regarding the District's outstanding debt information. Excludes accreted interest on capital appreciation bonds.
- (b) See schedule "Demographic and Economic Statistic, Last Ten Years" for population and enrollment information.
- (c) See schedule "Demographic and Economic Statistic, Last Ten Years" for per capita personal income and population. Personal income equals per capital personal income times population.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

<u>General Bonded Debt Outstanding</u>				
Fiscal Year	(a) General Obligation Bonds	Total	(b) Percentage of Actual Taxable Value of Property	(c) Per Capita
2011	\$ 103,702,494	\$ 103,702,494	2.67%	\$ 3,169
2010	20,365,043	20,365,043	0.53%	637
2009	22,313,651	22,313,651	0.54%	698
2008	24,147,260	24,147,260	0.59%	755
2007	25,860,870	25,860,870	0.62%	809
2006	28,535,000	28,535,000	0.74%	892
2005	31,250,000	31,250,000	0.83%	977
2004	34,140,000	34,140,000	0.92%	1,068
2003	36,365,000	36,365,000	1.05%	1,137
2002	29,500,000	29,500,000	0.87%	923

Sources:

- (a) See notes to the financial statements regarding the District's outstanding debt information. Excludes accreted interest on capital appreciation bonds.
- (b) See schedule "Assessed Valuation and Estimated Actual Value of Taxable Property" for assessed valuation of property.
- (c) See schedule "Demographic and Economic Statistic, Last Ten Years" for population information.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Direct debt:			
Westlake City School District (2)	\$ 103,702,494	100.00%	\$ 103,702,494
Total direct debt	<u>103,702,494</u>		<u>103,702,494</u>
Overlapping debt:			
Cuyahoga County	316,711,948	4.59%	14,537,078
Regional Transit Authority	152,760,000	4.59%	7,011,684
City of Westlake	24,105,000	100.00%	24,105,000
Total overlapping debt	<u>493,576,948</u>		<u>45,653,762</u>
Total direct and overlapping debt	<u>\$ 597,279,442</u>		<u>\$ 149,356,256</u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2011 collection year.

(2) See notes to the financial statements regarding the District's outstanding debt. Excludes accreted interest on capital appreciation bonds.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2011	\$ 123,280,503	\$ 103,702,494	\$ 6,263,482	\$ 97,439,012	\$ 25,841,524	79.04%
2010	122,799,551	20,365,043	4,300,664	16,064,379	106,735,172	13.08%
2009	125,898,835	22,313,651	4,062,615	18,251,036	107,647,799	14.50%
2008	124,810,853	24,147,260	3,756,053	20,391,207	104,419,646	16.34%
2007	124,393,537	25,860,870	3,338,117	22,522,753	101,870,784	18.11%
2006	118,793,819	28,535,000	3,915,579	24,619,421	94,174,398	20.72%
2005	116,699,687	31,250,000	3,496,820	27,753,180	88,946,507	23.78%
2004	114,455,040	34,140,000	3,678,372	30,461,628	83,993,412	26.61%
2003	106,996,173	36,365,000	2,815,390	33,549,610	73,446,563	31.36%
2002	105,572,727	29,500,000	2,658,525	26,841,475	78,731,252	25.42%

Source: Cuyahoga County Auditor and District financial records

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

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

Note: Beginning in 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude general business tangible personal property as well as railroad and telephone tangible property. See Note 10 to the basic financial statements for detail.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rates</u>		
					<u>Cuyahoga County</u>	<u>Ohio</u>	<u>United States</u>
2011	32,729	\$ 70,828	45.0	4,043	8.8%	9.2%	9.3%
2010	31,972	37,044	42.0	4,016	9.7%	10.0%	9.6%
2009	31,972	37,044	42.0	4,041	10.2%	11.2%	10.2%
2008	31,972	37,044	42.0	4,121	5.7%	6.6%	5.5%
2007	31,972	37,044	42.0	4,110	5.7%	5.5%	4.4%
2006	31,972	37,044	42.0	4,068	4.8%	4.7%	4.4%
2005	31,972	37,044	42.0	3,994	5.7%	5.9%	5.0%
2004	31,972	37,044	42.0	3,917	6.6%	5.7%	5.1%
2003	31,972	37,044	42.0	3,880	6.7%	5.5%	5.7%
2002	31,972	37,044	42.0	3,743	4.6%	5.3%	6.0%

Sources:

- (1) U. S. Census Bureau
- (2) U. S. Census Bureau
- (3) U. S. Census Bureau
- (4) School District records

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR AND SEVEN YEARS AGO

<u>Employer</u>	<u>December 31, 2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
St. John Westshore Hospital	1,321	1	5.10%
Hyland Software	874	2	3.38%
Westlake City Schools	579	3	2.24%
City of Westlake	416	4	1.61%
Rae Ann Skilled Nursing & Rehabilitation	296	5	1.14%
Energizer	361	6	1.39%
Travel Centers of America	341	7	1.32%
Lutheran Home	321	8	1.24%
Westbay Care and Rehabilitation	250	9	0.97%
Cleveland Clinic	225	10	0.87%
Total	<u>4,984</u>		<u>19.25%</u>
Total City Employment	<u>25,896</u>		

<u>Employer</u>	<u>December 31, 2003 (1)</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
St. John Westshore Hospital	1,232	1	3.82%
Eveready Battery	530	2	1.64%
Westlake City Schools	506	3	1.57%
Bonne Bell	498	4	1.54%
City of Westlake	409	5	1.27%
USG Interiors, Inc.	310	6	0.96%
Travel Centers of America	300	7	0.93%
Lutheran Home	290	8	0.90%
Hyland Software	267	9	0.83%
Antares Management Solutions	250	10	0.77%
Total	<u>4,592</u>		<u>14.22%</u>
Total City Employees	<u>32,288</u>		

Source: City of Westlake, Ohio, Department of Planning of Economic Development - amounts are estimates. Total City employment based upon estimate from the Regional Income Tax Authority 2010 withholding information.

(1) Information prior to 2003 is not available

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE
LAST TEN FISCAL YEARS**

<u>Type</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Professional Staff:					
Teaching Staff:					
Elementary	87	87	87	87	87
Intermediate	43	43	41	41	41
Middle	50	50	46	45	45
High	89	89	93	93	92
Administration:					
District	20	20	21	21	21
Auxiliary Positions:					
Counselors	10	10	10	10	10
Nurses	2	2	2	2	2
Speech	8	8	7	6	5
Mental Health Specialists	4	4	4	4	2
Support Staff:					
Secretarial	42	42	42	42	42
Aides	72	68	67	67	66
Hall monitor/Security	12	12	12	12	12
Technical	2	2	2	2	2
Cooks	33	33	33	33	33
Custodial	34	35	35	35	35
Maintenance	6	6	6	6	6
Bus Driver	78	76	70	69	64
Mechanics	3	3	3	3	3
Extracurricular	200	200	200	200	200
Total	<u>795</u>	<u>790</u>	<u>781</u>	<u>778</u>	<u>768</u>

Source: School District records
Head-count only

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
86	86	86	85	84
41	41	40	41	40
45	45	45	44	40
92	90	91	90	85
21	21	21	21	21
10	10	10	10	10
2	2	2	2	2
4	4	4	4	4
2	2	2	2	2
42	42	42	42	42
63	60	59	57	42
12	12	12	12	12
2	2	2	2	2
33	33	33	33	33
35	35	35	35	33
6	6	6	6	6
64	66	66	65	68
3	3	3	3	3
200	200	200	200	198
<u>763</u>	<u>760</u>	<u>759</u>	<u>753</u>	<u>727</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2011	2010	2009	2008	2007	2006	2005	2004
Instruction:								
Regular and Special								
Enrollment (students)	4,043	4,016	4,041	4,121	4,110	4,068	3,994	3,917
Graduates	310	324	314	334	314	n/a	269	315
Support services:								
Instructional staff								
Library								
Daily circulation	759	759	759	763	773	761	1,103	1,360
Board of education								
Regular meetings per year	24	24	12	24	24	24	24	24
Administration								
Student attendance rate	95.4	95.0	95.8	95.4	95.4	95.7	95.5	95.7
Fiscal								
Purchase orders processed								
	5,450	5,777	5,758	6,800	6,458	5,687	6,714	6,149
Nonpayroll checks issued								
	5,231	5,342	6,221	5,281	5,139	4,754	5,248	5,742
Operations and maintenance								
Work orders completed	473	590	606	771	929	879	706	330
Square footage maintained	608,159	608,159	608,159	608,159	608,159	608,159	608,159	570,659
Central								
Work orders completed	1,659	2,173	1,803	1,458	1,752	1,309	1,160	808
Extracurricular activities								
Varsity teams	22	22	22	22	21	21	21	21
Junior varsity teams	19	19	19	19	19	19	19	19
Food service operations								
Meals served to students	252,337	237,418	219,937	185,381	186,355	163,605	142,180	134,405

Source: School District records

n/a - information not available.

<u>2003</u>	<u>2002</u>
3,880	3,743
294	275
1,366	1,354
24	24
95.3	95.0
6,794	5,908
5,209	6,129
43	n/a
570,659	555,659
551	n/a
21	21
19	19
132,327	121,912

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Land	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
Construction in progress	3,116,957	87,881	-	-	-
Land improvements	169,811	177,052	184,293	191,534	179,252
Buildings and improvements	35,905,928	36,960,053	37,949,416	38,344,229	38,972,069
Furniture and equipment	1,959,376	2,094,293	1,989,071	1,513,032	1,572,356
Vehicles	2,039,236	1,976,914	1,830,072	1,756,596	1,697,313
Textbooks and library books	517,196	500,521	205,999	298,672	356,899
 Total Governmental Activities Capital Assets, net	 <u>\$ 46,177,255</u>	 <u>\$ 44,265,465</u>	 <u>\$ 44,627,602</u>	 <u>\$ 44,572,814</u>	 <u>\$ 45,246,640</u>

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

2006	2005	2004	2003	2002
\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
-	-	3,830,296	-	-
70,318	73,179	76,040	68,762	71,034
40,127,848	41,160,787	33,182,803	33,716,064	33,393,938
1,393,774	1,499,585	1,625,811	1,774,616	2,004,164
1,619,270	1,899,608	1,962,811	2,045,440	1,747,703
440,627	642,514	515,743	421,691	431,029
<u>\$ 46,120,588</u>	<u>\$ 47,744,424</u>	<u>\$ 43,662,255</u>	<u>\$ 40,495,324</u>	<u>\$ 40,116,619</u>

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	2011	2010	2009	2008	2007	2006
Bassett Elementary (1967)						
Square feet	25,439	25,439	25,439	25,439	25,439	25,439
Capacity (students)	335	335	335	335	335	335
Enrollment	-	-	-	-	-	-
Bassett Elementary (1987)						
Square feet	10,267	10,267	10,267	10,267	10,267	10,267
Capacity (students)	335	335	335	335	335	335
Enrollment	-	-	-	-	-	-
Bassett Elementary (1998)						
Square feet	6,174	6,174	6,174	6,174	6,174	6,174
Capacity (students)	335	335	335	335	335	335
Enrollment	393	386	394	384	388	388
Dover Elementary (1949)						
Square feet	38,325	38,325	38,325	38,325	38,325	38,325
Capacity (students)	352	352	352	352	352	352
Enrollment	-	-	-	-	-	-
Dover Elementary (1970)						
Square feet	5,346	5,346	5,346	5,346	5,346	5,346
Capacity (students)	352	352	352	352	352	352
Enrollment	370	383	389	395	421	406
Hilliard Elementary (1954)						
Square feet	39,750	39,750	39,750	39,750	39,750	39,750
Capacity (students)	328	328	328	328	328	328
Enrollment	-	-	-	-	-	-
Hilliard Elementary (1998)						
Square feet	1,187	1,187	1,187	1,187	1,187	1,187
Capacity (students)	328	328	328	328	328	328
Enrollment	328	315	309	316	324	369
Holly Lane Elementary (1961)						
Square feet	33,297	33,297	33,297	33,297	33,297	33,297
Capacity (students)	283	283	283	283	283	283
Enrollment	-	-	-	-	-	-
Holly Lane Elementary (1998)						
Square feet	2,191	2,191	2,191	2,191	2,191	2,191
Capacity (students)	283	283	283	283	283	283
Enrollment	327	328	307	324	304	296
Parkside Intermediate (1966)						
Square feet	54,407	54,407	54,407	54,407	54,407	54,407
Capacity (students)	519	519	519	519	519	519
Enrollment	-	-	-	-	-	-
Parkside Intermediate (1998)						
Square feet	18,114	18,114	18,114	18,114	18,114	18,114
Capacity (students)	519	519	519	519	519	519
Enrollment	594	590	630	642	618	619
Lee Burneson Middle (1975)						
Square feet	18,853	18,853	18,853	18,853	18,853	18,853
Capacity (students)	-	-	-	646	646	646
Enrollment	-	-	-	-	-	-
Lee Burneson Middle (1982)						
Square feet	55,274	55,274	55,274	55,274	55,274	55,274
Capacity (students)	646	646	646	646	646	646
Enrollment	-	-	-	-	-	-

2005	2004	2003	2002
25,439	25,439	25,439	25,439
335	335	335	335
-	-	-	-
10,267	10,267	10,267	10,267
335	335	335	335
-	-	-	-
6,174	6,174	6,174	6,174
335	335	335	335
397	403	386	388
38,325	38,325	38,325	38,325
352	352	352	352
-	-	-	-
5,346	5,346	5,346	5,346
352	352	352	352
424	404	400	408
39,750	39,750	39,750	39,750
328	328	328	328
-	-	-	-
1,187	1,187	1,187	1,187
328	328	328	328
292	318	312	303
33,297	33,297	33,297	33,297
283	283	283	283
-	-	-	-
2,191	2,191	2,191	2,191
283	283	283	283
250	249	271	273
54,407	54,407	54,407	54,407
519	519	519	519
-	-	-	-
18,114	18,114	18,114	18,114
519	519	519	519
626	626	614	636
18,853	18,853	18,853	18,853
646	646	646	646
-	-	-	-
55,274	55,274	55,274	55,274
646	646	646	646
-	-	-	-

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

SCHOOL BUILDING INFORMATION - Continued
LAST TEN FISCAL YEARS

	2011	2010	2009	2008	2007	2006
Lee Burneson Middle (1998)						
Square feet	18,129	18,129	18,129	18,129	18,129	18,129
Capacity (students)	646	646	646	646	646	646
Enrollment	666	680	664	672	673	561
Westlake High School (1960)						
Square feet	97,923	97,923	97,923	97,923	97,923	97,923
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1970)						
Square feet	39,651	39,651	39,651	39,651	39,651	39,651
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1988)						
Square feet	47,841	47,841	47,841	47,841	47,841	47,841
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (1998)						
Square feet	22,691	22,691	22,691	22,691	22,691	22,691
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	-	-	-	-	-	-
Westlake High School (2004)						
Square feet	37,500	37,500	37,500	37,500	37,500	37,500
Capacity (students)	1,246	1,246	1,246	1,246	1,246	1,246
Enrollment	1,365	1,334	1,348	1,388	1,382	1,429
Administration Building (Old)						
Square feet	6,500	6,500	6,500	6,500	6,500	6,500
Administration Building (2003)						
Square feet	15,000	15,000	15,000	15,000	15,000	15,000
Transportation Facility						
Square feet	14,300	14,300	14,300	14,300	14,300	14,300
Total Square Feet	608,159	608,159	608,159	608,159	608,159	608,159
Total Capacity	11,491	11,491	11,491	12,137	12,137	12,137
Total Enrollment	4,043	4,016	4,041	4,121	4,110	4,068

Source: School District records

Note: Year of original construction is in parentheses. Increases in square footage and capacity are the result of renovations and additions.

Capacity is the "program" capacity and decreases are the result of changes in federal, state or local standards.

2005	2004	2003	2002
18,129	18,129	18,129	18,129
646	646	646	646
615	602	565	611
97,923	97,923	97,923	97,923
1,246	1,246	1,246	1,246
-	-	-	-
39,651	39,651	39,651	39,651
1,246	1,246	1,246	1,246
-	-	-	-
47,841	47,841	47,841	47,841
1,246	1,246	1,246	1,246
-	-	-	-
22,691	22,691	22,691	22,691
1,246	1,246	1,246	1,246
-	1,315	1,332	1,124
37,500	-	-	-
1,246	-	-	-
1,390	-	-	-
6,500	6,500	6,500	6,500
15,000	15,000	15,000	-
14,300	14,300	14,300	14,300
608,159	570,659	570,659	555,659
12,137	10,891	10,891	10,891
3,994	3,917	3,880	3,743

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment
	Expenses (1)	Cost per pupil	Expenses (1)	Cost per pupil	
2011	\$ 57,419,628	\$ 14,202	\$ 55,406,915	\$ 13,704	4,043
2010	53,280,301	13,267	53,391,664	13,295	4,016
2009	52,145,060	12,904	52,873,568	13,084	4,041
2008	48,751,772	11,830	49,146,549	11,926	4,121
2007	47,620,277	11,586	47,772,734	11,624	4,110
2006	46,535,447	11,439	46,017,786	11,312	4,068
2005	50,159,904	12,559	45,732,550	11,450	3,994
2004	46,612,799	11,900	44,709,349	11,414	3,917
2003	40,892,585	10,539	40,737,748	10,499	3,880
2002	38,811,270	10,369	39,390,249	10,524	3,743

Source: District records

(1) Debt Service totals have been excluded. Cost per pupil calculated using general government expenditures which utilize the modified accrual basis of accounting and on governmental activities expenses which utilize the accrual basis of accounting.

(2) The District implemented GASB 34 in fiscal year 2001.

(3) Full-time certificated staff. Figures re-stated in 2011 based on re-design of HR system

Percent Change	Teaching Staff (3)	Pupil/Teacher Ratio	Student Attendance Percentage
0.67%	295	13.71	95.40%
-0.62%	269	14.93	95.00%
-1.94%	267	15.13	95.80%
0.27%	251	16.42	95.40%
1.03%	250	16.44	95.40%
1.85%	276	14.74	95.70%
1.97%	272	14.68	95.50%
0.95%	271	14.45	95.70%
3.66%	266	14.59	95.30%
-0.29%	262	14.29	95.00%

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Dave Yost • Auditor of State

WESTLAKE CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 22, 2011