

Dave Yost • Auditor of State

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards of Receipts and Expenditures Schedule.....	1
Notes to the Federal Awards of Receipts and Expenditures Schedule	3
Independent Accountants' Report on Internal Control over Financial Reporting and On Compliance and Other Matters Required by <i>Government Auditing Standards</i>	5
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program, Internal Control Over Compliance in Accordance with OMB Circular A-133, and Federal Awards Receipts and Expenditures Schedule.....	7
Schedule of Findings.....	9
Schedule of Prior Findings and Questioned Cost.....	10
Independent Accountants' Report on Applying Agreed-Upon Procedures	11

THIS PAGE INTENTIONALLY LEFT BLANK

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Grant Award Year	Federal CFDA Number	Receipts	Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
Nutrition Cluster:				
Non-Cash Assistance (Food Distribution)				
National School Lunch Program	2011	10.555	\$ 74,475	\$ 74,475
School Breakfast Program	2011	10.553	468,528	468,528
National School Lunch Program	2011	10.555	1,254,460	1,254,460
Summer Food Service Program for Children	2011	10.559	<u>28,878</u>	<u>28,878</u>
Total Nutrition Cluster			<u>1,751,866</u>	<u>1,751,866</u>
Team Nutrition Grant	2011	10.574	<u>-</u>	<u>2,441</u>
Total U.S. Department of Agriculture			<u>1,826,341</u>	<u>1,828,782</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	2010/2011	84.010	1,761,197	1,770,119
Title I Grants to Local Educational Agencies - ARRA	2010/2011	84.389	<u>1,098,335</u>	<u>1,094,576</u>
Total Title I Grants to Local Educational Agencies			<u>2,859,532</u>	<u>2,864,695</u>
Special Education Cluster:				
Special Education - Grants to States	2010/2011	84.027	2,081,017	2,364,066
Special Education - Grants to States - ARRA	2010/2011	84.391	<u>1,385,324</u>	<u>1,245,752</u>
Total Special Education - Grants to States			<u>3,466,341</u>	<u>3,609,818</u>
Special Education - Preschool Grant	2010/2011	84.173	33,451	33,850
Special Education - Preschool Grant - ARRA	2011	84.392	<u>1,496</u>	<u>497</u>
Total Special Education - Preschool Grant			<u>34,947</u>	<u>34,347</u>
Total Special Education Cluster			<u>3,501,288</u>	<u>3,644,165</u>
Safe and Drug-Free Schools and Communities - State Grants	2010	84.186	3,728	2,666
Education Technology State Grants	2010/2011	84.318	9,731	13,236
Race to the Top Grant - ARRA	2011	84.395	407	407

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011
(CASH BASIS)
Continued**

English Language Acquisition Grants - Limited English Proficient	2010/2011	84.365	292,474	291,767
Improving Teacher Quality State Grants	2010/2011	84.367	375,982	370,081
State Fiscal Stabilization Fund	2011	84.394	<u>2,548,973</u>	<u>2,548,973</u>
Total U.S. Department of Education			<u>9,592,115</u>	<u>9,735,990</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Jobs and Family Service:</i>				
Refugee and Immigrant Assistance - Discretionary Grants	2010/2011	93.576	<u>16,470</u>	<u>13,941</u>
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
<i>Passed Through Upper Arlington City School District:</i>				
Learn and Save America - School and Community Based Programs	2010	94.004	-	200
<i>Passed Through Ohio Department of Education:</i>				
Learn and Save America - School and Community Based Programs	2011	94.004	<u>8,880</u>	<u>9,932</u>
Total Federal Awards of Receipts and Expenditures			<u><u>\$ 11,443,806</u></u>	<u><u>\$ 11,588,845</u></u>

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

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

THIS PAGE INTENTIONALLY LEFT BLANK



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

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

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 Westerville City School District, Franklin 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 9, 2011, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 9, 2011.

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

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

Dave Yost
Auditor of State

December 9, 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 FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

To the Board of Education:

Compliance

We have audited the compliance of Westerville City School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Westerville 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 Westerville City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 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.

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.

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 9, 2011.

Federal Awards of Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Westerville City School District (the District) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 9, 2011, wherein we noted, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards of Receipts and Expenditures Schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of 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 the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Dave Yost
Auditor of State

December 9, 2011

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN 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):	Title I (CFDA # 84.010 and 84.389) Special Education Cluster (CFDA # 84.027, 84.173, 84.391 and 84.392) State Fiscal Stabilization Fund (CFDA # 84.394) Nutrition Cluster (CFDA #10.553, 10.555, and 10.559)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 347,665 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2011**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2010-001	During fiscal year 2010, \$132,732 of the District Treasurers salary and benefits was allocated as an expenditure to the State Fiscal Stabilization Grant and therefore not allowed by State and Federal guidelines.	Yes	



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

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

1. In our report dated December 4, 2009, we noted the Board adopted an anti-harassment policy on November 19, 2007. However, this policy did not include all matters required by Ohio Rev. Code 3313.666.
2. The Board amended the policy on December 13, 2010. We read the amended policy, noting it now includes all the requirements listed in Ohio Rev. Code 3313.666.

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.

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

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

Dave Yost
Auditor of State

December 9, 2011

88 East Broad Street, Tenth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-3402 or 800-443-9275 Fax: 614-728-7199

www.auditor.state.oh.us

This page intentionally left blank.

Westerville City School District

Comprehensive Annual Financial Report

For Fiscal Year Ended
June 30, 2011



Board of Education
Westerville City School District
Westerville, Ohio

Westerville City School District

Westerville, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2011

Issued By:

Office of the Treasurer

Prepared By:

Bart Griffith

Treasurer/CFO

Laura A. Hendricks, CPA

Assistant Treasurer

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents
For the Fiscal Year Ended June 30, 2011

	<u>Page</u>
I. INTRODUCTORY SECTION	
Letter of Transmittal	1
Elected Officials and Administrative Staff	8
Table of Organization for Administrators	9
Certificate of Achievement, Government Finance Officers Association	10
Certificate of Excellence, Association of School Business Officials International	11
II. FINANCIAL SECTION	
Independent Accountants' Report	12
Management's Discussion and Analysis	14
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Assets	24
Statement of Activities	25
Fund Financial Statements	
Balance Sheet – Governmental Funds	26
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	27
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	30
Combined Statement of Net Assets – Proprietary Funds	31
Combined Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	32
Combined Statement of Cash Flows – Proprietary Funds	33
Combined Statement of Net Assets – Fiduciary Funds	34
Statement of Changes in Net Assets – Fiduciary Funds	34

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents, Continued
For the Fiscal Year Ended June 30, 2011

Notes to Basic Financial Statements	35
 Supplementary Information	
Combining Statements and Individual Fund Schedules	
Description of Funds – Debt Service and Permanent Improvement	60
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) –Debt Service Fund	61
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) –Permanent Improvement Fund	61
Description of Funds – Other Governmental Funds	62
Combining Balance Sheet – Other Governmental Funds	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Other Governmental Funds	67
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Other Governmental Funds	70
Description of Funds – Internal Service Funds	78
Combining Statement of Net Assets – Internal Service Funds	79
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	80
Combining Statement of Cash Flows – Internal Service Funds	81
Description of Funds – Agency Funds	82
Combining Statement of Changes in Assets & Liabilities – Agency Funds	83
 III. STATISTICAL SECTION	
Table	85
Net Assets by Component – Last Ten Fiscal Years	86
Change in Net Assets – Last Ten Fiscal Years	87
Fund Balances, Governmental Funds – Last Ten Fiscal Years	90

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents, Continued
For the Fiscal Year Ended June 30, 2011

Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	92
Assessed Valuation and Estimated Actual Value of Taxable Property – Last Ten Collection Years	94
Property Tax Rates Direct and Overlapping Governments – Last Ten Collection Years	95
Principal Taxpayers – Current Year and Nine Years Ago	96
Property Tax Levies and Collections – Real, Public Utility Tax And Tangible Personal Property – Last Ten Calendar Years	97
Ratios of General Bonded Debt Outstanding – Last Ten Years	98
Computation of Direct and Overlapping General Obligation Bonded Debt	99
Legal Debt Margin Information	100
Demographic and Economic Statistics – Last Ten Years	101
Principal Employers – Current Year and Nine Years Ago	102
Staffing Statistics – Full Time Equivalents (FTE) by Type and Function	103
Operating Indicators by Function	104
Capital Assets by Function/Program	105
School Building Information	106
Educational and Operating Statistics	108

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)

Introductory Section



Board of Education
Westerville City School District
Westerville, Ohio



Westerville City Schools

Department of Treasurer/Fiscal Services
Bart Griffith, Treasurer/CFO

936 Eastwind Dr., Westerville, OH 43081
Main Office (614) 797-5700 Fax (614) 797-5775

Vision

Our vision is
to be the benchmark
of educational
excellence.

December 9, 2011

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

Mission

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

As the Superintendent and the Treasurer of the Westerville City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2011. This CAFR is prepared by the Treasurer and in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Management is responsible for the contents of this report, and we believe the data presented is complete and accurate in all material respects.

Values

Respect
Inclusiveness
Community
Communication
Collaboration
Innovation
Nurturing
Trust
Accountability

In addition, this report is designed so that a reader can acquire the maximum understanding of the District's financial activity. This report is provided as a way for the District to communicate openly about the District's finances with its stakeholders. It is divided into three sections: Introductory, Financial, and Statistical. The Introductory section includes this letter of transmittal and organizational information. The Financial section includes the Auditor's report, the basic financial statements, which are prepared in accordance with GASB 34, and supplemental combining individual fund statements and budgetary comparison schedules. The Statistical section provides relevant financial and demographic data over the past ten years.

Management is also required to prepare a narrative introduction and overview of the financial statements in the form of Management's Discussion and Analysis, which can be found on page 14. This letter of transmittal is designed and should be read in conjunction with that analysis. Comments on the report are welcome and requests for additional financial information can be obtained by contacting the Office of the Treasurer.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

REPORTING ENTITY

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

The Westerville City School District (the District) is located in Central Ohio, immediately northeast of the City of Columbus. Encompassing 52 square miles, the District includes land in the City of Westerville, Village of Minerva Park, City of Columbus, Franklin County, and Delaware County. Westerville is a growing residential suburb with a school district enrollment of 14,833, and the District's estimated population is 92,789 (Mid Ohio Regional Planning Commission). The District is currently comprised of 23 schools: 16 elementary schools, four middle schools, and three high schools. The District is culturally and economically diverse, and its residents are well educated and expect a high quality education for their children. Many residents are area leaders in business, the professions, and the arts. Westerville is the home of Otterbein College, a 4-year liberal arts institution.

The District provides a vast range of educational and support services as mandated by State statute and the desires of the community, which include but are not limited to, regular, special needs, and vocational educational programs, guidance and support services, extracurricular activities, food service activities, and various community programs.

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

ORGANIZATION OF THE DISTRICT / PROFILE OF THE GOVERNMENT

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

Board members are elected at large for staggered four-year terms. The Board meets regularly on the second and fourth Monday of each month. At the first meeting of each year, the Board elects one of its members as president and one as vice-president to serve as such for one year. The Board members on June 30, 2011, were as follows:

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Letter of Transmittal
For the Fiscal Year Ended June 30, 2011

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

The Superintendent of Schools is the Chief Executive and Administrative Officer for the Westerville Board of Education. Dr. J. Daniel Good, in this capacity, directs and supervises the work of all the schools, offices, and employees of the Board, except the Treasurer and the Treasurer's staff. Dr. Good (Dan) assumed the role of CEO on June 1, 2008. It is Dan's 29th year in service to public education having served in the roles of teacher, administrator, state official, and Chief Executive Officer.

The Treasurer is the chief financial officer (CFO) of the District and is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. J. Scott Gooding II was appointed as Treasurer/CFO on June 1, 2004 and resigned from the District in May 2011. In August 2011, Bart Griffith was appointed Treasurer/CFO. Mr. Griffith has been in the government finance profession for 18 years.

ECONOMIC DEVELOPMENT AND OUTLOOK

The City of Westerville is located in the northeast quadrant of Ohio's fastest growing metropolitan area and is a vital city of 39,000 residents within 11.5 square miles that abut the City of Columbus, Ohio's capital. The City has immediate access to I-71 and I-270. Settled in 1806, Westerville's historic legacy serves as a constant backdrop to its steady residential and corporate growth. New and existing businesses enjoy the character of the cobblestone streets in Uptown Westerville and a business climate poised for the 21st century.

Employment in Franklin County has improved slightly with unemployment in June of 2010 of approximately 9.2% decreasing to 8.2% as of June 2011. Employment in the District is diversified with a majority in the finance and insurance sector.

The District has an excellent relationship with the City of Westerville, which assures that development projects selected by the City are also highly desirable for the District. When the City of Westerville uses an incentive to attract a business, it primarily uses Community Reinvestment Areas (CRAs) or Tax Increment Financing (TIF) areas. In either case, the District is reimbursed for property taxes it would have collected through an income tax sharing agreement with the City of Westerville. In almost every case, the reimbursement is significantly more than the District would have collected without the incentive being in place. The District and City maintain a strong working relationship to attract desirable development to the community.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

The District was unsuccessful on November 8, 2011 with a levy request of .5% earned income tax and 4.06 mill property tax. Both of these were for general operating expenses. The five-year forecast approved in October 2011 is projecting a deficit of ~\$2.4 million at June 30, 2012 and ~\$23 million at June 30, 2013. The District is currently finalizing a number of reductions to staff and programs that will be made immediately beginning January 1, 2012. Plans are being developed for eliminating staffing and programs for school year 2012-2013. The District will most likely place another levy request on the ballot in Calendar Year 2012.

EMPLOYEE RELATIONS

The District currently has approximately 1,800 full-time and part-time employees. Four organizations represent District employees. For collective bargaining purposes, the Westerville Education Association (WEA) represents certificated employees, which include teachers and educational specialists. Classified employees are divided into three bargaining unions: the bus drivers and mechanics are represented by Ohio Association of Public School Employees (OAPSE #719); the custodial/maintenance staff and food service staff are represented by Ohio Association of Public School Employees (OAPSE #138); and the clerical staff is represented by the Westerville Education Support Staff Association (WESSA). In the opinion of School District officials, labor relations are good.

Certified Staff

The teaching or certified staff is represented by the Westerville Education Association (WEA), which is affiliated with the Ohio Education Association (OEA) and the National Education Association (NEA). The Board has bargained with the WEA since September 1, 1997. The Board and the WEA signed a two-year agreement effective September 1, 2010 through August 31, 2012. The settlement granted the certified staff an annual salary increase of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. In recognition of a projected budget deficit, the Board of Education and the Westerville Education Association agreed to reduce the salary increase effective September 1, 2011 to .875% and to decrease all step increases by half.

Classified Staff

Classified employees are represented by three unions: bus drivers and mechanics are represented by the Ohio Association of Public School Employees (OAPSE #719), the custodial, maintenance and food service staff are represented by OAPSE #138, and the clerical staff is represented by Westerville Educational Support Staff Association (WESSA). The OAPSE #138 wage agreement for the period of July 1, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. The OAPSE #719 wage agreement for the period of July 1, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. The WESSA wage agreement for the period of July 1, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively.

DISTRICT MAJOR ACCOMPLISHMENTS

The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association and the Certificate of Excellence on Financial Reporting from the Association of School Business Officials International for the ninth consecutive year.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2011

All employees and volunteers played an important role in preparing our students for the future. Their efforts were met with success when it was announced that Westerville City Schools met 26 of 26 state indicators on the 2011 State Report Card and earned the rating of "Excellent with Distinction," the highest designation awarded by the Ohio Department of Education. The district also earned a Performance Index score of 101.9, which is up from last year's score of 100.8 and the highest score achieved by the district since the Performance Index was implemented in 2000-01. Westerville City Schools met Adequate Yearly Progress (AYP) requirements for three consecutive years and its Value Added Rating over that same three-year period has been designated as "Above." This means that students have demonstrated academic growth that exceeds state-level growth expectations. Of the Districts twenty-three schools, four received a rating of excellent with distinction, fifteen received a rating of excellent, and four received a rating of effective.

All three high schools were identified by *Newsweek Magazine* as among the top 1,600 (6 percent) in the nation. Also, Westerville South High School earned a bronze rating from *U. S. News & World Report*.

FINANCIAL INFORMATION

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

Internal Controls

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

Budgetary Controls

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding fiscal years and are not re-appropriated.

Financial Planning and Policies

As required by Ohio Revised Code, the District adopts a five-year financial forecast annually to ensure long term financial success. It serves as a planning tool to certify if funds are available for future expenditures and to strategize when the District will need to return to voters for additional funds or to reduce expenditures accordingly. The most recent forecast, approved in May 2011, shows available fund balance to be depleted by 2012. Management and the board have implemented various staff and expenditure reductions for the 2011-12 school year and are currently examining various operating levy scenarios.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada awarded the Certificate of Achievement for Excellence in Financial Reporting to the Westerville City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

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

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

ASBO Certificate of Excellence

The Association of School Business Officials International awarded the Certificate of Excellence on Financial Reporting to the Westerville City School District for the fiscal year ended June 30, 2010.

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

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

Independent Audit

State statutes require a bi-annual audit by independent accountants unless a single audit is required. The Ohio Auditor of State conducted the District's 2011 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2011

Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments

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

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

Sincerely,



Dr. J. Daniel Good
Superintendent/CEO



Bart Griffith
Treasurer/CFO

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Elected Officials and Administrative Staff

As of June 30, 2011

BOARD OF EDUCATION

President

Kristi Robbins

Vice President

Jeff Gale

Member

Cindy Crowe

Member

Kevin Hoffman

Member

Denise Pope

APPOINTED OFFICIALS

Superintendent

Dr. J. Daniel Good

Interim Treasurer

Steve Huzicko

ADMINISTRATIVE STAFF

Chief of Administrative Services

Mark Hershiser

Chief of Academic Affairs

Diane Conley

Executive Director, Human Relations

Curt Jackowski

Executive Director, Business Services

Jeff LeRose

Executive Director, Pupil Services/Special Education

Pam Potter

Executive Director, Communications

Greg Viebranz

Executive Director, Elementary Academic Affairs

David Baker

Executive Director, Secondary Academic Affairs

Scott Reeves

Principal, Westerville North High School

Kurt Yancey

Principal, Westerville South High School

Steve Andersson

Principal, Westerville Central High School

Todd Spinner

Principal, Blendon Middle School

Kendall Harris

Principal, Genoa Middle School

Barry Ackerman

Principal, Heritage Middle School

Joseph Kacsandi

Principal, Walnut Springs Middle School

Matt Lutz

Principal, Alcott Elementary School

Bob Hoffman

Principal, Annehurst Elementary School

Howard Baum

Principal, Central College Elementary School

Dr. Scott Ebbrecht

Principal, Cherrington Elementary School

Andy Heck

Principal, Emerson Elementary School

Vicki Jarrell

Principal, Fouse Elementary School

Briam Orrenmaa

Principal, Hanby Elementary School

Jan Fedorenko, Ph.D.

Principal, Hawthorne Elementary School

Fred Tombaugh

Principal, Huber Ridge Elementary School

Jonathan Langhals

Principal, Longfellow Elementary School

Dr. Scott Ebbrecht

Principal, Mark Twain Elementary School

Vicki Moss

Principal, McVay Elementary School

Amy Miller

Principal, Pointview Elementary School

Jeanne Roth

Principal, Robert Frost Elementary School

Sara Berka

Principal, Whittier Elementary School

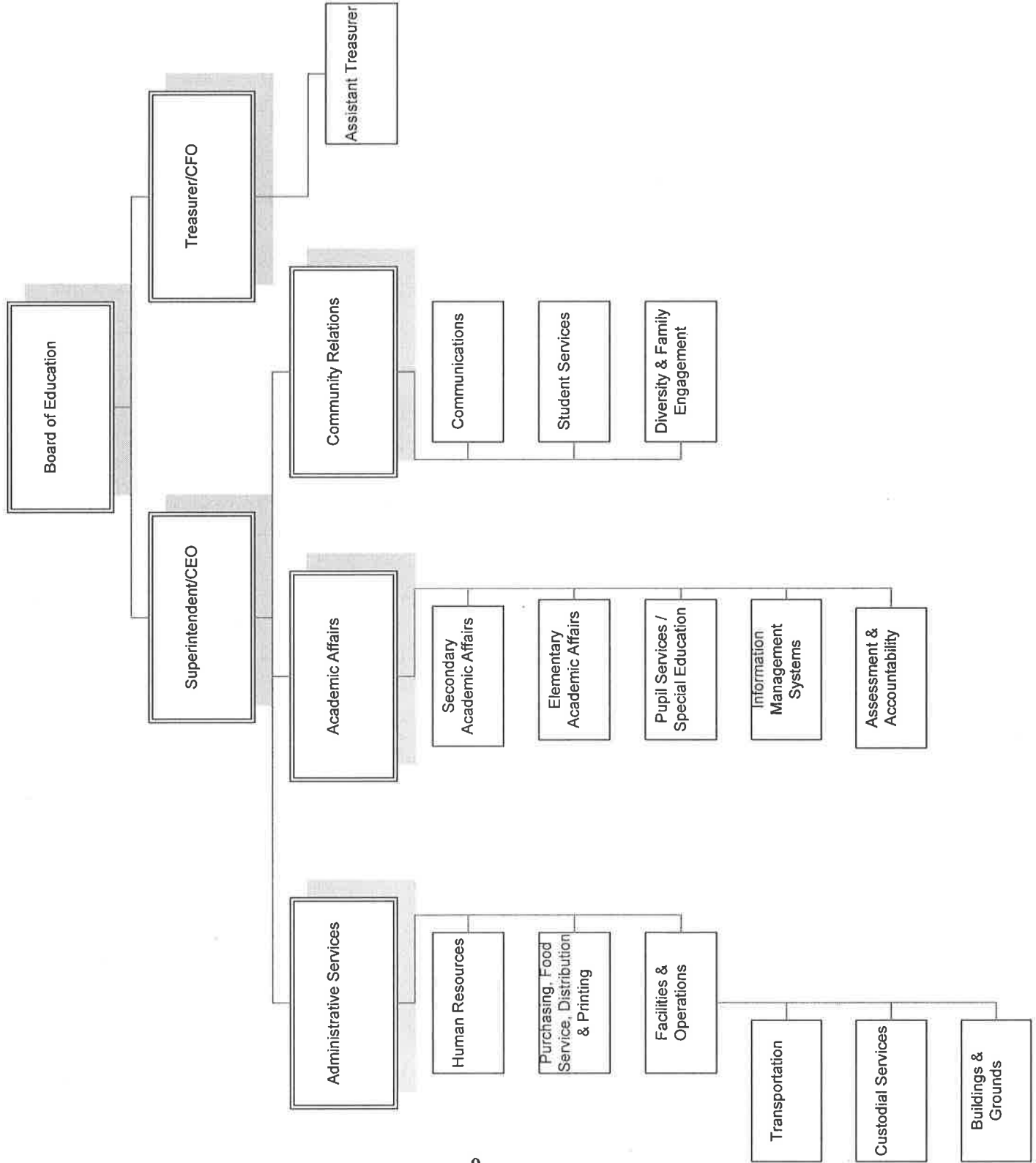
Kim Woosley

Principal, Wilder Elementary School

Becca Yanni

Westerville City School District, Ohio

Table of Organization for Administrators
For Fiscal Year Ended June 30, 2011



Certificate of Achievement for Excellence in Financial Reporting

Presented to
Westerville City School District
Ohio

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



A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

WESTERVILLE CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

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

President

Executive Director

Financial Section



Board of Education
Westerville City School District
Westerville, Ohio

THIS PAGE INTENTIONALLY LEFT BLANK



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

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 Westerville City School District, Franklin 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 Westerville City School District, Franklin 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 18, during the year ended June 30, 2011, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 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 9, 2011

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2011
Unaudited

The management of the Westerville City School District offers the readers of the District's Comprehensive Annual Financial Report this narrative overview and analysis of the financial activities for the year ended June 30, 2011. The District encourages readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, notes to the basic financial statements and the financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's net assets increased by \$5.6 million or 7.1%. Program revenues accounted for \$16.4 million or 8.9% of total revenues, and general revenues accounted for \$167.7 million or 91.1%.

The general fund reported a positive fund balance of \$24.5 million.

The District reclassified the Food Service Fund and Uniform School Supplies Fund from a business-type activity, enterprise fund, to a governmental activity, special revenue fund. This restatement had no effect on total net assets but beginning governmental fund balance was increased \$736,133 with a corresponding decrease in the proprietary fund balance.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

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

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Assets and Statement of Activities

While this document contains a large number of funds utilized by the School District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did the District perform financially in 2011?" The Statement of Net Assets and the Statement of Activities help to answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by private sector corporations. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

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

In the Statement of Net Assets and the Statement of Activities, all of the District's activities are reported as governmental including instruction, support services, operation and maintenance of plant, student transportation and extracurricular activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 20. The fund financial statements begin on page 26 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Proprietary Funds

Proprietary funds use the same basis of accrual basis of accounting, the same as on the entity-wide statements. The District uses an internal service fund to account for the Intra-District Services Fund which provides copy and print services to other funds, as well as an internal service fund to account for a self-insurance program and one for workers compensation insurance. The assets, liabilities, and net assets of the internal service funds have been included within the governmental activities.

Fiduciary Funds

The District is the trustee, or fiduciary for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on page 34. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$83.6 million at the close of the most recent fiscal year.

A significant portion of the District's net assets (55%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 provides a comparative analysis of fiscal year 2011 to 2010 (as restated):

Current Assets	\$147,590,985	\$177,015,854
Capital Assets	<u>159,980,173</u>	<u>144,989,312</u>
Total Assets	307,571,158	322,005,166
Current Liabilities	94,024,022	107,993,153
Long Term Liabilities	<u>129,897,624</u>	<u>135,928,500</u>
Total Liabilities	223,921,646	243,921,653
Net Assets:		
Invested in Capital Assets, net of debt	46,260,204	50,782,100
Restricted for:		
Debt Service	5,004,565	12,336,610
Capital Projects	12,244,546	
Food Service	998,493	
School Supplies	1,497	
Non-Public Schools	50,003	
Special Education	34,637	
Other Purposes	200,633	
Unrestricted	<u>18,854,934</u>	<u>14,964,803</u>
Total Net Assets	<u>\$83,649,512</u>	<u>\$78,083,513</u>

An additional portion of the District's net assets (21%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities. The District is able to report positive balances in all areas of net assets.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

Table 2 shows the changes in net assets for fiscal year 2011 and 2010.

(Table 2)
 Changes in Net Assets

	Governmental Activities	
	2011	2010 (as restated)
Revenues		
Program Revenues		
Charges for Services	\$ 5,922,986	\$ 5,857,298
Operating Grants	<u>10,502,282</u>	<u>9,498,432</u>
Total Program Revenues	<u>16,425,268</u>	<u>15,355,730</u>
General Revenues		
Property Taxes	112,814,737	108,672,864
Grants and Entitlements	52,556,276	52,929,017
Payment in lieu of taxes	1,279,078	1,117,132
Investment Income	87,739	54,648
Miscellaneous	<u>931,842</u>	<u>862,998</u>
Total General Revenues	<u>167,669,672</u>	<u>163,636,659</u>
Total Revenues	<u>\$ 184,094,940</u>	<u>\$ 178,992,389</u>
Expenses		
Program Expenses		
Instruction		
Regular	\$ 69,983,172	\$ 69,463,578
Special	23,747,901	21,153,825
Vocational	915,477	548,891
Other	4,970,334	4,568,165
Support Services		
Pupil	12,816,822	11,340,996
Staff	6,401,728	5,242,394
General Administration	1,728,752	1,651,416
School Administration	11,888,608	11,245,165
Fiscal	2,804,650	2,625,949
Business Operations	1,194,774	952,097
Operations & Maintenance	16,024,885	14,131,404
Student Transportation	8,815,697	8,473,897
Central Services	2,741,374	3,553,586
Food Service Operations	4,498,897	4,262,060
Community Services	1,048,002	985,404
Extra-curricular Activities	3,320,713	3,156,520
Interest and Fiscal Charges	<u>5,627,155</u>	<u>5,665,429</u>
Total Expenses	<u>\$ 178,528,941</u>	<u>\$ 169,020,776</u>
Change in Net Assets	5,565,999	9,971,613
Net Assets, beginning of year	78,083,513	68,111,900
Net Assets, end of year	<u>\$ 83,649,512</u>	<u>\$ 78,083,513</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

Governmental Activities

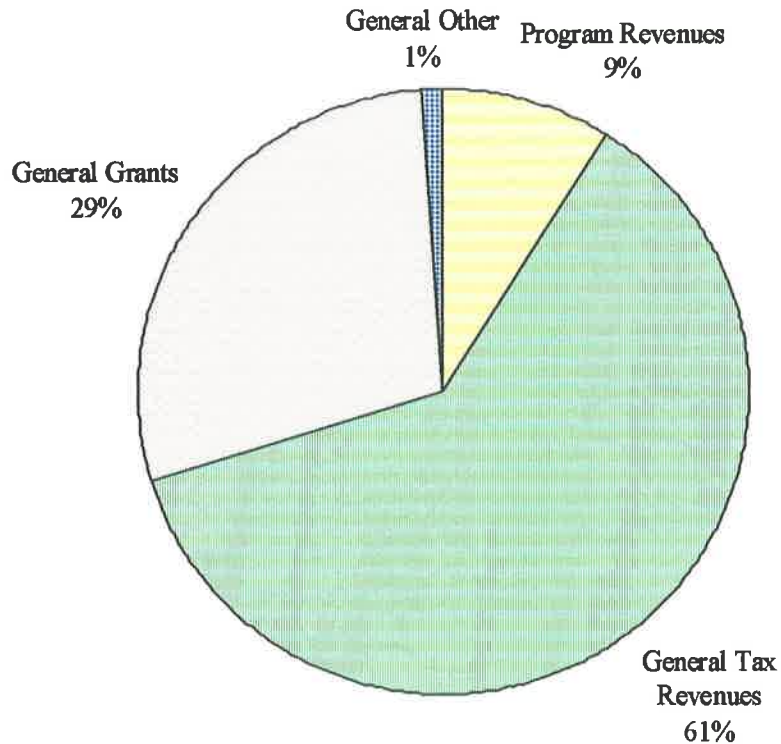
Net assets of the District's governmental activities increased by \$5.6 million, and unrestricted net assets reflect a balance of \$19.9 million. This is a result of an increase in property taxes due to a full year of collections of the additional 7.97 mills of the continuing operating levy that was approved by the voters on the November 3, 2009.

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

	Total Cost of Services		Net Cost of Services	
	2011	2010 (as restated)	2011	2010 (as restated)
Program Expenses				
Instruction				
Regular	\$ 69,983,172	\$ 69,463,578	\$ 68,194,464	\$ 67,872,333
Special	23,747,901	21,153,825	19,454,463	16,364,455
Vocational	915,477	548,891	696,130	368,638
Other	4,970,334	4,568,165	4,582,490	4,247,759
Support Services				
Pupil	12,816,822	11,340,996	12,218,599	10,992,896
Staff	6,401,728	5,242,394	4,706,444	4,359,786
General Administration	1,728,752	1,651,416	1,728,752	1,651,416
School Administration	11,888,608	11,245,165	11,637,388	11,014,662
Fiscal	2,804,650	2,625,949	2,784,298	2,603,580
Business Operations	1,194,774	952,097	1,194,774	950,084
Operations & Maintenance	16,024,885	14,131,404	16,024,885	14,128,504
Student Transportation	8,815,697	8,473,897	8,808,466	8,408,103
Central Services	2,741,374	3,553,586	2,680,630	3,474,705
Food Service Operations	4,498,897	4,262,060	(270,140)	(304,518)
Community Services	1,048,002	985,404	202,417	121,583
Extra-curricular Activities	3,320,713	3,156,520	1,832,458	1,745,631
Interest and Fiscal Charges	5,627,155	5,665,429	5,627,155	5,665,429
Total Expenses	\$ 178,528,941	\$ 169,020,776	\$ 162,103,673	\$ 153,665,046

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

(Graph 1)



The District's reliance upon tax revenues is demonstrated by the graph above indicating 61% of total revenues from local taxes. The other large portion of general revenue support is the State Foundation program as 29% of total revenues. The reliance on general revenues is indicated by the net services column reflecting the need for \$162.1 million of support as well as the graph indicating general revenues comprise 91% of total revenues.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 26) reported a combined fund balance of \$46.5 million, which represents a decrease of \$15.6 million. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2011 and 2010.

	Fund Balance June 30, 2011	Fund Balance June 30, 2010 (as restated)	Increase (Decrease)
	<u> </u>	<u> </u>	<u> </u>
General	\$ 24,453,341	\$ 21,947,387	\$ 2,505,954
Debt Service	7,964,302	11,116,291	(3,151,989)
Permanent Improvement	11,866,584	27,316,857	(15,450,273)
Other Governmental	<u>2,210,635</u>	<u>1,709,947</u>	<u>500,688</u>
Total	<u>\$ 46,494,862</u>	<u>\$ 62,090,482</u>	<u>\$(15,595,620)</u>

General Fund

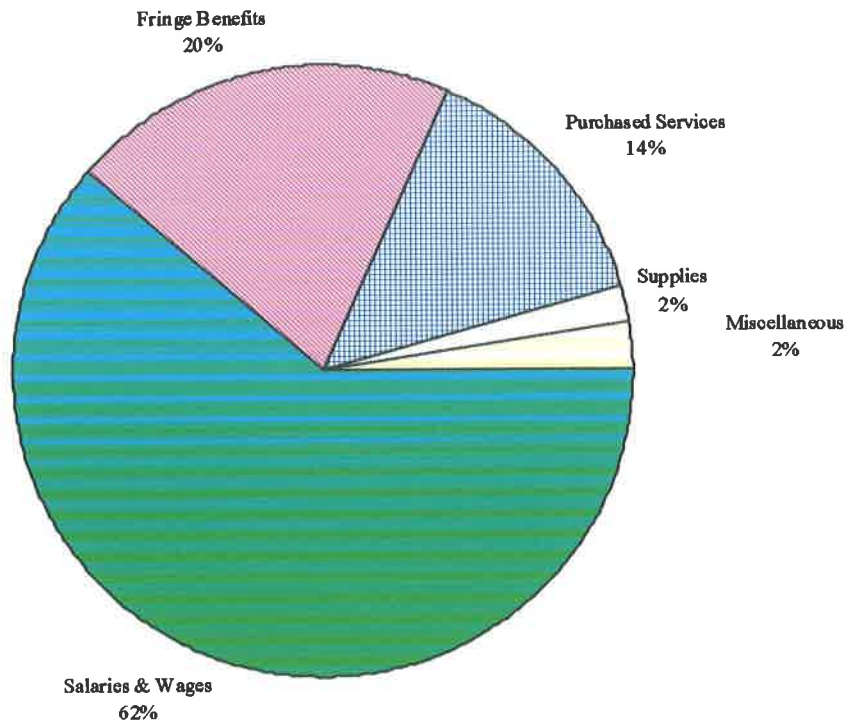
The District's general fund balance increase is due to revenues exceeding expenditures. The property tax revenue has increased by \$4.3 million due to a full year of collections of the 11.4 mill operating levy passed in November 2009. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

Revenues by Source	2011	2010	% Change
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes	\$ 96,767,909	\$ 92,483,363	4.63%
Interest Earnings	85,737	52,249	64.09%
Intergovernmental - State	48,519,306	48,201,095	0.66%
Other Revenue	<u>3,645,090</u>	<u>3,449,417</u>	<u>5.67%</u>
Total	<u>\$149,018,042</u>	<u>\$144,186,124</u>	<u>3.35%</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

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

(Graph 2)



Expenditures by Object	<u>2011</u>	<u>2010</u>	<u>% Change</u>
Salaries and Wages	\$ 89,714,756	\$ 84,528,558	6.14%
Fringe Benefits	29,815,509	26,906,541	10.81%
Purchased Services	20,521,215	18,556,702	10.59%
Supplies	2,895,449	2,453,443	18.02%
Miscellaneous	3,513,219	3,104,080	13.18%
Total	<u>\$146,460,148</u>	<u>\$ 135,549,324</u>	<u>8.05%</u>

The expenditures have increased \$10.9 million over the prior year. Salaries and wages and fringe benefits have increased \$8.1 million due to increases in base salaries and steps and the continued rising costs of insurance. Purchased services have increased \$2 million due to the increased enrollment of special needs students and the associated costs of those students.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

Other Funds

The District's debt service fund balance decreased by \$3.2 million. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenses of the fund include debt principal and interest payments as well as county auditor and treasurer fees.

The permanent improvement fund had a decrease in fund balance of \$15.5 million due to the continued spending of the \$25 million of Tax Anticipation Notes issued in March 2010.

Other governmental funds consist of special revenue funds. The increase in fund balance of \$501,000 is primarily due to timing of expenditures in the State and Federal grants.

General Fund Budget Information

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

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

Capital Assets

The District has \$160 million invested in capital assets net of depreciation. Acquisitions totaled \$20.7 million and depreciation was \$5.6 million. The acquisitions were for various land and building improvements, computers and buses.

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

Debt

At June 30, 2011, the District had \$117.2 million in outstanding bonds. The District paid \$7.7 million in principal on bonds outstanding and \$5.2 million in interest during the fiscal year.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2011, the District's general obligation debt was below the legal limit.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2011
Unaudited

Restrictions and Other Limitations

The District was successful on November 3, 2009 with the passage of an 11.4 mill replacement operating levy. The net millage increase of this levy is 7.97 mills. This funding was projected to balance the budget through FY 2012. Although there have been significant cuts in State funding for FY '12 the District intends to keep its promise to the community of balancing the budget through FY '12 by making various cuts to spending. Also, the future financial stability of the District is not without challenges.

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

The second challenge facing the District is based on the economy. The District has experienced growth over the last 10 years, but this year saw a 6.95% decrease in property valuation. The growth patterns in student population have slowed down to enrolling approximately 250 new students. Also, an economic slowdown has resulted in revenue forecasts having to be revised downward. These scenarios have caused the District to make accommodations for program offerings within existing dollars.

The District was unsuccessful on November 8, 2011 with a levy request of .5% earned income tax and 4.06 mill property tax. Both of these were for general operating expenses. The District is currently finalizing a number of reductions to staff and programs that will be made immediately beginning January 1, 2012. Plans are being developed for eliminating staffing and programs for school year 2012-2013. The District will place another levy request on the ballot in March 2012.

Requests for Information

This financial report is designed to provide a general overview of the Westerville City School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Westerville City Schools, Office of the Treasurer, 936 Eastwind Drive, Westerville, Ohio, 43081.

Westerville City School District
Statement of Net Assets
As of June 30, 2011

	Total
<u>ASSETS</u>	
Cash and cash equivalents	\$51,582,271
Receivables	
Taxes - current	87,297,699
Taxes - delinquent	5,655,027
Accounts	88,842
Accrued Interest	1,250
Intergovernmental	1,513,675
Prepays	342,087
Materials & supplies inventory	129,124
Restricted cash	33,202
Deferred charges	947,808
Capital assets, non-depreciable	5,813,922
Capital assets, net of depreciation	154,166,251
Total assets	307,571,158
 <u>LIABILITIES</u>	
Accounts payable	1,976,819
Accrued wages and benefits	15,453,098
Due to other governments	4,043,845
Matured bonds payable	33,202
Interest payable	751,225
Unearned revenue	71,765,833
Long-term liabilities	
Due within one year	6,224,295
Due in more than one year	123,673,329
Total liabilities	223,921,646
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	46,260,204
Restricted for:	
Debt Service	5,004,565
Capital Outlay	12,244,546
Food Service	998,493
School Supplies	1,497
Non-Public Schools	50,003
Special Education	34,637
Other Purposes	200,633
Unrestricted	18,854,934
Total net assets	\$83,649,512

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

**Westerville City School District
Statement of Activities
For the Year Ended June 30, 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	\$69,983,172	\$1,377,360	\$411,348	(\$68,194,464)
Special	23,747,901	302,016	3,991,422	(19,454,463)
Vocational	915,477	-	219,347	(696,130)
Other instruction	4,970,334	-	387,844	(4,582,490)
Support services				
Pupils	12,816,822	-	598,223	(12,218,599)
Staff	6,401,728	-	1,695,284	(4,706,444)
General administration	1,728,752	-	-	(1,728,752)
School administration	11,888,608	-	251,220	(11,637,388)
Fiscal services	2,804,650	-	20,352	(2,784,298)
Business operations	1,194,774	-	-	(1,194,774)
Operation & maintenance	16,024,885	-	-	(16,024,885)
Student transportation	8,815,697	-	7,231	(8,808,466)
Central services	2,741,374	-	60,744	(2,680,630)
Food service operations	4,498,897	2,755,355	2,013,682	270,140
Community services	1,048,002	-	845,585	(202,417)
Extra-curricular activities	3,320,713	1,488,255	-	(1,832,458)
Interest and fiscal charges	5,627,155	-	-	(5,627,155)
Total governmental activities	178,528,941	5,922,986	10,502,282	(162,103,673)
General revenues				
Property taxes levied for:				
General purposes				97,182,551
Debt service				8,092,890
Capital projects				7,539,296
Grants and entitlements not restricted to specific programs				52,556,276
Payment in lieu of taxes				1,279,078
Investment income				87,739
Miscellaneous				931,842
Total general revenues				167,669,672
Change in net assets				5,565,999
Net assets, beginning of the year (as restated)				78,083,513
Net assets, end of the year				\$83,649,512

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

**Westerville City School District
Balance Sheet
Governmental Funds
As of June 30, 2011**

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 29,661,416	\$ 7,040,526	\$ 11,889,626	\$ 2,428,530	\$ 51,020,098
Restricted cash and cash equivalents	-	33,202	-	-	33,202
Receivables (net of allowances for uncollectibles):					
Taxes - current	76,163,423	5,506,637	5,627,639	-	87,297,699
Taxes - delinquent	4,906,502	370,563	377,962	-	5,655,027
Accounts	64,159	-	3,800	11,453	79,412
Accrued Interest	1,250	-	-	-	1,250
Intergovernmental	-	-	-	1,513,675	1,513,675
Interfund loan receivable	202,381	-	-	-	202,381
Prepays	342,087	-	-	-	342,087
Inventories	98,661	-	-	30,463	129,124
Total assets	<u>111,439,879</u>	<u>12,950,928</u>	<u>17,899,027</u>	<u>3,984,121</u>	<u>146,273,955</u>
<u>LIABILITIES</u>					
Accounts payable	604,177	-	965,402	403,845	1,973,424
Accrued wages and benefits	15,592,002	-	-	888,346	16,480,348
Due to other governments	3,389,964	-	-	278,914	3,668,878
Matured bonds payable	-	33,202	-	-	33,202
Interfund loan payable	-	-	-	202,381	202,381
Deferred revenue	67,400,395	4,953,424	5,067,041	-	77,420,860
Total liabilities	<u>86,986,538</u>	<u>4,986,626</u>	<u>6,032,443</u>	<u>1,773,486</u>	<u>99,779,093</u>
<u>FUND BALANCES</u>					
Nonspendable:					
Inventories	98,661	-	-	30,463	129,124
Restricted for:					
Debt Service	-	7,964,302	-	-	7,964,302
Capital Outlay	-	-	11,866,584	-	11,866,584
Food Service	-	-	-	998,493	998,493
School Supplies	-	-	-	1,497	1,497
Non-public Schools	-	-	-	50,003	50,003
Special Education	-	-	-	34,637	34,637
Other Purposes	-	-	-	71,509	71,509
Committed to:					
Student and Staff Support	-	-	-	259,102	259,102
Extracurricular Activities	-	-	-	764,931	764,931
Assigned	790,544	-	-	-	790,544
Unassigned	23,564,136	-	-	-	23,564,136
Total fund balances	<u>24,453,341</u>	<u>7,964,302</u>	<u>11,866,584</u>	<u>2,210,635</u>	<u>46,494,862</u>
Total liabilities and fund balances	<u>\$ 111,439,879</u>	<u>\$ 12,950,928</u>	<u>\$ 17,899,027</u>	<u>\$ 3,984,121</u>	<u>\$ 146,273,955</u>

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

**Westerville City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 For the Year Ended June 30, 2011**

Total Governmental Fund Balances	\$46,494,862
 <i>Amounts report for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	159,980,173
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	5,655,027
An internal service fund used by management to charge the cost of worker's compensation, print shop and self insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	178,004
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
General obligation debt	(116,299,044)
Interest payable	(751,225)
Compensated absences	<u>(11,608,285)</u>
 Net Assets of Governmental Activities	 <u><u>\$83,649,512</u></u>

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

Westerville City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

	General	Debt Service	Permanent Improvement	Other Governmental	Total Governmental Funds
<u>REVENUES</u>					
Taxes	\$ 96,767,909	\$ 8,221,636	\$ 7,407,413	\$ -	\$ 112,396,958
Extra-curricular	223,261	-	-	1,264,994	1,488,255
Tuition and fees	1,438,258	-	-	241,118	1,679,376
Customer sales and services	-	-	-	2,755,355	2,755,355
Investment income	85,737	-	-	1,450	87,187
Payment in lieu of taxes	1,279,078	-	-	-	1,279,078
Intergovernmental - State	48,519,306	1,182,079	1,084,858	811,421	51,597,664
Intergovernmental - Federal	-	-	-	11,953,312	11,953,312
Other revenue	704,493	-	7,950	335,878	1,048,321
Total revenues	149,018,042	9,403,715	8,500,221	17,363,528	184,285,506
<u>EXPENDITURES</u>					
Current:					
Instruction					
Regular	63,986,197	-	1,767,752	704,212	66,458,161
Special	19,088,249	-	-	3,788,584	22,876,833
Vocational	838,940	-	-	49,548	888,488
Other instruction	4,076,542	-	-	730,468	4,807,010
Support services					
Pupils	12,003,477	-	-	866,250	12,869,727
Staff	4,554,360	-	1,094	1,794,007	6,349,461
General administration	1,728,431	-	-	-	1,728,431
School administration	9,190,894	-	-	2,133,042	11,323,936
Fiscal services	2,540,003	133,104	99,440	20,774	2,793,321
Business operations	933,609	-	-	231,553	1,165,162
Operation & maintenance	14,656,965	-	977,506	1,353	15,635,824
Student transportation	8,321,519	-	-	9,501	8,331,020
Central services	2,333,262	-	-	60,493	2,393,755
Food service operations	-	-	-	4,455,617	4,455,617
Community services	87,434	-	-	968,120	1,055,554
Extra-curricular	2,120,266	-	-	1,073,852	3,194,118
Capital outlay	-	-	20,688,683	27,406	20,716,089
Debt service:					
Principal retirement	-	7,660,000	-	-	7,660,000
Interest	-	5,178,619	-	-	5,178,619
Total expenditures	146,460,148	12,971,723	23,534,475	16,914,780	199,881,126
Excess of Revenues Over (Under) Expenditures	2,557,894	(3,568,008)	(15,034,254)	448,748	(15,595,620)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	-	416,019	-	51,940	467,959
Transfers out	(51,940)	-	(416,019)	-	(467,959)
Total other financing sources (uses)	(51,940)	416,019	(416,019)	51,940	-
Net change in fund balances	2,505,954	(3,151,989)	(15,450,273)	500,688	(15,595,620)
Fund balances, July 1 (as restated)	21,947,387	11,116,291	27,316,857	1,709,947	62,090,482
Fund balances, June 30	\$ 24,453,341	\$ 7,964,302	\$ 11,866,584	\$ 2,210,635	\$ 46,494,862

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

Westerville City School District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2011

Net Change in Fund Balances - Total Governmental Funds (\$15,595,620)

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

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

Per Statement of Revenues, Expenditures and Changes in Fund Balance:		
Capital outlay expenditures	20,716,089	
Per Statement of Activities:		
Depreciation expense (note 7)	<u>(5,612,817)</u>	
		15,103,272

The net effect of transactions involving sale and retirements of capital assets decreased net assets (note 7) (112,411)

Tax and operating grant revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (191,118)

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

Principal repayments 7,660,000

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 12,091

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

Compensated absences	(933,757)
Accretion on capital appreciation bonds	(565,917)
Amortization of premium on debt issued	135,304
Amortization of issuance cost	(30,015)

The internal service funds used by management to charge the costs of insurance and printing to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 84,170

Change in Net Assets of Governmental Activities \$5,565,999

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

Westerville City School District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:				
Real Estate Taxes	\$ 94,082,948	\$ 92,118,213	\$ 109,264,213	\$ 17,146,000
Personal Property Taxes	3,088,813	2,890,752	2,890,752	-
State Revenue	30,921,125	30,302,510	30,301,580	(930)
Homestead/Rollback & TPP	17,280,318	17,242,318	17,240,274	(2,044)
Tuition, Fees, Interest & Misc	3,318,574	4,619,945	4,617,655	(2,290)
Transfers, Advances, Refund of Prior Year	242,731	710,663	712,092	1,429
Total Revenue and Other Sources	<u>148,934,509</u>	<u>147,884,401</u>	<u>165,026,566</u>	<u>17,142,165</u>
Expenditures:				
Salaries and Wages	21,020,646	90,364,219	90,334,050	30,169
Benefits & Insurance	7,029,741	30,109,857	30,021,324	88,533
Purchased Services	5,135,255	21,555,446	21,554,542	904
Supplies & Materials	943,841	3,228,492	3,196,134	32,358
New & Replacement Equipment	31,499	353,499	336,996	16,503
Other Expenditures	699,174	3,843,089	3,837,971	5,118
Total Expenditures and Other Uses	<u>34,860,156</u>	<u>149,454,602</u>	<u>149,281,017</u>	<u>173,585</u>
Net Change in Fund Balance	114,074,353	(1,570,201)	15,745,549	17,315,750
Fund Balance, July 1	11,416,727	11,416,727	11,416,727	-
Prior Year Encumbrances Appropriated	<u>1,142,264</u>	<u>1,142,264</u>	<u>1,142,264</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 126,633,344</u>	<u>\$ 10,988,790</u>	<u>\$ 28,304,540</u>	<u>\$ 17,315,750</u>

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

**Westerville City School District
 Combined Statement of Net Assets
 Proprietary Funds
 As of June 30, 2011**

	Governmental Activities - Internal Service Fund <hr style="border: 0.5px solid black;"/>
<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 562,173
Receivables:	
Accounts	9,430
Total current assets	571,603
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	3,395
Accrued wages and benefits	15,237
Due to:	
Other governments	374,967
Total current liabilities	393,599
 <u>NET ASSETS</u>	
Unrestricted	178,004
Total net assets	\$ 178,004

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

**Westerville City School District
 Combined Statement of Revenues, Expenses and
 Changes in Fund Net Assets
 Proprietary Funds
 For the Fiscal Year ended June 30, 2011**

	<u>Governmental Activities - Internal Service Fund</u>
<u>OPERATING REVENUES</u>	
Charges for services	\$ 1,034,896
Total operating revenues	<u>1,034,896</u>
<u>OPERATING EXPENSES</u>	
Wages and benefits	103,900
Purchased services	640,088
Materials and supplies	201,240
Other	6,050
Total operating expenses	<u>951,278</u>
Operating gain	83,618
<u>NON-OPERATING REVENUES</u>	
Investment income	552
Total non-operating revenues	<u>552</u>
Change in net assets	84,170
Net assets, beginning of year	<u>93,834</u>
Net assets, end of year	<u>\$ 178,004</u>

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

**Westerville City School District
 Combined Statement of Cash Flows
 Proprietary Funds
 For the Fiscal Year Ended June 30, 2011**

	<u>Governmental Activities - Internal Service Fund</u>
Cash flows from operating activities:	
Cash payments for wages and benefits	(103,561)
Cash received from interfund services provided	1,042,082
Cash payments for purchased services	(594,464)
Cash payments for materials and supplies	(199,899)
Cash payments for other expenses	<u>(6,050)</u>
Net cash provided by operating activities	<u>138,108</u>
Cash flows from investing activities:	
Investment income	<u>552</u>
Net increase in cash and cash equivalents	138,660
Cash and cash equivalents at beginning of year	<u>423,513</u>
Cash and cash equivalents at end of year	<u><u>\$ 562,173</u></u>
Reconciliation of operating gain to net cash provided by operating activities	
Operating gain	\$ 83,618
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Changes in assets and liabilities:	
Decrease in accounts receivables	7,186
Increase in accounts payable	1,786
Increase in accrued wages and benefits	464
Increase in due to other governments	<u>45,054</u>
Net cash provided by operating activities	<u><u>\$ 138,108</u></u>

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

**Westerville City School District
 Combined Statement of Net Assets
 Fiduciary Funds
 As of June 30, 2011**

	Private-Purpose Trust	Agency
<u>ASSETS</u>		
Cash and cash equivalents	\$49,167	\$366,219
Total assets	49,167	366,219
<u>LIABILITIES</u>		
Accounts payable	-	6,248
Due to others	-	359,971
Total liabilities	-	\$366,219
Assets held in trust for scholarships, end of the year	\$49,167	

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

**Westerville City School District
 Statement of Changes in Net Assets
 Fiduciary Funds
 For the Year Ended June 30, 2011**

	Private-Purpose Trust
<u>ADDITIONS</u>	
Gifts and contributions	\$6,996
Investment income	60
	7,056
<u>DEDUCTIONS</u>	
Scholarships awarded	15,422
	15,422
Change in net assets	(8,366)
Assets held in trust for scholarships, beginning of the year	57,533
Assets held in trust for scholarships, end of the year	\$49,167

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2011

(1) DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Westerville City School District (the District) was organized in the early 1850's and is a fiscally independent political subdivision of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District. The District encompasses 52 square miles and provides services to approximately 14,833 students.

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

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Presentation

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

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

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

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's Internal Service funds are charges for services. Operating expenses for internal service funds include the cost of services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

(b) Fund Accounting

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

Governmental Funds

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

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

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

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

The District's nonmajor governmental fund includes the following:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Proprietary Funds

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

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

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

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

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

Fiduciary Funds

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

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

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

(c) Basis of Accounting

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Government fund financial statements are reported using the *current economic financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available when they are collected within 60 days of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

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

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

(d) Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds other than agency funds. The specific timetable for the fiscal year 2011 was as follows:

1. Prior to January 15 of the preceding year, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for a tax rate determination. The original budget revenue amounts reported in the budgetary statement for the General Fund reflects the amounts set forth in this tax budget.
3. Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources (the Certificate), which states the projected revenue for each fund. Prior to June 30, the District must revise its budget so that total contemplated

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The final budget amounts reported in the budgetary statement reflect the amounts set forth in the final amended Certificate issued for fiscal 2011.

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level for all funds, which is the legal level of budgetary control. This appropriation then serves as a basis for the original budget expenditure amounts reported in the budgetary statements for all funds. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, decreased or increased the originally appropriated amounts. All supplemental appropriations were legally adopted by the Board during fiscal 2011.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level for all funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

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

(e) Cash and Cash Equivalents

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

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

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

Interim deposits are used by the District to purchase legal investments. The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations: bank certificates of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States corporations and StarOhio. During fiscal year 2011, investments were limited to repurchase agreements, StarOhio, FHLB and commercial paper.

Under existing statutes, all investment earnings accrue to the General Fund except earnings specifically related to the Food Service, Worker's Compensation, Private Purpose Trust and Auxiliary Funds. Interest credited to the General Fund during fiscal year 2011 was \$85,737 which includes \$50,323 assigned from other funds.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(f) Inventories

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

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

(g) Prepaid Assets

Payments made to vendors for services that will benefit periods beyond June 30, 2011 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is recorded in the year in which services are consumed.

(h) Capital Assets and Depreciation

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements.

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

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

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

(i) Compensated Absences

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

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

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

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

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

(k) *Interfund Transactions*

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

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

(l) *Fund Balances*

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, the Board of Education.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Assigned – resources that are intended to be used for specific purposes as approved through the District’s formal purchasing procedure by the Treasurer.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned.

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. The District considers committed, assigned and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

(n) Net Assets

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

(m) Statement of Cash Flows

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

(3) CASH AND CASH EQUIVALENTS

(a) Cash

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

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(b) Deposits with financial institutions

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. During 2011, the District and public depositories complied with the provisions of these statutes.

At year-end, the carrying amount of the District deposits was \$3,888,575 and the bank balance was \$4,053,138. Of the bank balance, \$250,000 was covered by FDIC insurance and \$3,803,138 was uninsured and collateralized with securities held by the pledging institution's trust department, but not in the District's name.

(c) Investments

Investments are reported as fair value. As of June 30, 2011, the District had the following investments:

	Fair Value	Weighted Average Maturity (Days)
STAR Ohio	\$1,740,892	Current
Repurchase Agreement	41,401,422	Current
FHLB	5,001,350	154
Total Fair Value	\$48,143,664	
Portfolio Weighted Maturity		17

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.

Credit Risk

Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The underlying securities of the repurchase agreement at June 30, 2011 were FNMA's that were rated AAA by Standard & Poor's. The FHLB was rated AAA by Standard and Poor's at June 30, 2011.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Concentration of Credit Risk

The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in a Repurchase Agreement and FHLB. These investments are 86.0% and 10.4% of the District's total investments, respectively.

Custodial Risk

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

(4) PROPERTY TAXES

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

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

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

Tangible personal property taxes are levied in April on the value listed as of January 1 of the current year. In prior years, tangible personal property assessments were 25 percent of true value. The tangible personal property tax has been phased out – the assessed percentage for all property including inventory for 2011 is zero percent. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

annually, the first payment is due April 30 with the remainder payable September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values for collection in 2011, upon which the 2010 levies were based, were as follows:

Real Estate	
Agricultural/Residential	\$1,994,079,660
Commercial/Industrial	426,922,630
Personal Property	
Public Utility	<u>44,873,240</u>
Total	<u><u>\$2,465,875,530</u></u>

Accrued delinquent property taxes receivable represent taxes outstanding for real property, personal property and public utility taxes, and are offset by a credit to deferred revenue in the fund financial statements. Amounts from the August settlement are not intended to finance current fiscal year operations and, therefore have been recorded as a receivable offset by deferred revenue to the extent these amounts were not available as advances at June 30, 2011.

(5) RECEIVABLES

Receivables and due from other governments at June 30, 2011 consisted of taxes, accounts, accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items is as follows:

Governmental Activities	
Taxes – Current & Delinquent	\$92,952,726
Accounts	88,842
Accrued Interest	1,250
Intergovernmental	<u>1,513,675</u>
Total Receivables	<u><u>\$94,956,493</u></u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(6) INTERFUND TRANSACTIONS

Interfund balances on the fund statements at June 30, 2011 consist of the following receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General	\$202,381	\$ -
Other Governmental	-	202,381
Total	\$202,381	\$202,381

The balances that exist in these funds are funded on a reimbursement basis and the monies were not received from the grantor by June 30, 2011.

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

Transfers to Debt Service Fund from:
 Permanent Improvement Fund \$416,019

Funds were transferred to the Debt Service Fund for the purpose of making interest payments on the Permanent Improvement Tax Anticipation Notes issued in March 2010.

Transfers to Other Governmental Fund from:
 General Fund \$51,940

Funds were transferred to the Other Governmental Fund for the purpose of eliminating the negative cash balance of the School Supplies fund at June 30, 2011.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(7) CAPITAL ASSETS

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

<i>Governmental Activities</i>	Balance June 30, 2010 (as restated)	Additions	Disposals	Balance June 30, 2010
Capital Assets, not being Depreciated:				
Land	\$5,813,922	\$ -	\$ -	\$5,813,922
Total Capital Asset, not being Depreciated	<u>\$5,813,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$5,813,922</u>
Capital Assets, being Depreciated:				
Land Improvements	6,615,293	582,095	-	7,197,388
Buildings/Improvements	191,686,113	17,306,429	16,700	208,975,842
Furniture/Equipment	7,304,181	2,234,800	1,468,758	8,070,223
Vehicles	8,182,930	592,765	1,026,127	7,749,568
Total Capital Assets, being Depreciated	<u>\$213,788,517</u>	<u>\$20,716,089</u>	<u>\$2,511,585</u>	<u>\$231,993,021</u>
Less Accumulated Depreciation:				
Land Improvements	3,689,639	255,003	-	3,944,642
Buildings/Improvements	60,593,203	4,148,647	16,700	64,725,150
Furniture/Equipment	4,586,231	684,274	1,409,170	3,861,335
Vehicles	5,744,054	524,893	973,304	5,295,643
Total Accumulated Depreciation	<u>\$74,613,127</u>	<u>\$5,612,817</u>	<u>\$2,399,174</u>	<u>\$77,826,770</u>
Total Capital Assets, being Depreciated, Net	<u>\$139,175,390</u>	<u>\$15,103,272</u>	<u>\$112,411</u>	<u>\$154,166,251</u>
Capital Assets, Net	<u>\$144,989,312</u>	<u>\$15,103,272</u>	<u>\$112,411</u>	<u>\$159,980,173</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$2,797,612
Special	771,441
Vocational	26,989
Other	163,324
Support Services:	
Pupil	14,061
Staff	4,005
General Administration	321
School Administration	398,688
Fiscal Services	296
Business Services	14,569
Operations & Maintenance	330,669
Student Transportation	481,734
Central Services	426,653
Food Service Operations	50,646
Community Services	661
Extracurricular Activities	131,148
Total Depreciation Expense	<u>\$5,612,817</u>

(8) LONG-TERM OBLIGATIONS

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

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance at June 30, 2011</u>
Advance Bond Refunding (3)	04/07/04	3.72%	12/01/22	49,970,687	45,749,805
Advance Bond Refunding (4)	12/14/06	4.13%	12/01/27	48,365,000	45,762,835
Tax Anticipation Notes (5)	3/23/10	2.82%	12/01/20	24,415,000	25,734,212
					<u>\$117,246,852</u>

- (1) Refunded portions of bonds previously issued on 9/15/95, 8/01/96 and 3/15/01.
- (2) Refunded portions of bonds previously issued on 3/15/01.
- (3) Notes issued in anticipation of the collection of proceeds of the 3.95 mill permanent improvement levy approved by the electors of the school district at the election held May 5, 2009. Proceeds to be used for the acquisition and construction of various long-term permanent improvements projects.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and notes (principal amount does not include accumulated accretion of \$1,552,504, unamortized premium on note issuance of \$1,319,212, and deferred issuance costs of \$655,167):

<u>Year ending June 30,</u>	<u>Interest rates</u>	<u>Principal</u>	<u>Interest</u>
2012	1.75 – 6.25	4,824,969	6,788,925
2013	2.00 – 6.25	6,615,000	4,716,256
2014	2.00 – 6.25	6,875,000	4,448,669
2015	2.25 – 6.25	7,155,000	4,166,094
2016	3.00 – 6.25	7,435,000	3,853,300
2017-2021	3.70 – 6.25	41,240,000	13,733,768
2022-2026	3.70 – 6.25	27,825,000	6,077,822
2027-2028	3.70 – 6.25	11,750,000	594,750
Total		\$113,719,969	\$44,379,583

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

The total voted and non-voted non-exempt debt of the District that could be issued subject to the 9% limitation described above is \$221,928,798. The total District debt (including the Notes) subject to this limitation is \$113,719,969. The total District unvoted debt that could be issued subject to the 1/10 of 1% limitation is \$2,465,876. The District has no debt subject to such limitation, leaving \$2,465,876 available for unvoted debt. Including the balance in the Debt Service Fund at June 30, 2011, the effects of these debt limitations at June 30, 2011 are a voted debt margin of \$116,173,131 and an unvoted debt margin of \$2,465,876.

The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with the Westerville Public Library (the Library). As of June 30, 2011, the District and the Library have complied with the requirement that unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value.

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

In April 2004, the District issued \$47,764,714 of general obligation refunding bonds, Series 2004 with interest rates ranging from 2% to 5% (maturing from December 2004 through December 2022) to advance refund a portion of the District's outstanding general obligation bonds. This issue included an additional \$2,205,973 in capital appreciation bonds, Series 2004, with a stated interest rate ranging from 10.63% to 29.25% (maturing from December 2007 through December 2011). The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2011, all of these bonds had matured.

In December 2006, the District issued \$48,365,000 of general obligation refunding bonds, Series 2006 with interest rates ranging from 4% to 5% (maturing from December 2009 through December 2027) to advance refund a portion of the District's outstanding general obligation bonds. The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2011, all of these bonds had matured.

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

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

<i>Governmental Activities</i>	Balance at			Balance at June 30, 2011	Amounts Due In One Year
	June 30, 2010 (as restated)	Increase	Decrease		
General Obligation Bonds	\$124,522,068	\$565,916	\$7,841,132	\$117,246,852	\$4,824,969
Compensated Absences	11,406,432	5,648,730	4,404,390	12,650,772	1,399,326
Total Governmental Activities	\$135,928,500	\$6,214,646	\$12,245,522	\$129,897,624	\$6,224,295

(9) SET-ASIDE CALCULATIONS AND FUND RESERVES

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

The set-aside money requirement for budget stabilization to help protect against cyclical changes in revenues and expenditures was rescinded in fiscal year 2001. In fiscal year 2004 the Board decided to utilize a portion of the HB412 reserve as allowable by state law. In fiscal year 2011 the Board decided to eliminate the remainder of this reserve. The textbook set-aside requirement was repealed on July 1, 2011.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

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

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>
Balance, July 1, 2010	\$-	\$-	\$536,933
Required Set-Aside	2,218,193	2,218,193	-
Qualifying Expenditures	(3,769,908)	(20,208,837)	536,933
Total	(\$1,551,715)	(\$17,990,644)	\$-
Balance Carried Forward at June 30, 2011	\$-	\$-	\$-

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

(10) BUDGET BASIS OF ACCOUNTING

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

Net Change in Fund Balance	
GAAP basis	<u>General</u> \$2,505,954
Increase (decrease):	
Due to revenues	16,008,524
Due to expenditures	(1,547,938)
Due to other financing sources/uses	51,940
Due to encumbrances	(1,272,931)
Budget basis	<u>\$15,745,549</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(11) EMPLOYEE RETIREMENT SYSTEMS

(a) *School Employees Retirement System*

Plan Description—The District contributes to School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

Funding Policy—Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% for employers of annual covered payroll. For fiscal year 2011, 11.81% was the portion used to fund pension and death benefit obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The District's required contributions for pension obligations for the fiscal years ended June 30, 2011, 2010, and 2009 were \$2,55,906, \$2,348,656, and \$1,598,077, respectively. 38.3% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

(b) *State Teachers Retirement System*

Plan Description—The District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing, multiple employer public employee retirement plan. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that may be obtained by writing to STRS, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

member on or after the age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

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

The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2011, 2010, and 2009 were \$10,061,429, \$9,476,887, and \$9,318,639, respectively. 83% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009. Member and employer contributions made to the DC and Combined Plans for fiscal year 2011 will be provided upon written request.

(c) *Social Security System*

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2011, one member of the Board of Education has elected Social Security. The contribution rate is 6.2% of wages.

(12) POSTEMPLOYMENT BENEFITS

(a) *School Employees Retirement System*

Plan Description—The District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by SERS for non-certificated retirees and their beneficiaries, a Health Care Plans and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug plan. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

Funding Policy—State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund. For 2011, 1.43% of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount. For 2011 this amount was \$35,800.

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

The District's contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009 were \$500,788, \$362,075, and \$996,488, respectively; 38.3% has been contributed for fiscal year 2011 and 100% 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 2011, this actuarially required allocation was .76% of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$145,173, \$139,670 and \$131,922 respectively; 38.3% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

(b) *State Teachers Retirement System*

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

Funding Policy—Ohio law authorizes STRS to offer the Plan and give the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for the post-employment health care may be deducted from employer contributions. For the fiscal year ended June 30, 2010, the STRS allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2011, 2010, and 2009 were 773,956, \$728,991 and \$716,814 respectively; 83% has been contributed for fiscal year 2011 and 100% for fiscal years 2010 and 2009.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(13) CONTINGENCIES

(a) Grants

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

(b) Litigation

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

(14) JOINTLY GOVERNED ORGANIZATIONS

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

(15) RELATED ORGANIZATION

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

(16) RISK MANAGEMENT

For fiscal year 2011, the District was enrolled in the retrospective rating plan for worker's compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

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

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with an insurance carrier for property insurance and general liability insurance. Professional liability is protected by a \$1,000,000 single occurrence limit, \$2,000,000 general aggregate limit, \$2,000,000 umbrella aggregate limit and no deductible. Vehicles are also covered and have a \$500 deductible for comprehensive and a \$1,000 deductible for collision. Automotive liability has a \$1,000,000 combined single limit of liability. Settlements have not exceeded coverage in any of the last three years, and there has been no reduction in coverage from the prior years.

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

The District provides life insurance and accidental death and dismemberment insurance to all employees in an amount related to the employee's position, ranging from \$30,000 to \$378,000.

(17) CONTRACTUAL COMMITMENTS

The District has entered into various contracts for renovations and textbooks from the Permanent Improvement Fund. At June 30, 2011 the District had remaining contractual commitments in the amount of \$4,771,283. The largest contracts are to Pro Grass LLC for \$1,047,129, Bruner Corporation for \$845,700, GHM General Contractors, Inc. for \$488,804, Design-Build Solutions, Inc. for \$370,340, Heiberger Paving, Inc. for \$327,163, Speer Mechanical for \$238,900, Holt McDougal for \$221,636 and Farber Corporation for \$165,779.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2011

(18) RESTATEMENT

On July 1, 2010, the District changed the fund classification for the Food Service and School Supplies Funds, previously reported as proprietary enterprise type funds, to governmental special revenue funds in order to more appropriately reflect the activities as governmental type activities. The adjustment had the following effect on beginning fund balances:

	<u>All Other Governmental Funds</u>	<u>Nonmajor Enterprise Funds</u>
Fund Balance (Net Assets) July 1, 2010	\$973,814	\$858,350
Capital assets used in governmental activities are not functional resources and therefore are not reported in the funds.	-	(303,025)
Long term compensated absence liabilities are not due and payable in the current period and therefore are not reported in the funds.	-	180,808
Adjustment for Fund Reclassification	736,133	(736,133)
Restated Fund Balance July 1, 2010	<u>\$1,709,947</u>	<u>\$-</u>

The adjustment also had the following effect on the beginning entity-wide net assets:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
Net Assets July 1, 2010	\$77,225,163	\$858,350
Adjustment for Fund Reclassification	858,350	(858,350)
Restated Net Assets July 1, 2010	<u>\$78,083,513</u>	<u>\$-</u>

February of 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) effective for statement periods beginning after June 15, 2010. The District has implemented this statement for the fiscal year ending June 30, 2011. There were no funds required to be reclassified or adjusted as a result of implementing this Statement.

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

Debt Service Fund

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

Permanent Improvement Fund

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

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Debt Service				
Total Revenue and Other Sources	\$ 13,000,000	\$ 10,723,774	\$ 12,135,774	\$ 1,412,000
Total Expenditures and Other Uses	<u>12,054,420</u>	<u>12,971,770</u>	<u>12,971,723</u>	<u>47</u>
Net Change in Fund Balance	945,580	(2,247,996)	(835,949)	1,412,047
Fund Balance, July 1	<u>7,876,475</u>	<u>7,876,475</u>	<u>7,876,475</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 8,822,055</u></u>	<u><u>\$ 5,628,479</u></u>	<u><u>\$ 7,040,526</u></u>	<u><u>\$ 1,412,047</u></u>
Permanent Improvement				
Total Revenue and Other Sources	\$ 7,619,498	\$ 7,711,603	\$ 9,153,603	\$ 1,442,000
Total Expenditures and Other Uses	<u>24,183,511</u>	<u>28,040,817</u>	<u>27,802,034</u>	<u>238,783</u>
Net Change in Fund Balance	(16,564,013)	(20,329,214)	(18,648,431)	1,680,783
Fund Balance, July 1	13,072,347	13,072,347	13,072,347	-
Prior Year Encumbrances Appropriated	<u>12,694,426</u>	<u>12,694,426</u>	<u>12,694,426</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 9,202,760</u></u>	<u><u>\$ 5,437,559</u></u>	<u><u>\$ 7,118,342</u></u>	<u><u>\$ 1,680,783</u></u>

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

Other Governmental Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Title II-D – This fund is provided to improve State academic achievement through technology in schools; to assist student in becoming technologically literate by the end of eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

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

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

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

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

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

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

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

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

THIS PAGE INTENTIONALLY LEFT BLANK

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds
June 30, 2011**

	Special Revenue						
	Food Service	Uniform School Supplies	Public School Support	Other Local	District Managed	Auxiliary Services	Management Information System
ASSETS							
Cash and cash equivalents	\$ 1,105,746	\$ 12,483	\$ 261,563	\$ 37,461	\$ 789,361	\$ 176,228	\$ 251
Receivables:							
Accounts	1,561	-	5,922	-	3,970	-	-
Intergovernmental	243,944	-	-	-	-	-	-
Inventories	30,463	-	-	-	-	-	-
Total assets	1,381,714	12,483	267,485	37,461	793,331	176,228	251
LIABILITIES							
Accounts payable	7,995	10,986	8,383	9,278	26,950	66,859	-
Accrued wages and benefits	177,011	-	-	1,821	716	51,222	-
Due to other governments	167,752	-	-	-	734	8,144	-
Interfund loan payable	-	-	-	-	-	-	-
Total liabilities	352,758	10,986	8,383	11,099	28,400	126,225	-
FUND BALANCES							
Nonspendable:							
Inventories	30,463	-	-	-	-	-	-
Restricted for:							
Food Service	998,493	-	-	-	-	-	-
School Supplies	-	1,497	-	-	-	-	-
Non-public Schools	-	-	-	-	-	50,003	-
Special Education	-	-	-	-	-	-	-
Other Purposes	-	-	-	26,362	-	-	251
Committed to:							
Student and Staff Support	-	-	259,102	-	-	-	-
Extracurricular Activities	-	-	-	-	764,931	-	-
Total fund balances	1,028,956	1,497	259,102	26,362	764,931	50,003	251
Total Liabilities and Fund Balances	\$ 1,381,714	\$ 12,483	\$ 267,485	\$ 37,461	\$ 793,331	\$ 176,228	\$ 251

Special Revenue

Data Communi- cations	Alternative Schools	Other State	IDEA-B	Vocational Education: Carl D. Perkins	State Financial Stabilization	Title II-D	Nutrition Education Training Program	Title III
\$ -	\$ 129	\$ -	\$ -	\$ 27,271	\$ -	\$ 120	\$ -	\$ 1,064
-	-	-	-	-	-	-	-	-
-	9,628	1,496	689,308	-	-	-	-	41,364
-	-	-	-	-	-	-	-	-
-	<u>9,757</u>	<u>1,496</u>	<u>689,308</u>	<u>27,271</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>42,428</u>
-	-	140	172,888	1,212	-	-	-	453
-	8,040	-	264,358	-	-	-	-	35,942
-	917	-	48,189	-	-	-	-	6,033
-	-	1,221	194,906	-	-	-	-	-
-	<u>8,957</u>	<u>1,361</u>	<u>680,341</u>	<u>1,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,428</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	8,967	-	-	-	-	-
-	800	135	-	26,059	-	120	-	-
-	-	-	-	-	-	-	-	-
-	<u>800</u>	<u>135</u>	<u>8,967</u>	<u>26,059</u>	<u>-</u>	<u>120</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 9,757</u>	<u>\$ 1,496</u>	<u>\$ 689,308</u>	<u>\$ 27,271</u>	<u>\$ -</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ 42,428</u>

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds
June 30, 2011**

	Special Revenue						Total Other Governmental Funds
	Transition Program for Refugee Children	Title I	Title IV	Early Childhood, IDEA	Title II-A	Other Federal	
ASSETS							
Cash and cash equivalents	\$ -	\$ 8,127	\$ -	\$ 1,027	\$ 7,699	\$ -	\$ 2,428,530
Receivables:							
Accounts	-	-	-	-	-	-	11,453
Intergovernmental	5,202	435,249	-	36,761	48,108	2,615	1,513,675
Inventories	-	-	-	-	-	-	30,463
Total assets	5,202	443,376	-	37,788	55,807	2,615	3,984,121
LIABILITIES							
Accounts payable	-	82,923	-	7,349	7,683	746	403,845
Accrued wages and benefits	-	317,527	-	4,219	27,490	-	888,346
Due to other governments	-	42,926	-	550	3,669	-	278,914
Interfund loan payable	5,202	-	-	-	-	1,052	202,381
Total liabilities	5,202	443,376	-	12,118	38,842	1,798	1,773,486
FUND BALANCES							
Nonspendable:							
Inventories	-	-	-	-	-	-	30,463
Restricted for:							
Food Service	-	-	-	-	-	-	998,493
School Supplies	-	-	-	-	-	-	1,497
Non-public Schools	-	-	-	-	-	-	50,003
Special Education	-	-	-	25,670	-	-	34,637
Other Purposes	-	-	-	-	16,965	817	71,509
Committed to:							
Student and Staff Support	-	-	-	-	-	-	259,102
Extracurricular Activities	-	-	-	-	-	-	764,931
Total fund balances	-	-	-	25,670	16,965	817	2,210,635
Total Liabilities and Fund Balances	\$ 5,202	\$ 443,376	\$ -	\$ 37,788	\$ 55,807	\$ 2,615	\$ 3,984,121

THIS PAGE INTENTIONALLY LEFT BLANK

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2011

	Special Revenue						
	Food Service	Uniform School Supplies	Public School Support	Other Local	District Managed	Auxiliary Services	Management Information System
REVENUES							
Extra-curricular	\$ -	\$ -	\$ 247,314	\$ -	\$ 1,017,680	\$ -	\$ -
Tuition and fees	-	241,118	-	-	-	-	-
Customer sales and services	2,755,355	-	-	-	-	-	-
Investment income	1,156	-	-	-	-	294	-
Intergovernmental - State	37,875	-	-	-	-	658,834	8,419
Intergovernmental - Federal	1,975,807	-	-	-	-	-	-
Other revenue	10,103	-	87,300	116,479	121,996	-	-
Total revenues	4,780,296	241,118	334,614	116,479	1,139,676	659,128	8,419
EXPENDITURES							
Current:							
Instruction							
Regular	-	296,011	-	100,525	-	-	-
Special	-	-	-	10,248	-	-	-
Vocational	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-
Support services							
Pupils	-	-	312,358	-	-	-	-
Staff	-	-	10,804	3,215	-	-	-
School administration	-	-	-	-	-	-	-
Fiscal services	-	-	-	-	-	20,774	-
Business operations	-	-	-	-	-	-	-
Operation & maintenance	-	-	-	1,060	-	-	-
Student transportation	-	-	-	116	-	-	-
Central services	-	-	-	-	-	-	8,168
Food service operations	4,455,617	-	-	-	-	-	-
Community services	-	-	-	2,429	-	766,873	-
Extra-curricular	-	-	-	-	1,073,852	-	-
Capital outlay	27,406	-	-	-	-	-	-
Total expenditures	4,483,023	296,011	323,162	117,593	1,073,852	787,647	8,168
Excess (deficiency) of revenues over (under) expenditures	297,273	(54,893)	11,452	(1,114)	65,824	(128,519)	251
Other financing sources:							
Transfers in	-	51,940	-	-	-	-	-
Total other financing sources	-	51,940	-	-	-	-	-
Net change in fund balances	297,273	(2,953)	11,452	(1,114)	65,824	(128,519)	251
Fund balances, July 1	731,683	4,450	247,650	27,476	699,107	178,522	-
Fund balances, June 30	\$ 1,028,956	\$ 1,497	\$ 259,102	\$ 26,362	\$ 764,931	\$ 50,003	\$ 251

Special Revenue

Data Commu- nications	Alternative Schools	Other State	IDEA-B	Vocational Education: Carl D. Perkins	State Financial Stabilization	Title II-D	Nutrition Education Training Program	Title III
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
52,325	50,472	3,496	-	-	-	-	-	-
-	-	-	3,665,118	88,796	2,548,973	5,938	-	286,458
-	-	-	-	-	-	-	-	-
<u>52,325</u>	<u>50,472</u>	<u>3,496</u>	<u>3,665,118</u>	<u>88,796</u>	<u>2,548,973</u>	<u>5,938</u>	<u>-</u>	<u>286,458</u>
-	50,763	3,361	-	-	-	-	137	-
-	-	-	1,761,808	-	-	-	-	61,592
-	-	-	-	45,462	-	-	-	-
-	-	-	273,506	-	329,117	-	-	-
-	-	1,471	552,421	-	-	-	-	-
-	883	-	554,508	16,062	-	5,420	-	229,142
-	-	-	244,585	-	1,888,457	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	231,448	-	105	-
-	-	-	-	-	-	-	293	-
52,325	-	-	-	7,965	-	-	-	-
-	-	-	165,048	-	-	398	-	-
-	-	-	-	-	-	-	-	-
<u>52,325</u>	<u>51,646</u>	<u>4,832</u>	<u>3,551,876</u>	<u>69,489</u>	<u>2,449,022</u>	<u>5,818</u>	<u>535</u>	<u>290,734</u>
-	(1,174)	(1,336)	113,242	19,307	99,951	120	(535)	(4,276)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	(1,174)	(1,336)	113,242	19,307	99,951	120	(535)	(4,276)
-	1,974	1,471	(104,275)	6,752	(99,951)	-	535	4,276
<u>\$ -</u>	<u>\$ 800</u>	<u>\$ 135</u>	<u>\$ 8,967</u>	<u>\$ 26,059</u>	<u>\$ -</u>	<u>\$ 120</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2011

	Special Revenue						Total Other Governmental Funds
	Transition Program for Refugee Children	Title I	Title IV	Early Childhood, IDEA	Title II-A	Other Federal	
REVENUES							
Extra-curricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,264,994
Tuition and fees	-	-	-	-	-	-	241,118
Customer sales and services	-	-	-	-	-	-	2,755,355
Investment income	-	-	-	-	-	-	1,450
Intergovernmental - State	-	-	-	-	-	-	811,421
Intergovernmental - Federal	8,314	2,916,401	-	66,117	376,102	15,288	11,953,312
Other revenue	-	-	-	-	-	-	335,878
Total revenues	8,314	2,916,401	-	66,117	376,102	15,288	17,363,528
EXPENDITURES							
Current:							
Instruction							
Regular	-	47,247	-	-	206,168	-	704,212
Special	8,314	1,906,298	-	40,324	-	-	3,788,584
Vocational	-	-	-	-	-	4,086	49,548
Other Instruction	-	127,845	-	-	-	-	730,468
Support services							
Pupils	-	-	-	-	-	-	866,250
Staff	-	806,522	-	497	154,590	12,364	1,794,007
School administration	-	-	-	-	-	-	2,133,042
Fiscal services	-	-	-	-	-	-	20,774
Business operations	-	-	-	-	-	-	231,553
Operation & maintenance	-	-	-	-	-	-	1,353
Student transportation	-	773	-	-	-	647	9,501
Central services	-	-	-	-	-	-	60,493
Food service operations	-	-	-	-	-	-	4,455,617
Community services	-	27,717	-	-	5,655	-	968,120
Extra-curricular	-	-	-	-	-	-	1,073,852
Capital outlay	-	-	-	-	-	-	27,406
Total expenditures	8,314	2,916,402	-	40,821	366,413	17,097	16,914,780
Excess (deficiency) of revenues over (under) expenditures	-	(1)	-	25,296	9,689	(1,809)	448,748
Other financing sources:							
Transfers in	-	-	-	-	-	-	51,940
Total other financing sources	-	-	-	-	-	-	51,940
Net change in fund balances	-	(1)	-	25,296	9,689	(1,809)	500,688
Fund balances, July 1	-	1	-	374	7,276	2,626	1,709,947
Fund balances, June 30	\$ -	\$ -	\$ -	\$ 25,670	\$ 16,965	\$ 817	\$ 2,210,635

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Special Revenue				
Food Service Operations				
Total Revenue and Other Sources	\$ 4,682,500	\$ 4,817,500	\$ 4,558,032	\$ (259,468)
Total Expenditures and Other Uses	<u>4,909,861</u>	<u>4,459,861</u>	<u>4,381,464</u>	<u>78,397</u>
Net Change in Fund Balance	(227,361)	357,639	176,568	(181,071)
Fund Balance, July 1	666,385	666,385	666,385	-
Prior Year Encumbrances Appropriated	<u>183,067</u>	<u>183,067</u>	<u>183,067</u>	-
Fund Balance, June 30	<u>\$ 622,091</u>	<u>\$ 1,207,091</u>	<u>\$ 1,026,020</u>	<u>\$ (181,071)</u>
School Supplies				
Total Revenue and Other Sources	\$ 213,370	\$ 304,441	\$ 293,050	\$ (11,391)
Total Expenditures and Other Uses	<u>229,437</u>	<u>320,118</u>	<u>309,095</u>	<u>11,023</u>
Net Change in Fund Balance	(16,067)	(15,677)	(16,045)	(368)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>16,067</u>	<u>16,067</u>	<u>16,067</u>	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 390</u>	<u>\$ 22</u>	<u>\$ (368)</u>
Public School Support				
Total Revenue and Other Sources	\$ 275,911	\$ 351,856	\$ 330,828	\$ (21,028)
Total Expenditures and Other Uses	<u>348,200</u>	<u>405,222</u>	<u>356,962</u>	<u>48,260</u>
Net Change in Fund Balance	(72,289)	(53,366)	(26,134)	27,232
Fund Balance, July 1	246,473	246,473	246,473	-
Prior Year Encumbrances Appropriated	<u>21,698</u>	<u>21,698</u>	<u>21,698</u>	-
Fund Balance, June 30	<u>\$ 195,882</u>	<u>\$ 214,805</u>	<u>\$ 242,037</u>	<u>\$ 27,232</u>

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other Local				
Total Revenue and Other Sources	\$ 53,189	\$ 116,479	\$ 116,479	\$ -
Total Expenditures and Other Uses	<u>58,050</u>	<u>145,363</u>	<u>125,856</u>	<u>19,507</u>
Net Change in Fund Balance	(4,861)	(28,884)	(9,377)	19,507
Fund Balance, July 1	24,024	24,024	24,024	-
Prior Year Encumbrances Appropriated	<u>4,860</u>	<u>4,860</u>	<u>4,860</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 24,023</u>	<u>\$ -</u>	<u>\$ 19,507</u>	<u>\$ 19,507</u>
District Managed				
Total Revenue and Other Sources	\$ 975,110	\$ 1,172,592	\$ 1,135,696	\$ (36,896)
Total Expenditures and Other Uses	<u>1,125,293</u>	<u>1,254,432</u>	<u>1,104,693</u>	<u>149,739</u>
Net Change in Fund Balance	(150,183)	(81,840)	31,003	112,843
Fund Balance, July 1	691,764	691,764	691,764	-
Prior Year Encumbrances Appropriated	<u>35,664</u>	<u>35,664</u>	<u>35,664</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 577,245</u>	<u>\$ 645,588</u>	<u>\$ 758,431</u>	<u>\$ 112,843</u>
Auxilliary Services				
Total Revenue and Other Sources	\$ 860,661	\$ 736,735	\$ 721,892	\$ (14,843)
Total Expenditures and Other Uses	<u>879,153</u>	<u>927,632</u>	<u>865,683</u>	<u>61,949</u>
Net Change in Fund Balance	(18,492)	(190,897)	(143,791)	47,106
Fund Balance, July 1	187,266	187,266	187,266	-
Prior Year Encumbrances Appropriated	<u>18,492</u>	<u>18,492</u>	<u>18,492</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 187,266</u>	<u>\$ 14,861</u>	<u>\$ 61,967</u>	<u>\$ 47,106</u>

(Continued)

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Management Information System				
Total Revenue and Other Sources	\$ 6,000	\$ 8,419	\$ 8,419	\$ -
Total Expenditures and Other Uses	<u>6,000</u>	<u>8,419</u>	<u>8,369</u>	<u>50</u>
Net Change in Fund Balance	-	-	50	50
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 50</u></u>	<u><u>\$ 50</u></u>
Data Communications				
Total Revenue and Other Sources	\$ 50,000	\$ 52,325	\$ 52,325	\$ -
Total Expenditures and Other Uses	<u>50,000</u>	<u>52,325</u>	<u>52,325</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative Schools				
Total Revenue and Other Sources	\$ 49,830	\$ 64,861	\$ 51,062	\$ (13,799)
Total Expenditures and Other Uses	<u>60,242</u>	<u>60,887</u>	<u>51,128</u>	<u>9,759</u>
Net Change in Fund Balance	(10,412)	3,974	(66)	(4,040)
Fund Balance, July 1	193	193	193	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ (10,219)</u></u>	<u><u>\$ 4,167</u></u>	<u><u>\$ 127</u></u>	<u><u>\$ (4,040)</u></u>

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other State				
Total Revenue and Other Sources	\$ 6,431	\$ 9,931	\$ 9,652	\$ (279)
Total Expenditures and Other Uses	<u>6,431</u>	<u>9,931</u>	<u>9,926</u>	<u>5</u>
Net Change in Fund Balance	-	-	(274)	(274)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (274)</u>	<u>\$ (274)</u>
IDEA, Part B				
Total Revenue and Other Sources	\$ 3,911,412	\$ 4,412,319	\$ 3,661,247	\$ (751,072)
Total Expenditures and Other Uses	<u>4,293,296</u>	<u>4,411,819</u>	<u>3,923,549</u>	<u>488,270</u>
Net Change in Fund Balance	(381,884)	500	(262,302)	(262,802)
Fund Balance, July 1	(115,457)	(115,457)	(115,457)	-
Prior Year Encumbrances Appropriated	<u>115,457</u>	<u>115,457</u>	<u>115,457</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (381,884)</u>	<u>\$ 500</u>	<u>\$ (262,302)</u>	<u>\$ (262,802)</u>
Vocational Education: Carl D. Perkins				
Total Revenue and Other Sources	\$ 97,930	\$ 88,796	\$ 88,796	\$ -
Total Expenditures and Other Uses	<u>104,920</u>	<u>95,786</u>	<u>94,842</u>	<u>944</u>
Net Change in Fund Balance	(6,990)	(6,990)	(6,046)	944
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>6,990</u>	<u>6,990</u>	<u>6,990</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 944</u>	<u>\$ 944</u>

(Continued)

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
SFSF				
Total Revenue and Other Sources	\$ 2,041,942	\$ 2,548,973	\$ 2,548,973	\$ -
Total Expenditures and Other Uses	<u>526,338</u>	<u>2,548,973</u>	<u>2,548,973</u>	<u>-</u>
Net Change in Fund Balance	1,515,604	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 1,515,604</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Title II-D				
Total Revenue and Other Sources	\$ -	\$ 5,938	\$ 5,938	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>5,938</u>	<u>5,818</u>	<u>120</u>
Net Change in Fund Balance	-	-	120	120
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 120</u></u>	<u><u>\$ 120</u></u>
Nutrition Education and Training				
Total Revenue and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>2,442</u>	<u>2,442</u>	<u>2,442</u>	<u>-</u>
Net Change in Fund Balance	(2,442)	(2,442)	(2,442)	-
Fund Balance, July 1	65	65	65	-
Prior Year Encumbrances Appropriated	<u>2,377</u>	<u>2,377</u>	<u>2,377</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Title III				
Total Revenue and Other Sources	\$ 198,331	\$ 341,450	\$ 292,474	\$ (48,976)
Total Expenditures and Other Uses	<u>246,070</u>	<u>341,807</u>	<u>297,318</u>	<u>44,489</u>
Net Change in Fund Balance	(47,739)	(357)	(4,844)	(4,487)
Fund Balance, July 1	357	357	357	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (47,382)</u>	<u>\$ -</u>	<u>\$ (4,487)</u>	<u>\$ (4,487)</u>
Transition Program for Refugee Children				
Total Revenue and Other Sources	\$ 13,906	\$ 21,672	\$ 21,672	\$ -
Total Expenditures and Other Uses	<u>13,906</u>	<u>21,672</u>	<u>21,672</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title I				
Total Revenue and Other Sources	\$ 3,053,888	\$ 3,791,606	\$ 2,859,532	\$ (932,074)
Total Expenditures and Other Uses	<u>3,795,248</u>	<u>3,804,894</u>	<u>3,005,554</u>	<u>799,340</u>
Net Change in Fund Balance	(741,360)	(13,288)	(146,022)	(132,734)
Fund Balance, July 1	(79,000)	(79,000)	(79,000)	-
Prior Year Encumbrances Appropriated	<u>92,288</u>	<u>92,288</u>	<u>92,288</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (728,072)</u>	<u>\$ -</u>	<u>\$ (132,734)</u>	<u>\$ (132,734)</u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Title IV				
Total Revenue and Other Sources	\$ -	\$ 3,728	\$ 3,728	\$ -
Total Expenditures and Other Uses	<u>2,666</u>	<u>3,728</u>	<u>3,728</u>	<u>-</u>
Net Change in Fund Balance	(2,666)	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (2,666)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Preschool Handicapped				
Total Revenue and Other Sources	\$ 123,820	\$ 128,894	\$ 34,947	\$ (93,947)
Total Expenditures and Other Uses	<u>128,820</u>	<u>129,320</u>	<u>88,068</u>	<u>41,252</u>
Net Change in Fund Balance	(5,000)	(426)	(53,121)	(52,695)
Fund Balance, July 1	426	426	426	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (4,574)</u>	<u>\$ -</u>	<u>\$ (52,695)</u>	<u>\$ (52,695)</u>
Title II-A				
Total Revenue and Other Sources	\$ 364,917	\$ 440,506	\$ 375,981	\$ (64,525)
Total Expenditures and Other Uses	<u>436,743</u>	<u>442,305</u>	<u>400,989</u>	<u>41,316</u>
Net Change in Fund Balance	(71,826)	(1,799)	(25,008)	(23,209)
Fund Balance, July 1	(12,908)	(12,908)	(12,908)	-
Prior Year Encumbrances Appropriated	<u>14,707</u>	<u>14,707</u>	<u>14,707</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (70,027)</u>	<u>\$ -</u>	<u>\$ (23,209)</u>	<u>\$ (23,209)</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other Federal				
Total Revenue and Other Sources	\$ 6,116	\$ 18,793	\$ 13,725	\$ (5,068)
Total Expenditures and Other Uses	<u>14,048</u>	<u>22,618</u>	<u>22,383</u>	<u>235</u>
Net Change in Fund Balance	(7,932)	(3,825)	(8,658)	(4,833)
Fund Balance, July 1	2,427	2,427	2,427	-
Prior Year Encumbrances Appropriated	<u>1,398</u>	<u>1,398</u>	<u>1,398</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ (4,107)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (4,833)</u></u>	<u><u>\$ (4,833)</u></u>

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

Internal Service Funds

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

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

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

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

**Westerville City School District
Combining Statement of Net Assets
Internal Service Funds
As of June 30, 2011**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 8,270	\$ 94,737	\$ 459,166	\$ 562,173
Receivables:				
Accounts	-	9,430	-	9,430
Total assets	<u>8,270</u>	<u>104,167</u>	<u>459,166</u>	<u>571,603</u>
<u>LIABILITIES</u>				
Accounts payable	675	2,720	-	3,395
Accrued wages and benefits	-	15,237	-	15,237
Due to:				
Other Governments	-	4,783	370,184	374,967
Total liabilities	<u>675</u>	<u>22,740</u>	<u>370,184</u>	<u>393,599</u>
<u>NET ASSETS</u>				
Unrestricted	7,595	81,427	88,982	178,004
Total net assets	<u>\$ 7,595</u>	<u>\$ 81,427</u>	<u>\$ 88,982</u>	<u>\$ 178,004</u>

Westerville City School District
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year ended June 30, 2011

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
<u>OPERATING REVENUES</u>				
Charges for services	\$ -	\$ 303,259	\$ 731,637	\$ 1,034,896
Total operating revenues	<u>-</u>	<u>303,259</u>	<u>731,637</u>	<u>1,034,896</u>
<u>OPERATING EXPENSES</u>				
Wages and benefits	-	103,900	-	103,900
Purchased services	(7,825)	-	647,913	640,088
Materials and supplies	-	201,240	-	201,240
Other expenses	-	6,050	-	6,050
Total operating expenses	<u>(7,825)</u>	<u>311,190</u>	<u>647,913</u>	<u>951,278</u>
Operating income (loss)	7,825	(7,931)	83,724	83,618
<u>NON-OPERATING REVENUES</u>				
Investment income	-	-	552	552
Total non-operating revenues	<u>-</u>	<u>-</u>	<u>552</u>	<u>552</u>
Change in net assets	7,825	(7,931)	84,276	84,170
Net assets at beginning of year	<u>(230)</u>	<u>89,358</u>	<u>4,706</u>	<u>93,834</u>
Net assets at end of year	<u>\$ 7,595</u>	<u>\$ 81,427</u>	<u>\$ 88,982</u>	<u>\$ 178,004</u>

Westerville City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service			
	Self Insurance	Print Shop	Worker's Compensation	Total
Cash flows from operating activities:				
Cash payments for wages and benefits	\$ -	\$ (103,561)	\$ -	\$ (103,561)
Cash received from interfund services provided	-	310,445	731,637	1,042,082
Cash payments for purchased services	8,270	-	(602,734)	(594,464)
Cash payments for materials and supplies	-	(199,899)	-	(199,899)
Cash payments for other expenses	-	(6,050)	-	(6,050)
Net cash used for operating activities	8,270	935	128,903	138,108
Cash flows from investing activities:				
Investment income	-	-	552	552
Net decrease in cash and cash equivalents	8,270	935	129,455	138,660
Cash and cash equivalents at beginning of year	-	93,802	329,711	423,513
Cash and cash equivalents at end of year	\$ 8,270	\$ 94,737	\$ 459,166	\$ 562,173
Reconciliation of operating loss to net cash used for operating activities				
Operating loss	\$ 7,825	\$ (7,931)	\$ 83,724	\$ 83,618
Adjustments to reconcile operating loss to net cash used for operating activities:				
Changes in assets and liabilities:				
Decrease in accounts receivables	-	7,186	-	7,186
Increase in accounts payable	445	1,341	-	1,786
Increase in accrued wages and benefits	-	464	-	464
Increase (decrease) in due to other governments	-	(125)	45,179	45,054
Net cash used for operating activities	\$ 8,270	\$ 935	\$ 128,903	\$ 138,108

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

Agency Funds

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

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

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

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

Westerville City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Year Ended June 30, 2011

	Beginning Balance June 30, 2010	Additions	Deductions	Ending Balance June 30, 2011
District Agency				
Assets				
Cash and cash equivalents	\$144,839	\$58,956	\$51,062	\$152,733
Total assets	<u>144,839</u>	<u>58,956</u>	<u>51,062</u>	<u>152,733</u>
Liabilities				
Accounts payable	6,112	926	6,112	926
Due to others	138,727	13,080	-	151,807
Total liabilities	<u>\$144,839</u>	<u>\$14,006</u>	<u>\$6,112</u>	<u>\$152,733</u>
Student Managed Activity				
Assets				
Cash and cash equivalents	\$202,525	\$262,252	\$271,134	\$193,643
Total assets	<u>202,525</u>	<u>262,252</u>	<u>271,134</u>	<u>193,643</u>
Liabilities				
Accounts payable	2,687	5,322	2,687	5,322
Due to others	199,838	-	11,517	188,321
Total liabilities	<u>\$202,525</u>	<u>\$5,322</u>	<u>\$14,204</u>	<u>\$193,643</u>
Section 125 Cafeteria Plan				
Assets				
Cash and cash equivalents	\$20,746	\$119,723	\$120,626	\$19,843
Total assets	<u>20,746</u>	<u>119,723</u>	<u>120,626</u>	<u>19,843</u>
Liabilities				
Due to others	20,746	19,843	20,746	19,843
Total liabilities	<u>\$20,746</u>	<u>\$19,843</u>	<u>\$20,746</u>	<u>\$19,843</u>
Total Agency Funds				
Assets				
Cash and cash equivalents	\$368,110	\$440,931	\$442,822	\$366,219
Total assets	<u>368,110</u>	<u>440,931</u>	<u>442,822</u>	<u>366,219</u>
Liabilities				
Accounts payable	8,799	6,248	8,799	6,248
Due to others	359,311	32,923	32,263	359,971
Total liabilities	<u>\$368,110</u>	<u>\$39,171</u>	<u>\$41,062</u>	<u>\$366,219</u>

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)

Statistical Section



Board of Education
Westerville City School District
Westerville, Ohio

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	86
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	94
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
Debt Capacity	98
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	101
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	103
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities										
Invested in capital assets, net of related debt	\$46,260,204	\$50,782,100	\$47,774,042	\$44,986,764	\$40,845,628	\$35,231,187	\$31,408,924	\$33,409,501	\$31,492,202	\$21,688,908
Restricted	17,535,881	12,385,358	14,277,668	15,928,778	13,834,835	16,606,468	16,744,972	11,435,146	9,602,814	13,920,375
Unrestricted	19,853,427	14,916,055	6,060,190	10,383,117	12,915,770	6,182,254	3,216,719	(3,993,159)	4,135,472	10,846,122
Total governmental activities net assets	\$83,649,512	\$78,083,513	\$68,111,900	\$71,298,659	\$67,596,233	\$58,019,909	\$51,370,615	\$40,851,488	\$45,230,488	\$46,455,405

Source: School district financial records

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:										
Governmental activities:										
Instruction										
Regular	\$69,983,172	\$69,463,578	\$67,449,754	\$65,456,070	\$62,931,908	\$62,338,120	\$58,556,130	\$61,669,865	\$52,090,736	\$62,426,476
Special	23,747,901	21,153,825	21,788,841	19,601,737	17,708,534	15,871,474	13,819,966	12,162,246	10,330,195	8,728,805
Vocational	915,477	548,891	593,157	678,722	624,810	526,254	404,299	2,266,230	2,550,806	2,120,629
Other instruction	4,970,334	4,568,165	4,558,042	3,482,504	3,126,170	2,438,333	2,337,018	1,835,688	1,656,434	1,166,761
Support services										
Pupils	12,816,271	11,340,996	11,253,575	10,363,670	9,526,679	8,681,922	8,100,767	7,601,627	6,443,665	5,661,710
Staff	6,401,728	5,242,394	5,541,038	4,603,913	4,291,972	4,031,852	4,055,364	4,431,094	4,826,578	4,144,559
General administration	1,728,752	1,651,416	1,456,641	1,536,818	1,610,376	1,404,573	1,413,567	1,445,681	1,397,792	1,265,245
School administration	11,888,608	11,245,165	10,791,283	10,033,797	9,309,733	9,419,003	8,422,107	8,383,725	9,249,706	7,784,403
Fiscal services	2,804,650	2,625,949	1,632,219	2,417,545	2,304,479	1,874,309	1,909,425	1,515,452	1,760,511	1,662,225
Business services	1,204,083	952,097	988,944	1,000,857	1,873,824	1,635,460	1,496,593	1,104,154	1,249,159	865,019
Operation & maintenance	16,024,992	14,131,404	13,624,034	13,857,342	13,621,605	11,689,529	11,652,334	10,977,422	10,614,195	9,536,464
Student transportation	8,815,697	8,473,897	7,987,307	7,401,674	6,921,601	6,596,268	6,196,437	5,771,952	5,671,020	5,317,633
Central services	2,731,958	3,553,586	3,514,157	2,459,665	1,446,375	1,398,019	1,022,336	1,144,924	1,738,582	1,548,397
Food service operations	4,498,897	4,262,060	4,120,885	4,091,536	4,129,346	257,052	3,411,071	3,572,551	3,331,475	3,652,334
Community services	1,048,002	985,404	1,190,109	873,719	984,663	673,863	897,810	690,830	649,801	9,112
Extra-curricular activities	3,320,713	3,156,520	2,888,932	2,845,872	2,652,863	2,550,715	2,357,322	2,788,686	2,024,729	1,969,421
Interest and fiscal charges	5,627,155	5,665,429	5,566,387	5,780,535	5,902,822	6,258,362	6,412,729	5,788,941	7,086,262	8,719,392
Total governmental activities	178,528,390	169,020,776	164,945,305	156,485,976	148,967,760	137,845,108	132,465,275	133,151,068	122,671,646	126,578,585
expenses										

Source: School district financial records

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

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

	2011	2010	2009	2008	2007
Program revenues					
Governmental activities:					
Charges for services and sales					
Instruction					
Regular	\$1,377,360	\$1,283,750	\$1,283,887	\$1,307,979	\$1,781,314
Special	302,016	405,395	196,923	191,520	67,226
Food service	2,755,355	2,757,264	2,799,032	2,752,314	2,739,899
Extra-curricular activities	1,488,255	1,410,889	1,355,317	1,331,796	1,219,200
Operating grants and contributions	10,501,731	9,498,432	7,869,476	7,086,656	6,639,262
Capital grants and contributions	-	-	-	-	-
Total governmental activities	<u>16,424,717</u>	<u>15,355,730</u>	<u>13,504,635</u>	<u>12,670,265</u>	<u>12,446,901</u>
Net (expense)/revenue					
Governmental activities	<u>(\$162,103,673)</u>	<u>(\$153,665,046)</u>	<u>(\$151,440,670)</u>	<u>(\$143,815,711)</u>	<u>(\$136,520,859)</u>
General revenues and other changes					
in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$97,182,551	\$92,703,533	\$80,868,900	\$78,858,985	\$82,850,463
Debt service	8,092,890	10,695,455	10,612,532	9,537,826	10,092,937
Capital projects	7,539,296	5,273,876	5,290,857	5,208,015	5,400,744
Grants and entitlements not					
restricted to specific programs	52,556,276	52,929,017	49,181,194	47,212,653	44,906,266
Insurance recoveries	-	-	-	3,438,753	-
Payment in lieu of taxes	1,279,078	1,117,132	974,418	680,171	-
Investment income	87,739	54,648	459,231	1,432,458	1,785,049
Loss on sale of capital assets	-	-	-	-	-
Miscellaneous	931,842	862,998	866,779	759,064	1,322,802
Total governmental activities	<u>167,669,672</u>	<u>163,636,659</u>	<u>148,253,911</u>	<u>147,127,925</u>	<u>146,358,261</u>
Change in net assets					
Governmental activities	<u>\$5,565,999</u>	<u>\$9,971,613</u>	<u>(\$3,186,759)</u>	<u>\$3,312,214</u>	<u>\$9,837,402</u>

Source: School district financial records

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
Program revenues					
Governmental activities:					
Charges for services and sales					
Instruction					
Regular	\$1,532,562	\$1,226,651	\$1,168,628	\$1,009,760	\$869,467
Special	30,487	41,937	21,623	8,400	20,138
Food service	2,748,022	2,754,240	2,744,280	2,713,577	2,797,923
Extra-curricular activities	1,560,020	1,866,271	1,065,844	940,944	1,036,497
Operating grants and contributions	6,400,235	6,327,386	5,397,703	4,825,747	3,697,566
Capital grants and contributions	-	-	319,871	6,547	13,375
Total governmental activities	<u>12,271,326</u>	<u>12,216,485</u>	<u>10,717,949</u>	<u>9,504,975</u>	<u>8,434,966</u>
Net (expense)/revenue					
Governmental activities	<u>(\$125,573,782)</u>	<u>(\$120,248,790)</u>	<u>(\$122,433,119)</u>	<u>(\$113,166,671)</u>	<u>(\$118,143,619)</u>
General revenues and other changes					
in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$70,312,884	\$69,808,534	\$58,753,446	\$56,040,935	57,705,984
Debt service	10,310,165	11,008,652	10,796,918	9,699,373	9,786,788
Capital projects	5,577,545	5,335,310	4,308,694	3,938,029	4,201,615
Grants and entitlements not restricted to specific programs	43,015,156	43,063,290	42,954,970	40,769,790	40,380,438
Insurance recoveries	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-
Investment income	1,288,592	757,239	402,890	1,397,004	4,863,865
Loss on sale of capital assets	-	(45,647)	-	-	(267,424)
Miscellaneous	1,718,734	840,539	848,547	981,987	1,163,590
Total governmental activities	<u>132,223,076</u>	<u>130,767,917</u>	<u>118,065,465</u>	<u>112,827,118</u>	<u>117,834,856</u>
Change in net assets					
Governmental activities	<u>\$6,649,294</u>	<u>\$10,519,127</u>	<u>(\$4,367,654)</u>	<u>(\$339,553)</u>	<u>(\$308,763)</u>

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General fund										
Nonspendable	\$98,661	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Assigned	790,544	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	23,564,136	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	\$30,427,754	\$26,081,899	\$24,390,792	\$27,249,394	\$20,576,711	\$15,852,554	\$8,204,760	\$7,900,865	\$8,477,909
Unreserved	N/A	(8,480,367)	(15,420,065)	(9,236,180)	(9,270,091)	(9,277,879)	(6,143,828)	(5,406,906)	3,337,746	9,187,046
Total General fund	\$24,453,341	\$21,947,387	\$10,661,834	\$15,154,612	\$17,979,303	\$11,298,832	\$9,708,726	\$2,797,854	\$11,238,611	\$17,664,955
All other governmental funds										
Nonspendable	\$30,463	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Restricted for:										
Debt Service	7,964,302	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Outlay	11,866,584	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other Purposes	157,646	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Committed	1,024,033	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unassigned	998,493	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reserved	N/A	\$17,667,994	\$5,647,773	\$6,468,109	\$4,958,172	\$5,044,945	\$4,410,538	\$3,180,380	\$13,222,679	\$41,233,162
Unreserved, reported in:										
Debt Service	N/A	7,876,475	6,892,804	5,937,642	5,646,821	5,461,983	5,583,530	5,989,550	4,686,069	6,913,995
Permanent Improvement	N/A	13,069,634	4,197,928	5,653,428	4,746,920	5,204,516	5,815,624	4,586,996	6,187,802	26,677,330
Special Revenue	N/A	792,859	901,467	1,101,957	938,255	924,487	897,141	726,239	564,240	634,504
Total all other governmental funds	\$22,041,521	\$39,406,962	\$17,639,972	\$19,161,136	\$16,290,168	\$16,635,931	\$16,706,833	\$14,483,165	\$24,660,790	\$75,458,991

Source: School district financial records

Note: The Enterprise funds were reclassified to the Other Governmental Special Revenue fund as of July 1, 2010. This has been reflected for 2011 only.

Note: Governmental Accounting Standards Board Statement No 54, Fund Balance Reporting, was implemented July 1, 2010. This has been reflected for 2011 only.

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)

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

	2011	2010	2009	2008	2007
Revenues:					
From local sources					
Taxes	\$112,396,958	\$108,538,581	\$96,035,461	\$93,041,686	\$97,695,620
Extra-curricular	1,488,255	1,410,889	1,355,317	1,331,796	1,219,200
Tuition and fees	1,679,376	1,448,710	1,241,502	1,260,389	938,607
Customer sales and services	275,535	N/A	N/A	N/A	N/A
Investment income	87,187	53,787	435,765	1,364,612	1,690,559
Payment in lieu of taxes	1,279,078	1,117,132	974,418	680,171	693,505
Intergovernmental - state	51,597,664	51,330,484	50,719,372	48,774,564	46,359,783
Intergovernmental - federal	11,952,761	8,627,884	4,791,082	4,180,663	4,017,618
Other revenue	1,048,321	896,921	918,238	789,189	1,322,802
Total revenues	184,284,955	173,424,388	156,471,155	151,423,070	153,937,694
Expenditures:					
Instructional					
Regular	66,458,161	66,266,194	64,155,120	58,719,818	56,444,508
Special	22,876,833	20,453,616	20,884,904	18,651,131	16,798,447
Vocational	888,488	523,561	567,680	644,768	593,501
Continuing	-	-	-	-	-
Other	4,807,010	4,401,401	4,397,956	3,330,470	2,984,481
Support Services					
Pupils	12,869,176	11,270,648	11,175,462	10,304,731	9,508,798
Staff	6,349,461	5,298,758	5,528,096	4,627,808	4,343,114
General administration	1,728,431	1,651,416	1,456,641	1,536,818	1,610,376
School administration	11,323,936	10,825,911	10,201,514	9,648,630	8,980,999
Fiscal services	2,793,321	2,948,045	1,629,092	2,399,553	2,294,423
Business services	1,174,471	903,218	953,696	969,238	952,574
Operation & maintenance	15,635,931	13,878,489	13,414,960	13,742,638	13,458,198
Student transportation	8,331,020	7,947,634	7,436,535	6,969,000	6,463,492
Central services	2,384,339	2,422,504	3,435,033	2,276,147	2,053,622
Food service operations	4,455,617	600	1,500	23,650	29,878
Community services	1,055,554	982,797	1,175,295	872,641	983,610
Extra-curricular activities	3,194,118	2,998,384	2,819,478	2,771,679	2,586,588
Capital outlay	20,716,089	1,947,983	2,877,972	6,848,222	6,905,754
Debt Service:					
Principal retirement	7,660,000	7,095,000	5,700,000	5,580,000	5,445,000
Interest	5,178,619	4,420,045	4,674,163	4,898,604	5,607,656
Total expenditures	199,880,575	166,236,204	162,485,097	154,815,546	148,045,019
Excess (deficiency) of revenues over (under) expenditures	(15,595,620)	7,188,184	(6,013,942)	(3,392,476)	5,892,675
Other financing sources (uses):					
Proceeds from refunding bonds	-	-	-	-	48,363,000
Premium on issuance of bonds	-	-	-	-	2,657,888
Payment to bond agent	-	-	-	-	(50,580,855)
Tax Anticipation Notes issued	-	24,415,000	-	-	-
Premium on tax anticipation notes	-	1,488,342	-	-	-
Proceeds on sale of assets	-	-	-	-	-
Transfers in	467,959	2,687,736	-	-	-
Transfers out	(467,959)	(2,726,719)	-	-	-
Insurance recoveries	-	-	-	3,438,753	-
Total other financing sources (uses)	-	25,864,359	-	3,438,753	442,033
Net change in fund balances	(\$15,595,620)	\$33,052,543	(\$6,013,942)	\$46,277	\$6,334,708
Debt service as a percentage of noncapital expenditures	7.17%	7.01%	6.50%	6.95%	7.62%

Source: School district financial records

Note: The Enterprise funds were reclassified to the Other Governmental Special Revenue fund as of July 1, 2010.
This has been reflected for 2011 only.

	2006	2005	2004	2003	2002
Revenues:					
From local sources					
Taxes	\$86,402,046	\$86,602,416	\$74,289,634	\$69,252,976	\$71,166,995
Extra-curricular	1,560,020	1,866,271	1,065,844	940,944	1,036,497
Tuition	772,984	598,107	410,603	488,196	399,296
Customer sales and services	N/A	N/A	N/A	N/A	N/A
Investment income	1,197,757	710,785	386,471	1,373,429	4,825,857
Payment in lieu of taxes	578,351	462,653	582,604	388,214	423,073
Intergovernmental - state	44,256,443	44,760,578	44,748,270	42,552,850	41,929,676
Intergovernmental - federal	4,204,412	3,810,758	2,871,146	2,427,892	1,556,805
Other revenue	1,946,141	840,539	1,165,268	981,987	1,160,909
Total revenues	140,918,154	139,652,107	125,519,840	118,406,488	122,499,108
Expenditures:					
Instructional					
Regular	54,660,424	52,316,796	55,807,436	51,772,472	50,352,696
Special	15,232,634	12,956,491	11,437,291	9,901,261	8,740,977
Vocational	540,118	648,594	2,129,010	2,392,716	2,138,402
Continuing	-	-	-	-	-
Other	2,326,826	2,225,747	1,753,098	1,607,521	1,166,761
Support Services					
Pupils	8,697,619	7,944,046	7,604,487	6,448,953	5,592,025
Staff	4,147,768	3,997,020	4,349,735	4,771,434	4,164,763
General administration	1,404,573	1,413,567	1,445,681	1,397,792	1,265,245
School administration	9,081,411	8,104,318	8,110,849	8,663,698	7,529,232
Fiscal services	1,869,542	1,895,357	2,020,073	1,709,155	1,650,788
Business services	879,293	816,282	914,221	1,051,841	858,308
Operation & maintenance	11,555,153	11,302,331	10,903,355	10,258,280	9,394,710
Student transportation	6,068,975	5,666,923	5,307,951	4,994,803	4,911,727
Central services	1,804,761	1,678,114	1,740,896	1,747,849	1,553,428
Food services	-	-	-	2,923	-
Community services	673,140	896,865	690,830	649,801	445,488
Extra-curricular activities	2,694,027	2,322,628	2,750,499	1,991,739	1,950,979
Capital outlay	6,852,241	4,575,532	17,378,934	53,580,974	40,481,842
Debt Service:					
Principal retirement	5,300,000	5,915,000	4,705,000	6,115,000	2,328,533
Interest	5,610,445	5,841,956	5,559,608	6,790,573	8,115,314
Total expenditures	139,398,950	130,517,567	144,608,954	175,848,785	152,641,218
Excess (deficiency) of revenues over (under) expenditures	1,519,204	9,134,540	(19,089,114)	(57,442,297)	(30,142,110)
Other financing sources (uses):					
Proceeds from refunding bonds	-	-	49,499,954	-	-
Premium on issuance of bonds	-	-	7,102,634	-	-
Payment to bond agent	-	-	(56,131,856)	-	-
Tax Anticipation Notes issued	-	-	-	-	-
Premium on Tax Anticipation Notes	-	-	-	-	-
Proceeds on sale of assets	-	-	-	-	24,326
Transfers in	-	-	36,000	36,000	36,000
Transfers out	-	-	(36,000)	(36,000)	(36,000)
Insurance recoveries	-	-	-	-	-
Total other financing sources (uses)	-	-	470,732	-	24,326
Net change in fund balances	\$1,519,204	\$9,134,540	(\$18,618,382)	(\$57,442,297)	(\$30,117,784)
Debt service as a percentage of noncapital expenditures	8.08%	9.12%	7.96%	10.39%	8.54%

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

Collection Year	Real Property (a)		Tangible Personal Property				Tangible Personal Property		Total	
	Assessed Value	Est. Actual Value	General Business (b)		Public Utility (c)		Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value
			Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value				
2011	\$2,421,002,290	\$6,917,149,400	\$0	\$0	\$44,873,240	\$128,209,257	2,465,875,530	7,045,358,657	50.70	
2010	2,433,460,260	6,952,743,600	2,114,706	42,294,120	39,065,530	111,615,800	2,474,640,496	7,106,653,520	50.65	
2009	2,418,789,480	6,910,827,086	4,064,812	40,648,120	38,076,550	108,790,143	2,460,930,842	7,060,265,349	43.06	
2008	2,414,158,300	6,897,595,143	23,161,556	370,584,896	36,764,060	105,040,171	2,474,083,916	7,373,220,210	42.29	
2007	2,418,908,970	6,911,168,486	39,390,964	315,127,712	53,557,100	153,020,286	2,511,857,034	7,379,316,484	42.69	
2006	2,379,600,480	6,798,858,514	53,636,288	223,484,533	53,702,010	153,434,314	2,486,938,778	7,175,777,362	37.06	
2005	2,074,038,900	5,925,825,429	73,858,548	307,743,950	55,563,540	158,752,971	2,203,460,988	6,392,322,350	42.29	
2004	2,024,458,100	5,784,166,000	76,287,708	317,865,450	54,084,170	154,526,200	2,154,829,978	6,256,557,650	37.06	
2003	1,961,931,150	5,605,517,571	112,285,098	449,140,312	56,031,920	160,091,200	2,130,248,148	6,214,749,083	37.64	
2002	1,708,441,740	4,881,262,114	115,766,508	463,066,032	54,993,020	157,122,914	1,879,201,268	5,501,451,060	41.05	

Source: Franklin County Auditor

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

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

Tax Year/ Collection Year	Westerville City School District										Total Direct	Westerville Corp. (Genoa)			
	Gen. Fd.	Voted	Bond	Permanent Improvement	Unvoted	Franklin County	Delaware County	City of Westerville	City of Columbus	Blendon Township			Genoa Township	Plain Township	Sharon Township
2010/2011	61.60	3.60	3.60	3.95	3.80	18.07	6.65	20.30	3.14	29.10	11.30	15.35	23.50	16.05	23.30
Res/Agr	39.28	3.60	3.60	3.60	3.80	16.79	6.65	12.92	3.14	17.58	11.30	9.73	19.10	16.05	12.92
Comm/Ind	42.13	3.60	3.60	3.95	3.80	17.45	6.57	14.92	3.14	20.28	11.24	7.84	21.44	15.28	14.92
2009/2010	61.60	4.90	4.90	2.70	3.80	18.07	6.64	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
2008/2009	65.40	4.90	4.90	2.70	3.80	18.02	5.85	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
2007/2008	61.60	4.40	4.40	2.70	3.80	18.49	5.65	17.64	3.14	26.51	9.40	12.85	23.50	15.95	17.64
2006/2007	61.60	4.40	4.40	2.70	3.80	18.44	5.65	17.60	3.14	26.55	10.10	13.15	23.50	16.09	17.60
2005/2006	56.30	4.51	4.51	2.70	3.80	18.44	5.67	17.97	3.14	25.02	10.10	13.27	23.50	16.09	17.97
2004/2005	56.30	5.21	5.21	2.70	3.80	18.44	5.61	17.95	3.14	25.05	12.80	13.37	23.50	16.08	17.95
2003/2004	52.30	5.40	5.40	2.70	3.80	17.64	5.61	18.06	3.14	25.07	12.80	13.12	23.50	16.13	18.06
2002/2003	51.30	5.40	5.40	2.70	3.80	17.64	5.61	17.85	3.14	25.40	12.80	13.43	23.50	16.13	17.85
2001/2002	51.30	5.60	5.60	2.70	3.80	17.64	5.61	14.50	3.14	22.00	12.80	13.52	19.00	16.32	14.50

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

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

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

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

Name of Taxpayer	June 30, 2011	
	Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1. Columbus Southern Power Co.	\$23,083,270	0.94%
2. Columbia Gas Of Ohio, Inc.	3,639,390	0.15%
Real Estate		
1. NRI Brookside LLC	9,812,350	0.40%
2. Chestnut Hill Apartments	9,453,020	0.38%
3. Banc One Management Corp.	8,155,010	0.33%
4. Remington Station	7,901,280	0.32%
5. Eastrich No 167 Corp	7,700,010	0.31%
6. Ohio-American Water	7,657,940	0.31%
7. St. Ann's Hospital	7,005,740	0.28%
8. Wells REIT II - 800	5,799,990	0.24%
9. CRI Easton Square LLC	5,515,020	0.22%
10. G & I Victory Creek LLC	5,355,000	0.22%
All Others	2,364,797,510	95.90%
Total Assessed Valuation	\$2,465,875,530	100.00%

Tangible Personal Property *		
1. Ohio Bell Telephone Company	773,310	
2. Sprint Nextel Corporation	442,600	
3. New Par	99,970	
4. Cincinnati SMSA LTD Partnership	64,650	
5. Sprintcom, Inc	61,560	
6. Time Warner Telecom of Ohio LLC	44,780	
7. T Mobile Central LLC	43,340	
8. Ameritech Advanced Data Services	15,570	
9. TWC Digital Phone, LLC	12,580	
10. Fiber Technologies Networks LLC	8,390	

Name of Taxpayer	June 30, 2002	
	Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1. Columbus Southern Power Co	\$18,354,940	0.98%
2. Ohio Bell Telephone Co	11,295,630	0.60%
3. Nextel West Corporation	10,716,100	0.57%
4. Citizens Utilities	2,690,520	0.14%
5. Columbia Gas of Ohio Inc	2,464,000	0.13%
Real Estate		
1. Banc One Management Corp	18,469,610	0.98%
2. Corporate Exchange	12,676,640	0.67%
3. Partners at Brookside	11,376,130	0.61%
4. Chestnut Hill Apartments	9,345,700	0.50%
5. Eastrich No 167 Corp	8,505,010	0.45%
6. St. Ann's Hospital	7,565,320	0.40%
7. CASA 94 LP	6,412,650	0.34%
8. AAC Funding Partnership	5,005,020	0.27%
9. Friendship Village	4,940,250	0.26%
10. Arfo Northeast LLC	4,367,840	0.23%
Tangible Personal Property		
1. Banc One Corporation	20,557,520	1.09%
2. Chase Manhattan Mortgage Corporation	6,604,840	0.35%
3. Comdisco Inc	5,486,050	0.29%
4. I B M Credit Corporation	3,366,280	0.18%
5. Exel Logistics Inc.	2,182,110	0.12%
6. Mid-Ohio Imported Car Company Inc.	2,070,130	0.11%
7. Roush Equipment Company Inc	2,022,370	0.11%
8. Home Depot USA Inc	1,892,240	0.10%
9. Time Warner Entertainment Company LP	1,860,570	0.10%
10. Frontstep Inc	1,652,040	0.09%
All Others	1,697,321,758	90.33%
Total Assessed Valuation	\$1,879,201,268	100.00%

Source: Franklin County Auditor

Assessed Values are for the valuation year of 2010 and 2001, respectively.

* - The personal property values are tax year 2010 as reported by the taxpayers. These figures are for reference purposes only due to the phase out of personal property tax.

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

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>	<u>Current Collection (1)</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collection (2)</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>	<u>Delinquent Taxes Receivable</u>
2010/11	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2009/10	\$82,048,998	\$4,371,915	\$86,420,913	\$79,289,214	96.64%	\$2,345,092	\$81,634,306	94.46%	\$4,685,629
2008/09	69,423,869	4,055,888	73,479,757	66,559,029	95.87%	2,341,458	68,900,487	93.77%	4,312,427
2007/08	70,305,682	3,669,174	73,974,856	65,770,741	93.55%	1,971,648	67,742,389	91.57%	4,151,902
2006/07	71,785,121	3,336,015	75,121,136	69,060,721	96.20%	1,905,792	70,966,513	94.47%	3,515,477
2005/06	62,554,612	2,798,410	65,353,022	60,761,825	97.13%	1,460,370	62,222,195	95.21%	3,101,187
2004/05	62,996,400	2,865,996	65,862,396	60,619,247	96.23%	1,616,810	62,236,057	94.49%	2,755,789
2003/04	55,139,660	3,225,688	58,365,348	53,587,683	97.19%	1,642,476	55,230,159	94.63%	2,742,699
2002/03	55,118,475	3,580,141	58,698,616	53,913,651	97.81%	1,927,176	55,840,827	95.13%	3,168,633
2001/02	55,511,182	3,051,334	58,562,516	53,514,087	96.40%	1,541,579	55,055,666	94.01%	3,544,953

16

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

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

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

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

Westerville City School District
Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	(a) Estimated Actual Value	(b) General Obligation Debt	(c) Less Debt Service	Net General Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Percentage of Personal Income	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per ADM
2011	\$6,917,149,400	\$113,719,969	\$7,964,302	105,755,667	1.53%	3.27%	1,140	7,130
2010	6,952,743,600	118,622,212	11,116,291	107,505,921	1.55%	3.77%	1,332	7,352
2009	6,910,827,086	100,650,446	10,102,167	90,548,279	1.31%	3.18%	1,124	6,220
2008	6,897,595,143	105,764,585	8,758,598	97,005,987	1.41%	4.10%	1,206	6,701
2007	6,911,168,486	111,139,583	8,755,309	102,384,274	1.48%	4.36%	1,282	7,184
2006	6,798,858,514	117,094,585	8,328,474	108,766,111	1.60%	4.73%	1,391	7,650
2005	5,925,825,429	122,394,585	7,835,634	114,558,951	1.93%	5.00%	1,469	8,169
2004	5,784,166,000	127,962,429	7,276,551	120,685,878	2.09%	5.30%	1,559	8,525
2003	5,605,517,571	133,155,446	5,490,715	127,664,731	2.28%	5.66%	1,665	9,091
2002	4,881,262,114	138,949,070	7,720,099	131,228,971	2.69%	6.38%	1,876	9,486

Sources:

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

Westerville City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 as of June 30, 2011

<u>Governmental Unit</u>	<u>Gross Debt Outstanding</u>	<u>Percent Applicable to Westerville City School District</u>	<u>Amount Applicable to Westerville City School District</u>
Direct:			
Westerville City School District	<u>\$115,174,485</u>	100.00%	<u>\$115,174,485</u>
Overlapping:			
Delaware County	30,995,000	13.72%	4,252,514
Franklin County	252,220,000	5.67%	14,300,874
City of Columbus	356,894,537	3.67%	13,098,030
City of Westerville	36,832,000	97.77%	36,010,646
Plain Township	1,599,998	0.90%	14,400
Minerva Park Village	125,000	100.00%	125,000
New Albany Plain Local Park District Misc.	<u>13,214,998</u>	0.64%	<u>84,576</u>
Total Overlapping	<u>691,881,533</u>		<u>67,886,040</u>
Total Direct and Overlapping Debt	<u><u>\$807,056,018</u></u>		<u><u>\$183,060,525</u></u>

Source: Ohio Municipal Advisory Council

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

Overlapping governments with no outstanding debt are not reflected.

Westerville City Schools
 Legal Debt Margin Information
 as of June 30, 2011

Assessed Valuation \$2,465,875,530

Voted and Unvoted Debt Limit - 9% of Assessed Valuation

\$221,928,798

Balance in Debt Service Fund

\$7,964,302

Total Debt Outstanding

\$113,719,969

Less: Exempted Debt

\$0

Net subject to 9% limit

\$113,719,969

Total Legal Voted Debt Margin

\$116,173,131

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt Limit	\$229,893,100	\$233,833,936	\$231,585,943	\$231,426,150	\$234,822,442	\$232,152,964	\$206,147,123	\$201,211,249	\$197,213,048	\$176,096,190
Total Net Debt Applicable to Limit	<u>113,719,969</u>	<u>118,622,212</u>	<u>100,650,446</u>	<u>105,764,585</u>	<u>111,139,583</u>	<u>117,094,585</u>	<u>122,394,585</u>	<u>127,962,429</u>	<u>133,155,446</u>	<u>137,845,954</u>
Legal Debt Margin	<u>\$116,173,131</u>	<u>\$115,211,724</u>	<u>\$130,935,497</u>	<u>\$125,661,565</u>	<u>\$123,682,859</u>	<u>\$115,058,379</u>	<u>\$83,752,538</u>	<u>\$73,248,820</u>	<u>\$64,057,602</u>	<u>\$38,250,236</u>

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit

	49.47%	50.73%	43.46%	45.70%	47.33%	50.44%	59.37%	63.60%	67.52%	78.28%
--	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Source: Franklin County Auditor and School District financial records

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

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

Westerville City School District
 Demographic and Economic Statistics
 Last Ten Years

<u>Year</u>	<u>(a) MORPC Population</u>	<u>(b) Per Capita Income</u>	<u>Personal Income</u>	<u>(c) Unemployment Rate</u>	<u>(b) % of Population 25 Years & older with Bachelor's Degree or Higher</u>	<u>(d) Enrollment Membership</u>
2011	92,789	\$34,899	\$3,238,243,311	6.8%	51.7%	14,833
2010	80,702	\$35,328	\$2,851,040,256	7.6%	50.7%	14,622
2009	80,536	\$35,328	\$2,845,175,808	5.7%	50.7%	14,558
2008	80,404	\$29,401	\$2,363,958,004	4.0%	44.6%	14,477
2007	79,891	\$29,401	\$2,348,875,291	3.9%	44.6%	14,252
2006	78,213	\$29,401	\$2,299,540,413	4.1%	44.6%	14,217
2005	77,964	\$29,401	\$2,292,219,564	4.4%	44.6%	14,023
2004	77,415	\$29,401	\$2,276,078,415	4.2%	44.6%	14,156
2003	76,680	\$29,401	\$2,254,468,680	3.7%	44.6%	14,043
2002	69,939	\$29,401	\$2,056,276,539	2.5%	44.6%	13,834

Sources:

(a) Mid Ohio Regional Planning Commission

(b) US Census Bureau 2000 and 2005-2009 American Community Survey

(c) U.S. Department of Labor, Bureau of Labor Statistics

(d) Per School District records - Educational Management Information System

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

December 2010

Employer	Employees	Percentage of Total Employment	Type of Business
1 J. P. Morgan Chase (Bank One)	4,601	8.3%	Banking & Financial Services
2 Mount Carmel Health Systems	2,352	4.3%	Health Care
3 Westerville City Schools	2,231	4.0%	Public Education
4 Otterbein College	1,896	3.4%	Private College
5 CMS Subsidiary	1,451	2.6%	Membership Services
6 Alliance Data Systems, Inc.	1,020	1.8%	Finance Credit Services
7 Inchord Communications/Gerbig Snell	848	1.5%	Marketing and Advertising
8 City of Westerville	834	1.5%	Municipal Government
9 Heartland Employment	716	1.3%	Financial Services
10 Progressive Medical, Inc.	602	1.1%	Cost Management Services
Total	16,551	29.8%	

December 2001

Employer	Employees	Percentage of Total Employment	Type of Business
1 Bank One	5,841	N/A	Banking & Financial Services
2 Westerville City Schools	2,069	N/A	Public Education
3 Mount Carmel Health (St. Ann's)	1,866	N/A	Health Care
4 Otterbein College	1,499	N/A	Private College
5 CMS Subsidiary	1,222	N/A	Membership Services
6 Alliance Data Systems, Inc.	1,211	N/A	Finance Credit Services
7 Meijer Stores	860	N/A	Retail Food
8 Cheryl's Cookies (1-800-Flowers)	770	N/A	Retail Food
9 City of Westerville	728	N/A	Municipal Government
10 Heartland Employment	724	N/A	Manufacturing
Total	16,790		

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

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

N/A: Percentage information not available for 2000

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

	2011	2010	2009	2008	2007	2006	2005	2004
Professional staff:								
Teaching staff:								
Elementary	415.95	433.07	403.41	383.94	375.50	355.00	339.00	348.00
Middle	208.80	232.25	232.40	231.85	208.50	193.00	184.00	224.00
High	257.35	271.65	278.35	267.30	252.00	231.00	220.00	240.00
Administrators:								
Certificated	56.50	55.50	55.50	56.80	56.00	55.00	55.00	59.00
Classified	16.00	16.00	16.00	17.25	18.00	15.00	15.00	15.00
Guidance counselors	32.00	32.00	32.00	30.00	29.00	29.00	28.00	28.00
Social Workers	0.00	1.00	1.00	2.00	2.00	-	-	-
Psychologists	16.70	14.20	14.20	14.60	15.00	11.00	12.00	11.00
Nurses	9.84	10.00	10.00	9.40	8.00	7.00	7.00	7.00
Speech	21.30	19.10	19.10	18.55	19.00	15.00	15.00	15.00
Adapted phys ed. - OT/PT	12.60	5.00	5.00	13.60	14.00	12.00	11.00	10.00
Media specialist	15.00	15.00	14.00	15.00	15.00	15.00	15.00	15.00
Support staff:								
Secretarial	113.62	113.62	114.87	114.87	110.00	104.00	103.00	103.00
ESL paraprofessionals	20.56	20.56	20.92	20.92	20.00	20.00	20.00	20.00
Educational Interpreter	1.62	-	-	-	-	-	1.00	1.00
Job Coaches	4.73	4.73	4.45	4.45	4.00	2.00	4.00	4.00
Health Aides	8.86	8.86	8.86	8.86	9.00	9.00	7.00	7.00
Recess aides/crossing guards	23.10	23.10	24.50	24.50	26.00	20.00	19.00	19.00
Building/duty monitors	13.41	12.60	12.54	12.54	11.00	11.00	12.00	12.00
Parent Mentor	0.75	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Community Relations Facilitator	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00
IMS personnel	8.00	8.00	8.00	8.00	7.00	7.00	7.00	7.00
Printers	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Food service	52.10	52.10	52.61	52.61	52.00	56.00	52.25	53.00
Nutrition Education Specialist	-	-	0.50	0.50	1.00	1.00	1.00	1.00
Custodial	87.75	88.75	88.75	88.75	89.00	86.00	86.00	86.00
Maintenance	18.00	17.00	17.00	17.00	16.00	16.00	16.00	16.00
HVAC	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Bus drivers	82.23	82.23	77.10	77.10	76.00	73.00	72.00	81.00
Mechanics	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Warehouse	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total	1,515.77	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00

Function	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:								
Instruction	909.01	962.26	939.53	908.46	859.00	803.50	767.50	840.50
Support services:								
Pupils	115.30	105.16	105.16	112.01	111.00	98.00	95.00	93.00
Instructional staff	67.01	69.70	70.04	70.04	71.50	65.50	65.50	65.50
School administration	108.62	106.12	107.37	112.92	107.50	98.00	100.00	100.00
Fiscal services	11.00	11.00	11.00	11.00	10.00	10.00	10.00	10.00
Business services	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50
Operation & maintenance	114.25	114.25	114.25	114.25	113.50	108.50	108.50	108.50
Student transportation	95.23	95.23	90.10	90.10	90.00	87.00	86.00	95.00
Central services	21.00	19.00	19.00	17.00	17.00	13.00	13.00	13.00
Food service operations	55.10	55.10	56.11	56.11	56.00	60.00	56.25	57.00
Community services	1.75	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Extra-curricular activities	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Total governmental activities	1,515.77	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00

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

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

	2011	2010	2009	2008	2007	2006	2005
Governmental Activities							
Instruction							
Regular and special							
Enrollment (Students)	14,833	14,622	14,558	14,477	14,467	14,217	14,023
Graduation rate	N/A	93.3%	93.4%	91.9%	95.8%	94.6%	94.6%
Support services - pupil							
% of students going on to higher education	70.0%	85.0%	85.0%	84.5%	79.0%	79.0%	84.0%
% of students with disabilities	12.5%	11.7%	11.7%	12.1%	11.6%	11.2%	11.3%
% of limited English proficient students	8.4%	8.8%	7.8%	7.1%	7.4%	6.3%	4.2%
School administration							
Student attendance rate	95.8%	95.7%	95.9%	95.6%	95.6%	95.4%	95.4%
Fiscal							
Purchase orders processed	9,947	9,636	10,049	9,895	9,876	9,477	9,173
Nonpayroll checks issued	11,217	10,802	11,170	10,991	11,571	11,628	11,459
Business							
Facility rentals permits issued	416	378	332	312	303	265	268
Maintenance							
Maintenance work orders completed	7,686	7,315	7,057	7,172	7,192	5,913	5,330
District square footage maintained by custodians and maintenance staff	2,168,660	2,112,955	2,112,955	2,112,955	2,115,276	2,115,276	2,115,276
District acreage maintained by grounds staff	412	403	403	403	403	403	403
Transportation							
Avg. public and parochial students transported daily	11,293	10,325	10,640	10,671	8,401	8,502	7,939
Avg. daily bus stops	5,384	5,564	5,820	6,216	4,961	6,126	5,836
Central							
Information technology services work orders completed	6,610	6,418	6,072	4,126	2,857	2,785	2,526
Food service operations							
Breakfasts served to students	321,048	295,104	156,346	177,601	138,900	105,625	85,587
Lunches served to students	708,789	661,529	622,748	620,376	628,488	622,037	602,386
Extra-curricular activities							
High school varsity teams	60	60	60	60	60	60	60

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

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

Information not available prior to 2005.

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

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

	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities								
Regular Instruction								
Land/improvements	\$9,704,221	\$9,690,088	\$9,690,088	\$9,653,688	\$9,396,188	\$9,396,188	\$9,392,188	\$9,392,188
Buildings/improvements	196,110,779	186,946,789	187,013,330	187,065,017	184,756,845	182,885,105	179,800,709	178,855,973
Furniture/equipment	2,060,243	2,278,700	2,293,383	2,313,267	2,194,641	2,032,256	2,082,672	2,003,496
Vehicles	19,500	5,100	5,100	5,100	-	-	-	-
Special Instruction								
Buildings/improvements	1,300,260	-	-	-	-	-	-	-
Furniture/equipment	115,372	97,385	96,665	85,091	79,469	73,094	68,314	57,196
Vocational Instruction								
Buildings/improvements	-	110,873	110,873	110,873	110,873	110,873	127,357	127,357
Furniture/equipment	5,038	5,038	5,038	5,038	5,038	5,038	5,038	5,038
Vehicles	21,479	21,479	21,479	17,279	17,279	-	-	-
Pupil Support								
Land/improvements	3,550	3,550	3,550	3,550	3,550	3,550	-	-
Buildings/improvements	312,235	312,235	312,235	312,235	312,235	312,235	-	-
Furniture/equipment	29,267	37,382	33,599	33,599	33,599	25,142	31,934	31,934
Instructional Support Staff								
Furniture/equipment	66,400	66,400	87,534	24,279	10,579	10,579	10,379	10,379
General Administration								
Furniture/equipment	7,712	-	-	-	-	-	-	-
School Administration								
Buildings/improvements	1,286,547	-	-	-	-	-	-	-
Furniture/equipment	211,741	240,967	240,967	240,967	127,921	53,916	63,258	73,850
Fiscal Services								
Furniture/equipment	5,900	13,376	13,376	13,376	13,376	13,376	13,376	13,376
Business services								
Buildings/improvements	367,265	96,600	96,600	96,600	96,600	96,600	96,600	96,600
Furniture/equipment	33,907	33,907	33,907	33,907	49,015	49,015	61,810	61,810
Vehicles	101,065	101,065	101,065	101,065	101,065	101,065	48,769	48,769
Operation & maintenance								
Land/improvements	810,889	810,889	424,038	368,112	365,607	248,620	28,926	28,926
Buildings/improvements	3,406,849	3,354,284	3,344,317	2,764,203	2,751,812	2,705,699	2,701,530	2,701,530
Furniture/equipment	849,489	777,594	697,625	646,064	529,916	521,797	483,329	482,499
Vehicles	563,789	552,289	585,688	585,688	515,627	529,779	510,504	597,563
Student transportation								
Land/improvements	294,084	294,084	294,083	294,083	294,084	294,084	294,084	294,084
Buildings/improvements	1,537,948	34,648	34,648	34,648	34,648	31,700	31,700	31,700
Furniture/equipment	169,281	120,215	95,549	82,602	73,277	48,277	48,277	48,277
Buses	6,994,966	7,454,228	6,920,283	6,681,420	6,302,986	6,259,176	6,078,877	6,505,227
Central services								
Buildings/improvements	3,440,603	288,201	288,201	288,201	288,201	288,201	288,201	288,201
Furniture/equipment	2,781,666	1,980,122	1,856,664	1,407,719	1,262,331	1,259,306	1,203,668	1,201,070
Food service operations								
Furniture/equipment	1,127,123	1,128,640	1,133,419	1,212,010	1,209,478	1,076,136	1,076,142	1,073,387
Vehicles	48,769	48,769	48,769	48,769	48,769	48,769	48,769	48,769
Community services								
Furniture/equipment	22,387	6,832	6,832	6,832	6,832	3,942	-	-
Extra-curricular activities								
Land/improvements	2,198,567	1,630,604	1,630,604	799,590	752,047	282,237	194,420	22,511
Buildings/improvements	1,213,357	542,483	542,483	542,483	537,478	537,478	537,478	537,478
Furniture/equipment	584,695	517,623	427,907	347,139	290,503	270,938	258,376	237,111
Total governmental activities capital assets	\$237,806,943	\$219,602,439	\$218,489,899	\$216,224,494	\$212,571,869	\$209,574,171	\$205,586,685	\$204,876,299

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

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

Westerville City School District
 School Building Information
 Last Ten Fiscal Years

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Alcott Elementary (2002)										
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	N/A
Capacity (students)	700	639	639	614	614	594	594	594	594	N/A
Enrollment	681	719	686	689	669	671	649	602	560	N/A
Annehurst Elementary (1970)										
Square feet	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	36,204
Capacity (students)	450	365	365	365	365	382	330	330	330	330
Enrollment	367	366	369	348	354	352	341	348	350	373
Central College Elementary (1931)										
Square feet	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470
Capacity (students)	125	106	106	106	89	106	120	120	120	120
Enrollment	129	130	127	126	126	128	126	118	119	129
Cherrington Elementary (1968)										
Square feet	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348	39,283
Capacity (students)	391	350	350	374	374	350	408	408	408	408
Enrollment	377	363	339	336	338	335	336	347	343	361
Emerson Elementary (1896)										
Square feet	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005
Capacity (students)	250	240	240	265	265	277	225	225	225	225
Enrollment	255	251	244	240	225	238	210	190	168	247
Fouse Elementary (2002)										
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	N/A
Capacity (students)	700	639	639	614	614	570	570	570	570	N/A
Enrollment	722	686	670	656	648	624	626	587	523	N/A
Hanby Elementary (1922)										
Square feet	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532
Capacity (students)	382	226	226	292	292	260	353	353	353	353
Enrollment	352	340	327	330	294	267	250	254	231	394
Hawthorne Elementary (1957)										
Square feet	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888	61,391
Capacity (students)	732	650	650	648	648	614	511	511	511	511
Enrollment	665	635	633	660	676	688	669	681	673	740
Huber Ridge Elementary (1964)										
Square feet	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464
Capacity (students)	600	549	549	549	549	509	423	423	423	423
Enrollment	580	566	552	540	518	509	479	519	523	644
Longfellow Elementary (1931)										
Square feet	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753
Capacity (students)	125	91	91	91	91	91	110	110	110	110
Enrollment	130	130	125	125	124	129	125	120	122	131
Mark Twain Elementary (1974)										
Square feet	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864	39,628
Capacity (students)	450	419	419	419	419	422	332	332	332	332
Enrollment	468	468	468	462	434	433	427	452	423	462
McVay Elementary (1989)										
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	539	418	429	478	478	498	563	563	563	563
Enrollment	501	469	478	477	480	495	507	544	558	574
Pointview Elementary (1973)										
Square feet	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893
Capacity (students)	357	319	319	348	348	381	314	314	314	314
Enrollment	306	314	317	335	349	333	348	363	390	524

Source: School District Records.

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

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

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

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Robert Frost Elementary (1974)										
Square feet	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763	39,527
Capacity (students)	539	460	460	437	437	461	350	350	350	350
Enrollment	492	435	436	387	371	384	388	396	454	594
Whittier Elementary (1952)										
Square feet	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097	39,548
Capacity (students)	421	339	339	377	377	419	355	355	355	355
Enrollment	339	342	302	284	313	323	365	365	343	461
Wilder Elementary (1989)										
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	532	434	459	483	483	493	570	570	570	570
Enrollment	489	482	468	474	492	492	495	522	544	676
Blendon Middle School (1969)										
Square feet	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025	77,402
Capacity (students)	650	550	550	564	581	624	650	650	650	650
Enrollment	627	611	583	574	578	572	591	642	682	697
Genoa Middle School (1998)										
Square feet	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955	127,950
Capacity (students)	975	970	993	960	892	821	750	750	750	750
Enrollment	1,052	997	976	961	897	935	907	909	862	817
Heritage Middle School (1989)										
Square feet	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945	115,485
Capacity (students)	900	754	735	749	633	686	835	835	835	835
Enrollment	813	845	833	851	862	901	874	911	946	912
Walnut Springs Middle School (1965)										
Square feet	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068	91,713
Capacity (students)	825	751	751	799	733	693	716	716	716	716
Enrollment	900	847	872	880	951	920	925	893	843	824
Westerville Central High School (2003)										
Square feet	326,102	326,102	326,102	326,102	326,102	326,102	326,102	326,102	N/A	N/A
Capacity (students)	1,677	1,683	1,705	1,746	1,751	1,605	1,605	1,605	N/A	N/A
Enrollment	1,575	1,559	1,552	1,548	1,536	1,444	1,117	733	N/A	N/A
Westerville North High School (1975)										
Square feet	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928
Capacity (students)	1,759	1,592	1,572	1,556	1,487	1,470	1,515	1,515	1,515	1,515
Enrollment	1,492	1,548	1,534	1,533	1,624	1,596	1,729	1,900	2,269	2,254
Westerville South High School (1960)										
Square feet	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583
Capacity (students)	1,655	1,428	1,414	1,415	1,255	1,312	1,467	1,467	1,467	1,467
Enrollment	1,521	1,519	1,481	1,478	1,449	1,448	1,572	1,760	2,092	2,030
Academic Enrichment Center (1974)										
Square feet	8,580	8,580	8,580	8,580	8,580	8,580	8,580	8,580	8,580	8,580
White House (1873)										
Square feet	2,596	2,596	2,596	2,596	2,596	2,596	2,596	2,596	2,596	2,596
Warehouse (1980)										
Square feet	3,239	3,239	3,239	3,239	3,239	3,239	3,239	3,239	3,239	3,239
Buildings & Grounds (1987)										
Square feet	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700	8,700
Farmhouse (1905)										
Square feet	2,243	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Transportation (1954)										
Square feet	15,713	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Vine Street (1922)										
Square feet	3,502	3,502	3,502	3,502	3,502	3,502	3,502	3,502	3,502	3,502
Early Learning Center										
Square feet	55,228	8,320	8,320	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
3rd Grade Achievement Tests:										
Reading	N/A	N/A	87%	(a) 85%	87%	88%	87%	86%	86%	90%
Math	N/A	N/A	N/A	77%	83%	90%	89%	88%	84%	92%
4th Grade Proficiency/Achievement Tests:										
Writing	83%	87%	88%	(a) 88%	90%	86%	87%	90%	N/A	N/A
Reading	77%	78%	83%	88%	84%	90%	91%	89%	87%	91%
Mathematics	78%	73%	78%	72%	86%	85%	81%	88%	86%	85%
Citizenship	81%	77%	74%	77%	N/A	N/A	N/A	N/A	N/A	N/A
Science	77%	69%	75%	66%	N/A	N/A	N/A	N/A	N/A	N/A
5th Grade Achievement Tests										
Reading	N/A	N/A	N/A	(a) 84%	85%	88%	82%	86%	85%	83%
Mathematics	N/A	N/A	N/A	N/A	69%	67%	67%	75%	80%	79%
Science	N/A	N/A	N/A	N/A	N/A	75%	74%	82%	82%	82%
Social Studies	N/A	N/A	N/A	N/A	N/A	69%	73%	77%	N/A	N/A
6th Grade Proficiency/Achievement Tests:										
Writing	92%	85%	95%	(a) 90%	N/A	N/A	N/A	N/A	N/A	N/A
Reading	66%	74%	71%	76%	89%	81%	86%	86%	91%	91%
Mathematics	71%	66%	72%	72%	76%	79%	83%	82%	84%	85%
Citizenship	82%	83%	80%	82%	N/A	N/A	N/A	N/A	N/A	N/A
Science	71%	78%	73%	73%	N/A	N/A	N/A	N/A	N/A	N/A
7th Grade Achievement Tests:										
Reading	N/A	N/A	N/A	(a) N/A	88%	85%	84%	86%	86%	84%
Mathematics	N/A	N/A	N/A	74%	81%	84%	79%	86%	81%	87%
Writing	N/A	N/A	N/A	N/A	N/A	91%	87%	85%	N/A	N/A
8th Grade Achievement Tests:										
Reading	N/A	N/A	N/A	(a) 89%	86%	88%	88%	83%	88%	90%
Mathematics	N/A	N/A	N/A	78%	80%	83%	82%	84%	83%	82%
Science	N/A	N/A	N/A	N/A	N/A	69%	70%	71%	75%	77%
Social Studies	N/A	N/A	N/A	N/A	N/A	60%	68%	65%	N/A	N/A
9th Grade Proficiency Tests:										
Writing	88%	97%	98%	(a) N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reading	78%	97%	98%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mathematics	94%	89%	92%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Citizenship	90%	94%	96%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Science	81%	91%	94%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10th Grade Ohio Graduation Test:										
Writing	N/A	N/A	N/A	(a) 86%	93%	94%	93%	95%	92%	94%
Reading	N/A	N/A	77%	96%	90%	90%	92%	91%	92%	93%
Mathematics	N/A	N/A	69%	91%	87%	87%	89%	90%	91%	92%
Social Studies	N/A	N/A	N/A	90%	84%	84%	91%	90%	93%	91%
Science	N/A	N/A	N/A	84%	79%	79%	85%	85%	83%	85%

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

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
ACT Scores (Averages)										
Westerville	22.4	22.3	22.5	22.1	22.7	22.2	23.0	22.4	23.0	22.1
National	20.8	20.8	20.9	20.9	20.1	21.2	21.1	21.1	21.0	21.1
SAT Scores (Averages)										
Westerville	540	542	541	539	537	538	544	525	541	564
Verbal - Critical Reading	563	529	561	551	561	571	569	551	531	557
National	504	507	508	508	503	502	502	501	493	497
Verbal - Critical Reading	516	519	518	520	518	515	515	515	515	514
Mathematics										
National Merit Scholars (Percent of Senior Class)	2.76	2.40	2.50	1.51	1.90	1.47	1.50	1.86	0.94	1.49
ODE Per Pupil Costs										
Westerville	\$7,696	\$8,071	\$8,330	\$8,356	\$8,608	\$9,236	\$9,874	\$10,426	\$10,067	\$10,891
State Avg.	\$8,073	\$8,435	\$8,775	\$9,028	\$9,356	\$9,587	\$9,939	\$10,184	\$10,512	\$10,571
Cost to Educate Graduate										
Westerville	\$74,468	\$78,379	\$82,436	\$86,727	\$90,590	\$94,531	\$98,815	\$103,435	\$107,813	\$112,369
State Avg.	\$75,655	\$79,741	\$84,130	\$88,685	\$93,017	\$97,362	\$101,948	\$106,848	\$111,421	\$115,760
Average Teacher Salary	\$53,104	\$55,925	\$58,291	\$59,403	\$59,695	\$61,487	\$63,000	\$63,995	\$65,679	\$60,681
Teacher Experience										
% of Teachers with 0-4 Years	23.5	19.9	21.9	19.5	15.7	16.0	21.7	14.7	18.7	16.7
% of Teachers with 5-9 Years	18.1	17.7	16.3	18.4	22.8	19.3	22.9	19.6	20.6	24.6
% of Teachers with 10+ Years	58.4	62.4	61.8	62.1	61.4	64.7	55.3	65.7	60.7	58.7
Percentage of Teachers with a Master's Degree or Higher										
	N/A	N/A	N/A	75.8	76.8	72.0	74.1	72.0	71.7	71.0
Percentage of Students on Free/Reduced Lunch										
	8.6	10.7	12.4	14.9	15.4	22.2	22.0	25.2	26.4	28.3

Source: School District Student Records and Ohio Department of Education

N/A = Not Available/Not Applicable

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

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

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)



Dave Yost • Auditor of State

WESTERN CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 5, 2012