

**Auditor of State  
Betty Montgomery**



**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT  
LAKE COUNTY**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Schedule of Federal Awards Expenditures	1
Notes to the Schedule of Federal Awards Expenditures	3
Report on Compliance and on Internal Control Required By <i>Government Auditing Standards</i>	5
Report on Compliance with Requirements Applicable to each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	7
Schedule of Findings	9

**This page intentionally left blank.**

**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT  
LAKE COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U. S. Department of Agriculture</b>						
<i>Passed Through the Ohio Department of Education:</i>						
<i>Nutrition Cluster:</i>						
Food Distribution	N/A	10.550	\$0	\$124,292	\$0	\$123,860
National School Breakfast Program	05-PU 01	10.553	2,552	0	2,552	0
National School Breakfast Program	05-PU 02	10.553	2,990	0	2,990	0
			5,542	0	5,542	0
National School Lunch Program	LL-P1 01	10.555	52,163	0	52,163	0
National School Lunch Program	LL-P4 01	10.555	75,642	0	75,642	0
National School Lunch Program	LL-P4 02	10.555	370,994	0	370,994	0
Total National School Lunch Program			498,799	0	498,799	0
<b>Total U. S. Department of Agriculture - Nutrition Cluster</b>			<b>504,341</b>	<b>124,292</b>	<b>504,341</b>	<b>123,860</b>
<b>U. S. Department of Education</b>						
<i>Passed Through the Ohio Department of Education:</i>						
Federal Pell Grant Program		84.063	13,433	0	6,817	0
Federal Pell Grant Program		84.063	54,820	0	54,820	0
Total Pell Grant			68,253	0	61,637	0
<i>Special Education Cluster:</i>						
Title VI B		84.027	0	0	56,467	0
Title VI B	6B-SF-02-P	84.027	755,152	0	878,390	0
Total Title VI B			755,152	0	934,857	0
Preschool Grant		84.173	0	0	6,730	0
Preschool Grant	PG-SI-02-P	84.173	41,978	0	34,278	0
Total Preschool Grant			41,978	0	41,008	0
Total Special Education Cluster			797,130	0	975,865	0
Adult Basic Education	AB-S1-02	84.002	46,627	0	46,627	0
Adult Basic Education	AB-S2-02-P	84.002	27,600	0	27,413	0
Total Adult Basic Education			74,227	0	74,040	0
<i>Grants to Local Educational Agencies:</i>						
Title I	C1-S1-01	84.010	0	0	82,487	0
Title I	C1-S1-01-C	84.010	0	0	33,224	0
Title I	C1-S1-02	84.010	444,720	0	355,802	0
Total Title I			444,720	0	471,513	0
Drug Free Schools Grant	DR-S1-02	84.186	35,411	0	33,710	0
Total Drug Free Schools			35,411	0	33,710	0
Eisenhower Professional Development / Title II		84.281	0	0	30,229	0
Eisenhower Professional Development / Title II		84.281	0	0	2,313	0
Eisenhower Professional Development / Title II	MS-S1-02	84.281	40,108	0	14,882	0
Total Eisenhower Professional Development / Title II			40,108	0	47,424	0
Title VI (Innovative Ed)	C2-S1-01	84.298	0	0	10,729	0
Title VI (Innovative Ed)	C2-S1-02	84.298	51,730	0	34,793	0
Total Title VI (Innovative Ed)			51,730	0	45,522	0
Immigrant Education	E1-S1-00	84.162	6,800	0	4,893	0
Total Immigrant Education			6,800	0	4,893	0
Title VI-R - Class Size Reduction	CR-S1-02	84.340	183,675	0	183,675	0
Total Title VI-R Class Size Reduction			183,675	0	183,675	0
Total Passed Through the Ohio Department of Education			1,702,054	0	1,898,279	0
<i>Passed Through Mentor Exempted Village School District:</i>						
Vocational Education Basic Grant		84.048	96,035	0	101,609	0
Vocational Education Basic Grant		84.048	6,444	0	0	0
Total Vocational Education Basic Grant			102,479	0	101,609	0
<b>Total U. S. Department of Education</b>			<b>1,804,533</b>	<b>0</b>	<b>1,999,888</b>	<b>0</b>
<b>U.S. Department of Labor</b>						
<i>Passed Through the Lake County ETA:</i>						
Employment and Training Assistance		17.246	7,275	0	400	0
Employment and Training Assistance		17.246	55,665	0	55,895	0
Employment and Training Assistance		17.246	65,218	0	4,316	0
Total Employment and Training Assistance			128,158	0	60,611	0
<b>Total U. S. Department of Labor</b>			<b>128,158</b>	<b>0</b>	<b>60,611</b>	<b>0</b>

WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT  
LAKE COUNTY

SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>Corporation for National and Community Services</b>						
<i>Direct Grant:</i>						
Retired Senior Volunteer Program	440N026-18	94.002	51,294	0	51,294	0
Retired Senior Volunteer Program	440N026-19	94.002	8,360	0	6,579	0
Total Retired Senior Volunteer Program			59,654	0	57,873	0
<b>Total Corporation for National and Community Services</b>			59,654	0	57,873	0
<b>U. S. Department of Health and Human Services</b>						
<i>Passed Through the Ohio Department of MRDD:</i>						
Medicaid (CAFS)	N/A	93.778	48,538	0	48,538	0
Total Medicaid (CAFS)			48,538	0	48,538	0
<i>Passed Through East Shore SERRC:</i>						
Medicaid (CAFS)	N/A	93.778	18,000	0	18,000	0
Total Medicaid (CAFS)			18,000	0	18,000	0
<b>Total U.S. Department of Health and Human Services</b>			66,538	0	66,538	0
<b>Total Federal Assistance</b>			<b>\$2,563,224</b>	<b>\$124,292</b>	<b>\$2,689,251</b>	<b>\$123,860</b>

See accompanying notes to the Schedule of Federal Awards Expenditures

**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT  
LAKE COUNTY  
FISCAL YEAR ENDED JUNE 30, 2002**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B--FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2002, the District had no significant food commodities in inventory.

**This page intentionally left blank.**





**Auditor of State  
Betty Montgomery**

Lausche Building  
615 Superior Avenue, NW.  
Twelfth Floor  
Cleveland, Ohio 44113-1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL  
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Board of Education  
Willoughby-Eastlake City School District  
Lake County  
37047 Ridge Road  
Willoughby, Ohio 44094

We have audited the financial statements of the Willoughby Eastlake City School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2002, and have issued our report thereon dated January 27, 2003, wherein we noted the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments* and net assets of Business-type activities/enterprise funds have been restated to eliminate an interfund payable. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated January 27, 2003.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 27, 2003.

Willoughby-Eastlake City School District  
Lake County  
Report on Compliance and on Internal Controls  
Required by Government Auditing Standards  
Page 2

This report is intended for the information and use of the audit committee, management, Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

January 27, 2003



**Auditor of State  
Betty Montgomery**

Lausche Building  
615 Superior Avenue, NW.  
Twelfth Floor  
Cleveland, Ohio 44113-1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS  
MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
Willoughby-Eastlake City School District  
Lake County  
37047 Ridge Road  
Willoughby, Ohio 44094

**Compliance**

We have audited the compliance of the Willoughby Eastlake City School District, Lake County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each major federal program for the year ended June 30, 2002. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each major federal program is the responsibility of the District's management. 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 contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

**Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2002, and have issued our report thereon dated January 27, 2003, wherein we noted the District implemented Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements— and Management’s Discussion and Analysis— for State and Local Governments* and the net assets of Business-type activities/enterprise funds have been restated to eliminate an interfund payable. Our audit was performed for the purpose of forming opinions on the basic financial statements that collectively comprise the District’s basic financial statements. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the audit committee, management, Board of Education and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

January 27, 2003

**WILLOUGHBY EASTLAKE CITY SCHOOL DISTRICT  
LAKE COUNTY  
JUNE 30, 2002**

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

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	Special Education Cluster (84.027, 84.173)
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$300,000 Type B: All Others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

**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.



**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT  
WILLOUGHBY, OHIO**

**Comprehensive  
Annual Financial Report  
For the Fiscal Year Ended June 30, 2002**

**Prepared by**

**Clifford A. Reinhardt  
Treasurer**





**Willoughby-Eastlake City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2002*  
*Table of Contents*

	Page
<b>I. Introductory Section</b>	
Table of Contents .....	i
Letter of Transmittal.....	iv
List of Principal Officials .....	xii
Organization Chart .....	xiii
GFOA Certificate of Achievement.....	xiv
ASBO Certificate of Excellence.....	xv
 <b>II. Financial Section</b>	
Report of Independent Accountants .....	1
Management’s Discussion and Analysis .....	3
Basis Financial Statements	
Government Financial Statements:	
Statement of Net Assets .....	11
Statement of Activities.....	12
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	16
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund.....	18
Statement of Fund Net Assets – Proprietary Funds .....	20
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds.....	22
Statement of Cash Flows – Proprietary Funds.....	24
Statement of Fiduciary Assets and Liabilities – Fiduciary Fund .....	28
Notes to the Basic Financial Statements.....	29

Combining and Individual Fund Statements and Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions .....	59
Combining Balance Sheet – Nonmajor Governmental Funds .....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	63
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	70
Combining Balance Sheet – Nonmajor Capital Project Funds .....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Project Funds .....	77

Individual Fund Statement – Agency Fund

Fund Description.....	78
Statement of Changes in Assets and Liabilities .....	78

Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes in  
Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual:

Major Fund	
General Fund.....	80
Nonmajor Funds	
Special Trust Fund .....	84
Public School Support Fund .....	86
Athletics and Music Fund .....	88
Auxiliary Services Fund .....	90
Economic Education Fund .....	91
Career Development Fund .....	92
Adult LPN Fund.....	93
Preschool At Risk Fund .....	94
School Net Professional Development Fund .....	95
Educational Management Information Systems Fund .....	96
Ohio Reads Grant Fund .....	97
Summer School Grant Fund.....	98
Extended Learning Grant Fund.....	99
Conflict Management Grant Fund .....	100
Literary Specialist Fund.....	101
Phonics Grant Fund.....	102
School Security Fund.....	103
Adult Basic Education Fund .....	104
Job Training Partnership Act Fund .....	105
Eisenhower Math and Science Fund.....	106
Title VI-B Fund.....	107
Vocational Education Fund.....	109
Retired Senior Volunteer Program Fund .....	110
Title I Fund .....	111

Title VI Fund.....	112
Emergency Immigrant Education Fund .....	113
Drug Free Schools Grant Fund .....	114
Preschool Grant Fund .....	115
Class Size Reduction Grant Fund .....	116
Continuous Improvement Grant Fund .....	117
Bond Retirement Fund.....	118
Permanent Improvement Fund.....	119
School Net Plus Fund.....	121
Network Connectivity Fund.....	122
Food Service Fund .....	123
Uniform School Supplies Fund.....	124
Special Services Fund .....	125
Community Education Fund .....	126
Latchkey/Preschool Fund.....	127
Self-Insurance Fund.....	128

### III. Statistical Section

General Fund Revenues by Source and Expenditures by Function--Last Ten Fiscal Years .....	S2
Property Tax Levies and Collections--Last Ten Years.....	S4
Assessed and Estimated Actual Value of Taxable Property--Last Ten Years .....	S6
Property Tax Rates--Direct and Overlapping Governments--Last Ten Years.....	S8
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita--Last Ten Years.....	S10
Computation of Legal Debt Margin .....	S11
Computation of Direct and Overlapping General Obligation Bonded Debt .....	S12
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to General Fund Expenditures-- Last Ten Years.....	S13
Demographic Statistics--Last Ten Years .....	S14
Property Value, Financial Institution Deposits and Building Permits--Last Ten Years .....	S15
Principal Taxpayers: Real Estate Tax.....	S16
Tangible Personal Property Tax .....	S17
Public Utilities Tax.....	S18
Per Pupil Cost--Last Ten Fiscal Years.....	S19
Teacher Education and Experience .....	S20

# *Willoughby-Eastlake* *Board of Education*

Keith Miller, Ph.D., *Superintendent*  
Cliff Reinhardt, *Treasurer*

37047 RIDGE ROAD WILLOUGHBY, OHIO 44094 (440) 946-5000  
FAX: (440) 946-4671

Michon N. Koch, *President*  
Wade A. Mitchell, *Vice-President*  
James Carpenter  
Elaine Kranek  
Margaret Warner

January 27, 2003

Board of Education Members  
Willoughby-Eastlake City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Willoughby-Eastlake City School District for the fiscal year ended June 30, 2002. This CAFR includes an opinion from the State Auditor and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Willoughby-Eastlake City School District with the comprehensive financial data in a format which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the School District Cities and Villages, the Willoughby-Eastlake Public Library, major taxpayers, financial rating services and other interested parties.

The comprehensive annual financial report is presented in three sections as follows:

1. **The Introductory Section** which contains a Table of Contents, Letter of Transmittal, List of Principal Officials, the Organization Chart of the School District, the GFOA Certificate of Achievement, and the ASBO Certificate of Excellence.
2. **The Financial Section** which begins with the Report of Independent Accountants and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules providing detailed information relative to the Basic Financial Statements.
3. **The Statistical Section** which presents social and economic data, financial trends and the fiscal capacity of the Willoughby-Eastlake City School District.

## The School District

The School District is the 23rd largest of the 613 school districts in the State and second largest of the 9 school districts in Lake County. Located in northeastern Ohio, approximately 20 miles east of the City of Cleveland, it provides education to 8,969 students in grades K through 12. The School District's territory is approximately 36 square miles and encompasses all of the cities of Eastlake, Willoughby Hills, and Willowick and most of the City of Willoughby. It also encompasses all of the Villages of Lakeline and Timberlake and part of the Village of Waite Hill.

The School District operates two comprehensive high schools: Eastlake North and Willoughby South. Additionally, the Technical Center vocational high school is located in the City of Willoughby. Three middle schools housing students in grades six through eight are located in Eastlake, Willoughby, and Willowick. Seven elementary schools serve kindergarten through fifth grade students:

Edison	- Willoughby	McKinley	- Willoughby
Grant	- Willoughby	Royalview	- Willowick
Jefferson	- Eastlake	Washington	- Eastlake
Longfellow	- Eastlake		

If space is available, a student has the choice of attending any school within the School District if the needs of the child and family would be better served than attending the school of residence. If transportation is not already being provided, it is the responsibility of the parents to provide transportation, however.

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

### ***Special Services for Students***

In addition to the regular school program, the School District provides a variety of special choices such as:

- All day every day kindergarten.
- Elementary and secondary summer school.
- Self-contained and pullout programs to provide appropriate educational alternatives for high-ability learners.
- A “magnet” program for fourth and fifth graders with average to above average achievement for additional educational opportunities in computer education and foreign language at each of the three middle schools.
- Participation in the East Shore Special Education Regional Resource Center program which provides unique educational services to special needs students.
- A self-contained alternative school housed at the Technical Center for low achievement seventh through tenth graders.
- A vocational program at North High School and the Tech Center for developmentally disabled students.
- Participation in the Lake Shore Vocational Educational Planning District which enables School District students to enroll in vocational program that are not offered at Willoughby-Eastlake.
- Preschool for three and four year olds at two of the elementary schools (In addition to the required program for disabled preschoolers).
- Before and after school child care at each of the elementary schools and an all day summer program at two of the elementary schools.

## ***Community Services***

The School District offers the following:

- A two-year Licensed Practical Nurse training program.
- An Adult Basic Literacy Education program to prepare for the General Equivalency Diploma (GED) test.
- GED testing.
- Retired Senior Volunteer Program (RSVP).

Although enrollment has stabilized in the past six years, declining enrollment in previous years caused excess building capacity throughout the School District. Lincoln was sold to the City of Willoughby in 2000 for \$250,000 to be paid over a five-year period. Browning in Willoughby is used exclusively by that City as a senior citizens center. Garfield in the City of Willoughby Hills is partially leased and the City also utilizes a portion of the building for recreational activities. Cricket Lane in Willoughby Hills is partially leased, and Taft in Eastlake is completely leased to several tenants. Kennedy in Eastlake is partially leased and is the site for Board of Education meetings. All buildings are leased on an annual basis.

The School District also owns 40 acres of undeveloped land consisting of a natural ravine located across from the administration building on Ridge Road in Willoughby.

## **The Reporting Entity**

Willoughby-Eastlake City School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity". In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Willoughby-Eastlake City School District (the primary government) and its potential component units.

Excluded from the reporting entity because they are fiscally independent of the School District are the Cities of Eastlake, Willoughby, Willoughby Hills and Willowick; the Villages of Lakeline, Timberlake, and Waite Hill; the Willoughby-Eastlake Public Library; and school support organizations, e.g. the Parent Teacher Organization.

The School District participates in three jointly governed organizations, a related organization and one insurance purchasing pool. These organizations are the East Shore Center, the East Shore Regional Transportation System, Ohio Schools Council, the Willoughby-Eastlake Public Library and the Ohio School Boards Associations Workers' Compensation Group Rating Program. These organizations are presented in Notes 15, 16 and 17 to the basic financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the Basic Financial Statements.

## **Economic Condition and Outlook**

The City of Eastlake continues with plans for the revitalization of Vine Street, the main commercial thoroughfare, by hiring Urban Design Center as a consultant. The City is currently constructing a minor league baseball stadium which is due to open in the spring of 2003. The City takes an active stance in retention and expansion of business and considers tax incentives when deemed feasible. Although there is little undeveloped residential property, an industrial park was opened on Erie Road. Erie Road was replaced and sidewalks were added from the City of Willoughby line to Lake Shore Boulevard. Since the City began internal collection of income taxes, collections have increased.

The City of Willoughby's economic condition and outlook continue to be very positive. Income tax revenues increased by 0.8 percent in 2001, and has increased by more than 20 per cent in the last five years. Construction of a new satellite fire station and major expansion and renovation of the main station were completed at a cost of \$6,500,000 financed through a bond levy.

The restoration of the historic downtown area continues with the renovation of several buildings and opening of new businesses. The City installed historic style lighting and placed brick pavers in the sidewalk and intersection. Construction of a second municipal pool was completed at a cost of \$1,800,000 paid with current resources.

### **Major Initiatives**

For this year, and for the next several years, the School District is focusing efforts on three goals:

- High Student Achievement
- Safe Secure Schools
- Efficient School Operations

Each activity that occurs in the schools is measured against the degree to which it promotes at least one of these three goals. An activity may not promote one goal at the expense of another.

The current fiscal plan recognizes the following open issues that must be addressed within the next five years:

- The renewal of the existing emergency levies (in 2003 and 2004).
- Judicial or legislative action on school funding reform.
- Funding of the School District technology plan.
- Development and funding of a technology replacement schedule.
- Funding the educational improvement plan.
- Updating the five-year budget plan.

During the past year the following were achieved:

- Revised course of study, based on new standards for:  
English (kindergarten – grade12)  
Math (kindergarten – grade 12)
- In conjunction with the progress on the Continuous Improvement Plan, the District applied for the Ohio Award of Excellence and received level-one recognition.
- Increase of one point on the State report card to 19 out of a possible 22.
- Continuance of the process of aligning the curriculum (curriculum mapping) with the information covered on the Ohio Department of Education proficiency tests and the Ohio Graduation Test.
- Addition of a literacy consultant to work with elementary school students and teachers to assess each student's needs in reading.
- Increase in elementary school proficiency test scores in all five areas (math, science, reading, writing, and citizenship).

- Installation of a computer lab at one elementary school.
- Recognition and numerous awards received by staff and students some of which are:

South High School scored second in the State of Ohio Academic Decathlon Team Competition.

North High School was the top scoring school in the State of Ohio Academic Decathlon Team Competition and placed thirteenth in the national competition.

Fourteen students represented the Tech Center in the Business Professionals of America State competition, after winning at the regional level.

The South High School Marching Band earned an “excellent” rating in the Ohio Music Education Association Competition.

North High’s Searchlight received an international award from Quill and Scroll; first place from the National Scholastic Press Association; and a gold medalist award from the Columbia Press Association.

North High’s Robotics Team emerged as the champion of the Northeast Ohio Robotics Competition held at Youngstown State University in March, 2002.

In 1986 the School District voters approved a 1.3 mill five-year permanent improvement levy which was renewed again in May, 2000. Approximately \$1,400,000 is provided annually for capital improvements, maintenance, and equipment. CT Consultants of Willoughby, a professional engineering firm, completed a comprehensive 15-year needs assessment of buildings and facilities. The findings from this study provide direction for the Board and administration in determining short and long-term spending priorities from the proceeds of the levy. Major spending for 2001-02 was for updating the heating and ventilating systems, parking lot repairs, and roof repairs.

## **Financial Information**

### ***Internal Accounting and Budgetary Control***

The School District’s accounting system is organized on a “fund” basis. Each fund is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District’s proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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

The treasurer’s office has established procedures for the collection of money that minimize risk to the district and also has responsibility for the district internal audit program. Annual audits are done for student activities, latchkey, preschool, and other programs in which cash is received.

The School District uses fully automated accounting, payroll, and student records systems from Ace Software, an Ohio vendor that specializes in software for school districts. Capital assets and student fee



records are maintained with programs written by the School District's computer services department. These systems, coupled with the separation of duties within the treasurer's office and other departments, ensures that the financial information generated is both accurate and reliable.

By July 1 of each year, the Board of Education adopts a temporary appropriation measure for the July 1 through June 30 fiscal year. The permanent appropriation measure is adopted by October 1 (upon receipt from the county auditor of an amended certificate of estimated resources). Annual appropriations may not exceed the county budget commission's official estimate of resources. The county auditor must certify that the appropriations adopted by the Board of Education, including any supplements or amendments, do not exceed the amount of the most recent official estimate.

Each year the Board of Education adopts a resolution at the organizational meeting authorizing the treasurer to make account transfers and advances to be submitted to the Board for approval at the same meeting in which financial statements for that month are presented. Budgets are controlled in accordance with the Auditor of State Uniform School Accounting System.

The Board of Education appropriates general fund money to seven broad categories: salaries and wages, fringe benefits, purchased services, supplies/materials, new equipment, replacement equipment and "other". Expenditures are then subdivided, by the treasurer into hundreds of expenditure accounts in accordance with Uniform State Accounting System and to meet the reporting requirements of the Ohio Department of Education. The appropriation for all other funds is one total per fund. Again, accounts are established within each fund to meet reporting requirements.

The treasurer certifies each purchase to ensure that money will be available to meet the financial obligation incurred. The School District has established procedures to minimize the probability of a purchase being made without authorization. Depending upon the nature of the purchase order, in addition to the treasurer's certification, the purchase order is either signed by the superintendent, a central office administrator, or a principal.

The accounting software used by the School District provides interim financial reports to principals, activity advisors, athletic directors, persons responsible for state and federal grants, and other interested persons. These reports detail year-to-date expenditures, outstanding encumbrances (unpaid purchase orders) and unencumbered balances (amounts available for spending). The treasurer also prepares a monthly financial report for acceptance by the Board of Education.

The basis of accounting and the various funds utilized by the Willoughby-Eastlake City School District are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

**Financial Condition** This is the first year the School District has prepared financial statements following GASB 34 "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the School District's financial activities as follows:

**Government-wide financial statements** These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

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

As part of this new reporting model, management is responsible for preparing a Discussion and Analysis of the School District. This discussion follows the Report of Independent Accountant's, providing an assessment of the School District's finances for 2002 and a discussion of current issues affecting the School District's future.

### **Cash Management**

The majority of local, state, and federal funds are received by electronic transfer into the School District checking account. Money is also collected and deposited daily at each school for food service, school fees, student activities, and athletics. The Treasurer is the investment officer for the School District, charged with the responsibility for the purchase and sale of investments. A determination is made daily on cash flow needs, and the balance of funds are invested. The total amount of interest earned for the fiscal year ended June 30, 2002 was \$478,991. Of that, \$470,657 was credited to the general fund. Cash not needed for immediate use during the year was invested in the State Treasurer's Asset Reserve of Ohio (STAROhio), "high balance" savings accounts offered by Bank One and Fifth Third bank, and Agency discount notes.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporations as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105 percent of public funds deposited. Collateral is held by trustees, including the Federal Reserve Board, and designated third party trustees of the financial institutions.

### **Risk Management**

The School District provides health, vision, and dental insurance benefits to employees. See Note 10 to the Basic Financial Statements for more information.

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Plan. Contracts also cover general liability, fleet, and property insurance. See Note 10 to the Basic Financial Statements for more information.

### **Pension Plans**

All School District employees are covered by the statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's required contribution to both systems is 14 percent of employee salaries. Additionally, SERS imposes a "surcharge" on employees who earn less than \$12,400. For fiscal year 2002, this additional charge to the School District was \$194,967. See Note 11.

### **Independent Audit**

Ohio Revised Code requires that the School District be subjected to an annual examination by an independent auditor. The Auditor of State performed the audit and rendered an opinion on the School District's financial statements as of and for the year ended June 30, 2002. The opinion appears at the beginning of the financial section of this report.

## Awards

### *GFOA Certificate of Achievement*

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accounting principles and applicable legal requirements.

The Willoughby-Eastlake City School District was awarded the GFOA Certificate of Achievement for the period of July, 2000 through June, 2001.

We believe our current report conforms to the Certificate of Achievement requirements and we are submitting it to GFOA for consideration.

### *ASBO Certificate*

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing business officials.

The Willoughby-Eastlake City School District was awarded the Certificate of Excellence in Financial Reporting for the period of July, 2000 through June, 2001.

## Acknowledgments

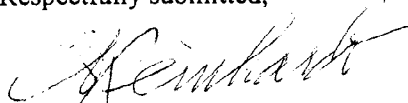
This is the third year that the School District has issued a Comprehensive Annual Financial Report. The publication of this report is a significant step toward professionalizing the Willoughby-Eastlake City School District's financial reporting. It enhances the School District's accountability to the residents of the Willoughby-Eastlake City School District.

The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office. Assistance from the County Auditor's staff made possible the fair presentation of statistical data.

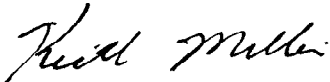
Thanks also to the Local Government Services Division of the State Auditor's office for assistance in planning and reviewing this financial report.

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

Respectfully submitted,



Clifford A. Reinhardt, Treasurer



Keith Miller, Ph.D., Superintendent

**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT**

Principal Officials  
June 30, 2002

---

***Board of Education***

<u>Name</u>	<u>Position</u>	<u>Began Service as a Board Member In</u>	<u>Present Term Expires December 31</u>	<u>City of Residence</u>
Michon N. Koch	President	1992	2005	Willoughby Hills
Wade Mitchell	Vice-President	1998	2005	Willoughby
James Carpenter	Member	1982	2005	Willoughby
Elaine Kranek	Member	1996	2003	Eastlake
Margaret Warner	Member	1997	2003	Willoughby

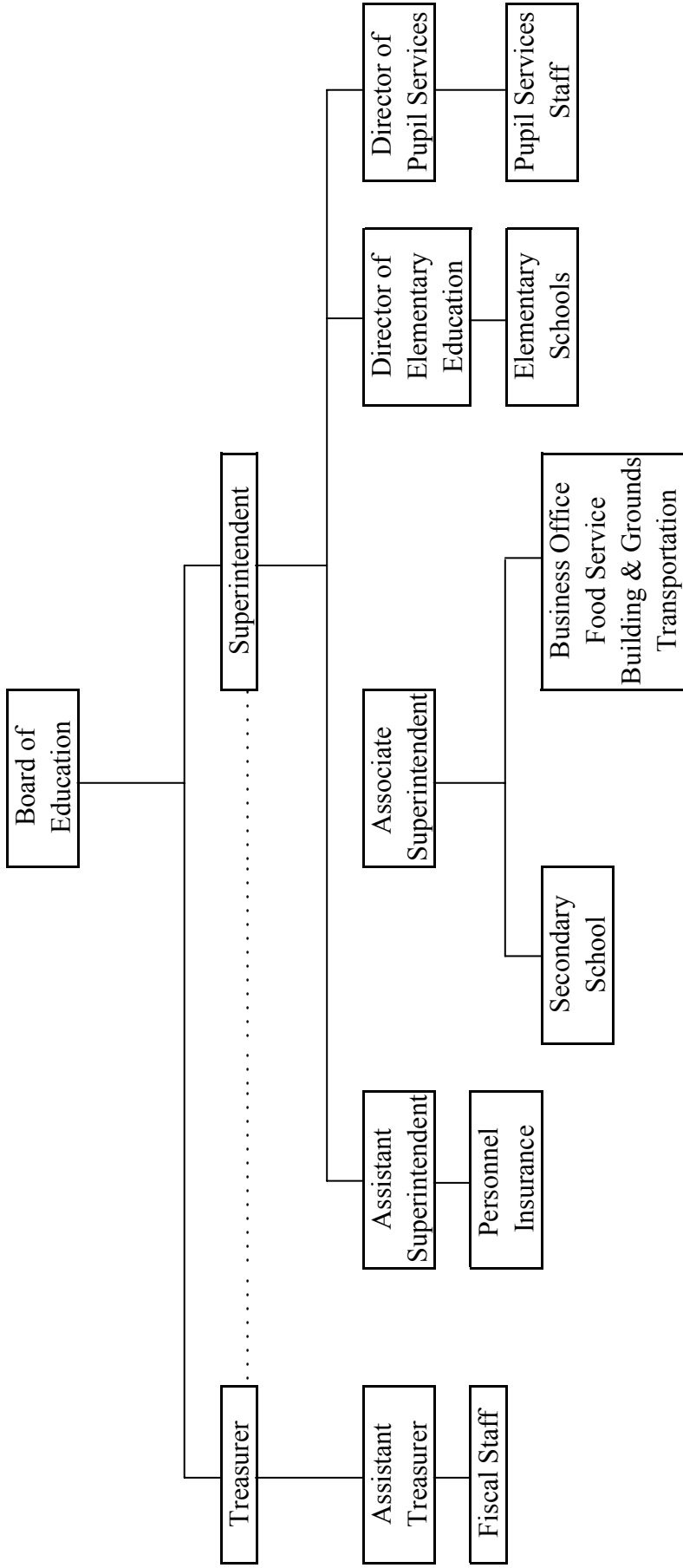
***Treasurer***

Clifford A. Reinhardt

***Superintendent***

Keith M. Miller, Ph.D.

**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT ORGANIZATION CHART**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Willoughby-Eastlake City  
School District, Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2001

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.



*Imelda Aruete*  
President

*Jeffrey L. Essler*  
Executive Director



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

**WILLOUGHBY - EASTLAKE CITY SCHOOL DISTRICT**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2001

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

*Clark J. Schell*  
President

*David A. Roth*  
Interim Executive Director

**This page intentionally left blank.**





**Auditor of State  
Betty Montgomery**

Lausche Building  
615 Superior Avenue, NW.  
Twelfth Floor  
Cleveland, Ohio 44113-1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**REPORT OF INDEPENDENT ACCOUNTANTS**

Board of Education  
Willoughby-Eastlake City School District  
Lake County  
37047 Ridge Road  
Willoughby, Ohio 44094

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Willoughby-Eastlake City School District, Lake County, Ohio, (the District) as of and for the year ended June 30, 2002 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Willoughby-Eastlake City School District, Lake County, Ohio, as of June 30, 2002, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2002, the District implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*. Also, net assets of Business-type activities/enterprise funds have been restated to eliminate an interfund payable.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2003, 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information the Governmental Accounting Standards Board requires. We applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund statements and statistical tables are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects, in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.



**Betty Montgomery**  
Auditor of State

January 27, 2003

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

The discussion and analysis of the Willoughby-Eastlake City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2002. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2002 are as follows:

- Total net assets increased \$.4 million, an increase of \$.5 million in governmental activities and a decrease of \$.1 million in business-type activities.
- Total revenues in governmental activities were \$70.4 million. General revenues accounted for \$64.6 million in revenue or 91.8 percent of all revenues for governmental activities. Program-specific revenues in the form of charges for services, sales, grants or contributions accounted for \$5.8 million or 8.2 percent of total revenues.
- Total program expenses were \$69.9 million in Governmental Activities and \$3.2 million in Business Type Activities.
- Outstanding debt decreased by \$180,000 to \$2.6 million.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Willoughby-Eastlake City School District as an entire operating entity. The statements begin at a summary level and expand to detailed financial activities.

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

**Reporting the School District as a Whole**

*Statement of Net Assets and the Statement of Activities*

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as an entity looks at all financial transactions and asks the question, "How did we do financially during the 2001-2002 fiscal year?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. This is a major change from our previous annual financial reports.

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. Changes to our net assets are a direct result of property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated educational programs, state funding, student enrollment, and general inflation.

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

**Governmental Activities** - Most of the School District's programs and services are reported here including instruction, support services operation and maintenance of plant, pupil transportation, extracurricular activities and general administration.

**Business-Type Activities** - These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The School District's business-type activities are food service, uniform school supplies, special services, community education and latchkey/preschool.

### **Reporting the School District's Most Significant Funds**

#### *Fund Financial Statements*

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major fund. The School District uses many funds to account for its financial transactions. However, these fund financial statements concentrate on the School District's most significant funds. The School District's major governmental fund is the general fund.

**Governmental Funds** Most of the School District's activities are reported in governmental funds, which accounts for flow of money into and out of those funds and the year-end balances available for spending in future years. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine the amount of financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Proprietary Funds** Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the School District as a whole.

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

**The School District as a Whole**

The Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2002 compared to 2001:

Table 1  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2002	2001	2002	2001	2002	2001
Assets						
Current and Other Assets	\$61,009,821	\$56,919,388	\$202,478	\$339,206	\$61,212,299	\$57,258,594
Capital Assets, Net	9,923,143	10,165,430	39,790	21,022	9,962,933	10,186,452
Total Assets	70,932,964	67,084,818	242,268	360,228	71,175,232	67,445,046
Liabilities						
Current and Other Liabilities	49,777,519	46,238,794	128,459	175,742	49,905,978	46,414,536
Long-Term Liabilities:						
Due Within One Year	1,226,237	1,389,551	0	0	1,226,237	1,389,551
Due in More than One Year	10,033,671	10,033,943	122,876	54,970	10,156,547	10,088,913
Total Liabilities	61,037,427	57,662,288	251,335	230,712	61,288,762	57,893,000
Net Assets						
Invested in Capital Assets	9,923,143	10,165,430	39,790	21,022	9,962,933	10,186,452
Restricted:						
Capital Projects	2,501,468	3,400,614	0	0	2,501,468	3,400,614
Debt Service	212,449	181,374	0	0	212,449	181,374
Claims	0	504,920	0	0	0	504,920
Set Asides	7,935	1,089,111	0	0	7,935	1,089,111
Other Purposes	370,914	491,398	0	0	370,914	491,398
Unrestricted (Deficit)	(3,120,372)	(6,410,317)	(48,857)	108,494	(3,169,229)	(6,301,823)
Total Net Assets	\$9,895,537	\$9,422,530	(\$9,067)	\$129,516	\$9,886,470	\$9,552,046

Total assets increased by \$3.7 million. This increase is primarily due to an increase in taxes receivable of \$4.6 million. The increase is from the personal property settlement being received in June for fiscal year 2002, not like July in fiscal year 2001. Equity in pooled cash and cash equivalents increased by \$1.5 million.

Liabilities for Governmental Activities increased by \$3.4 million. This increase was primarily the result of increased deferred revenue of \$3.0 million, due to the increase in taxes receivable.

The deficit in unrestricted net assets is primarily due to the library debt is being included in unrestricted net assets, since they are not part of capital assets.

Table 2 shows the changes in net assets for fiscal year 2002. Since this is the first year the School District has prepared financial statements following GASB Statement 34, revenue and expense

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

comparisons to fiscal 2001 are not available. In future years, when prior year information is available, a comparative analysis of governmental data will be presented.

Table 2  
Changes in Net Assets

	Governmental Activities 2002	Business-Type Activities 2002	Total 2002
Revenues			
Program Revenues:			
Charges for Services	\$2,320,138	\$2,405,280	\$4,725,418
Operating Grants and Contributions	3,411,408	672,334	4,083,742
Capital Grants	45,500	24,616	70,116
Total Program Revenues	<u>5,777,046</u>	<u>3,102,230</u>	<u>8,879,276</u>
General Revenues:			
Property Taxes	45,290,368	0	45,290,368
Grants and Entitlements	18,226,009	0	18,226,009
Other	1,129,162	3,265	1,132,427
Total General Revenues	<u>64,645,539</u>	<u>3,265</u>	<u>64,648,804</u>
Total Revenues	<u>70,422,585</u>	<u>3,105,495</u>	<u>73,528,080</u>
Program Expenses			
Instruction	42,655,688	0	42,655,688
Support Services:			
Pupil and Instructional Staff	6,961,733	0	6,961,733
Board of Education, Administration, Fiscal and Business	5,975,140	0	5,975,140
Operation and Maintenance	7,250,968	0	7,250,968
Pupil Transportation	3,463,783	0	3,463,783
Central	900,283	0	900,283
Operation of Non-Instructional Services	924,491	0	924,491
Extracurricular Activities	1,694,132	0	1,694,132
Interest and Fiscal Charges	171,470	0	171,470
Food Service	0	2,306,614	2,306,614
Uniform School Supplies	0	377,403	377,403
Special Services	0	26,435	26,435
Community Education	0	9,513	9,513
Latchkey/Preschool	0	476,003	476,003
Total Expenses	<u>69,997,688</u>	<u>3,195,968</u>	<u>73,193,656</u>
Transfers	<u>48,110</u>	<u>(48,110)</u>	<u>0</u>
Increase (Decrease) in Net Assets	<u><u>\$473,007</u></u>	<u><u>(\$138,583)</u></u>	<u><u>\$334,424</u></u>

The unusual nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. As a result of legislation enacted in 1976, the overall revenue generated by a voted millage does not increase as a result of inflation. As an example, a homeowner with a home valued at

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

\$100,000 (Assessed value of \$35,000) and taxed at 1.0 mill would pay \$30.63 annually in taxes (net of the state-paid rollback). If three years later the home were reappraised and increased in market value to \$200,000 (assessed value of \$70,000) the effective tax rate would become 0.5 mills and the owner would still pay \$30.63.

Our School District, which is very dependent upon local property taxes, is hampered by a lack of revenue growth and must periodically ask the voters to increase property taxes to maintain a constant level of service. Property taxes made up 64 percent of revenues for governmental activities for Willoughby-Eastlake City Schools in fiscal year 2002.

The largest Governmental Activities program expense remains instruction, comprising 60.9 percent of expenses. When combined with pupil and instructional support these categories make up 70.9 percent of expenses.

Interest expense was primarily attributable to the outstanding bonds.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, (services supported by tax revenue and unrestricted State entitlements, the total cost of services and the net cost of services. Comparison between fiscal year 2001 and 2002 is not possible due to the unavailability of 2001 information.

Table 3  
 Governmental Activities

	Total Cost of Services 2002	Net Cost of Services 2002
	2002	2002
Instruction	\$42,655,688	(\$40,162,289)
Support Services:		
Pupil and Instructional Staff	6,961,733	(5,869,487)
Board of Education, Administration, Fiscal and Business	5,975,140	(5,775,338)
Operation and Maintenance	7,250,968	(6,921,578)
Pupil Transportation	3,463,783	(3,454,834)
Central	900,283	(822,026)
Operation of Non-Instructional Services	924,491	(52,681)
Extracurricular Activities	1,694,132	(990,939)
Interest and Fiscal Charges	171,470	(171,470)
	\$69,997,688	(\$64,220,642)
Total Expenses		

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

The dependence upon tax revenues for governmental activities is apparent. Over 94 percent of instruction activities are supported through taxes and other general revenues, for all governmental activities general revenue support is 92 percent. Our seven communities are responsible for the primary support for Willoughby-Eastlake City School District students.

***Business-Type Activities***

Business-type activities include the food service, uniform school supplies, special services, community education and latchkey/preschool programs.

Overall net assets decreased \$0.1 million in 2002. With the exception of the food service fund, business-type activities cash positions are consistently positive.

**The School District's Funds**

Information about the School District's major funds starts on page 14. These governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$69.7 million and expenditures of \$69.2 million. The net change in fund balance for the year was most significant in the General Fund, an increase of \$.6 million.

**General Fund Budgeting Highlights**

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

During the course of fiscal year 2002 the School District amended its general fund budget several times to allow for a transfer to the self-insurance fund and other less significant amendments.

For the general fund, the final budget-basis estimated revenue was \$62.9 million, \$2.9 million above original budget estimate of \$60.0 million. Total actual revenues were \$63.0 million, \$3.0 million above the original budget estimate.

Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$62.0 million.

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2002 the School District had \$10.0 million, net of depreciation, invested in land, buildings and improvements, furniture and equipment and vehicles. Table 4 show fiscal 2002 balances compared to fiscal 2001:



**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

Table 4  
 Capital Assets at June 30  
 (Net of Depreciation)

	Governmental Activities		Business-Type		Total	
			Activities			
	2002	2001	2002	2001	2002	2001
Land	\$560,374	\$560,374	\$0	\$0	\$560,374	\$560,374
Buildings and Improvements	7,766,589	8,278,514	0	0	7,766,589	8,278,514
Furniture and Equipment	645,784	580,951	39,790	21,022	685,574	601,973
Vehicles	950,396	745,591	0	0	950,396	745,591
Totals	<u>\$9,923,143</u>	<u>\$10,165,430</u>	<u>\$39,790</u>	<u>\$21,022</u>	<u>\$9,962,933</u>	<u>\$10,186,452</u>

The primary decrease occurred in buildings and improvements, due to depreciation costs. See Note 9 to the basic financial statements for additional information on capital assets.

A change in Ohio law required school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for instructional materials. For fiscal 2002, this amounted to \$1.2 million for each set aside. For fiscal 2002 the School District had qualifying disbursements for textbook and instructional materials that fell short of that requirement by \$7,935. That remaining balance is put into restricted assets. The School District met the capital expenditure set aside requirement by having a permanent improvement fund.

**Debt**

At June 30, 2002, the Willoughby-Eastlake School District Library had \$2.6 million in bonds outstanding, a decrease of \$180,000 from fiscal year 2001. \$190,000 of the bonds are due within one year.

The bonds were issued in 1992 for improvements to the public library in the amount of \$4 million.

At June 30, 2002, the School District's overall legal debt margin was \$132,205,551 with an unvoted debt margin of \$1,495,392. The School District does not have a current bond rating. See Note 14 to the basic financial statements for additional information on debt.

**Current Issues**

The Willoughby-Eastlake City School District is financially stable. The Board of Education and administration have implemented fiscal management disciplines that utilize a variety of formal plans. We are working within the five-year budget plan, the five-year capital repairs and renovations plan, the continuous improvement plan, and the five-year enrollment projections.

The School District has the necessary revenue base to support current program levels for only the next two fiscal years. Our future revenue base is dependent upon the renewal of emergency levies expiring in 2003 and 2004. It is currently projected that new revenue will be necessary in 2004 to continue the current level of programming.

**Willoughby-Eastlake City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2002*  
*Unaudited*

Several significant legislative and judicial actions have occurred that will have a major impact on our School District. The Ohio Supreme Court has issued its fourth decision regarding school funding reform in Ohio. We believe that the ultimate resolution of funding reform is still some time away. The sudden downturn in the economy has put pressures on both the State budget as well as our local School District budget. We are concerned that the local tax base may be weakened as a result of the current economic conditions and therefore negatively impact local tax revenues. The ongoing legislative efforts to support the existence of community (charter) schools comes at the expense of our current State subsidy. This year approximately \$64,000 will be deducted from our State subsidy and redirected to local community (charter) schools. Our School District has also been impacted by the continuing national trend of rapidly escalating employee benefit costs.

The Willoughby-Eastlake City School District has committed itself to a fiscal discipline based on long-term plans as well as a commitment to full disclosure of financial information and utilization of the highest standards of financial reporting. The School District's commitment to improve fiscal management has led to many budgeting, reporting and internal control enhancements. The School District has received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for two years and the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for the past two years.

**Contacting the school district fiscal management**

This financial report was designed to comply with the most current reporting requirements and is intended to provide our parents, citizens, taxpayers, investors and creditors an understanding of the School District's financial position. Cliff Reinhardt, Treasurer, can be contacted at the Willoughby-Eastlake City School District, 37047 Ridge Road, Willoughby, Ohio 44094 or by e-mail at [we\\_reinhardt@lgca.org](mailto:we_reinhardt@lgca.org).

**Willoughby-Eastlake City School District**

*Statement of Net Assets*

*June 30, 2002*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$13,204,407	\$151,114	\$13,355,521
Accounts Receivable	28,557	82,341	110,898
Intergovernmental Receivable	173,537	0	173,537
Internal Balances	75,701	(75,701)	0
Inventory Held for Resale	0	39,790	39,790
Materials and Supplies Inventory	0	4,934	4,934
Prepaid Items	23,138	0	23,138
Taxes Receivable	47,504,481	0	47,504,481
Nondepreciable Capital Assets	560,374	0	560,374
Depreciable Capital Assets, Net	9,362,769	39,790	9,402,559
<i>Total Assets</i>	<u>70,932,964</u>	<u>242,268</u>	<u>71,175,232</u>
<b>Liabilities</b>			
Accounts Payable	440,831	1,502	442,333
Accrued Wages	5,337,033	40,235	5,377,268
Intergovernmental Payable	2,173,299	86,722	2,260,021
Accrued Interest Payable	13,914	0	13,914
Claims Payable	703,000	0	703,000
Deferred Revenue	41,109,442	0	41,109,442
Long-Term Liabilities:			
Due Within One Year	1,226,237	0	1,226,237
Due In More Than One Year	10,033,671	122,876	10,156,547
<i>Total Liabilities</i>	<u>61,037,427</u>	<u>251,335</u>	<u>61,288,762</u>
<b>Net Assets</b>			
Invested in Capital Assets	9,923,143	39,790	9,962,933
Restricted for:			
Capital Projects	2,501,468	0	2,501,468
Debt Service	212,449	0	212,449
Set Asides	7,935	0	7,935
Other Purposes	370,914	0	370,914
Unrestricted (Deficit)	<u>(3,120,372)</u>	<u>(48,857)</u>	<u>(3,169,229)</u>
<i>Total Net Assets (Deficit)</i>	<u><u>\$9,895,537</u></u>	<u><u>(\$9,067)</u></u>	<u><u>\$9,886,470</u></u>

See accompanying notes to the basic financial statements

**Willoughby-Easlake City School District**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2002*

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Instruction:				
Regular	\$32,292,315	\$434,096	\$362,700	\$0
Special	6,911,855	725,351	626,171	0
Vocational	3,204,535	30,093	75,090	0
Adult/Continuing	246,983	143,877	96,021	0
Support Services:				
Pupil	4,653,166	99,728	654,313	0
Instructional Staff	2,308,567	57,730	280,475	0
Board of Education	242,920	0	0	0
Administration	4,164,253	59,160	140,455	0
Fiscal	1,077,882	0	0	0
Business	490,085	123	64	0
Operation and Maintenance of Plant	7,250,968	313,229	16,161	0
Pupil Transportation	3,463,783	3,063	5,886	0
Central	900,283	0	32,757	45,500
Operation of Non-Instructional Services				
	924,491	5,296	866,514	0
Extracurricular Activities				
	1,694,132	448,392	254,801	0
Interest and Fiscal Charges				
	171,470	0	0	0
<i>Total Governmental Activities</i>	<u>69,997,688</u>	<u>2,320,138</u>	<u>3,411,408</u>	<u>45,500</u>
<b>Business-Type Activities</b>				
Food Service	2,306,614	1,570,354	667,398	24,616
Uniform School Supplies	377,403	279,376	0	0
Special Services	26,435	17,677	4,936	0
Community Education	9,513	8,975	0	0
Latchkey/Preschool	476,003	528,898	0	0
<i>Total Business-Type Activities</i>	<u>3,195,968</u>	<u>2,405,280</u>	<u>672,334</u>	<u>24,616</u>
<i>Totals</i>	<u>\$73,193,656</u>	<u>\$4,725,418</u>	<u>\$4,083,742</u>	<u>\$70,116</u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Special Revenue

Debt Service

Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

*Total General Revenues*

Transfers

*Total General Revenues and Transfers*

Change in Net Assets

*Net Assets Beginning of Year - (See Note 3)*

*Net Assets (Deficit) End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$31,495,519)	\$0	(\$31,495,519)
(5,560,333)	0	(5,560,333)
(3,099,352)	0	(3,099,352)
(7,085)	0	(7,085)
(3,899,125)	0	(3,899,125)
(1,970,362)	0	(1,970,362)
(242,920)	0	(242,920)
(3,964,638)	0	(3,964,638)
(1,077,882)	0	(1,077,882)
(489,898)	0	(489,898)
(6,921,578)	0	(6,921,578)
(3,454,834)	0	(3,454,834)
(822,026)	0	(822,026)
(52,681)	0	(52,681)
(990,939)	0	(990,939)
(171,470)	0	(171,470)
<u>(64,220,642)</u>	<u>0</u>	<u>(64,220,642)</u>
0	(44,246)	(44,246)
0	(98,027)	(98,027)
0	(3,822)	(3,822)
0	(538)	(538)
0	52,895	52,895
<u>0</u>	<u>(93,738)</u>	<u>(93,738)</u>
<u>(64,220,642)</u>	<u>(93,738)</u>	<u>(64,314,380)</u>
43,586,070	0	43,586,070
71,679	0	71,679
340,846	0	340,846
1,291,773	0	1,291,773
18,226,009	0	18,226,009
477,823	1,168	478,991
651,339	2,097	653,436
<u>64,645,539</u>	<u>3,265</u>	<u>64,648,804</u>
48,110	(48,110)	0
<u>64,693,649</u>	<u>(44,845)</u>	<u>64,648,804</u>
473,007	(138,583)	334,424
<u>9,422,530</u>	<u>129,516</u>	<u>9,552,046</u>
<u>\$9,895,537</u>	<u>(\$9,067)</u>	<u>\$9,886,470</u>

**Willoughby-Eastlake City School District**

*Balance Sheet*

*Governmental Funds*

*June 30, 2002*

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$8,444,325	\$3,733,962	\$12,178,287
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	7,935	0	7,935
Taxes Receivable	45,798,397	1,706,084	47,504,481
Accounts Receivable	28,512	0	28,512
Intergovernmental Receivable	165,963	7,574	173,537
Interfund Receivable	327,157		327,157
Prepaid Items	23,138	0	23,138
<i>Total Assets</i>	<u>\$54,795,427</u>	<u>\$5,447,620</u>	<u>\$60,243,047</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$169,189	\$271,642	\$440,831
Accrued Wages and Benefits	5,166,259	170,774	5,337,033
Interfund Payable	0	251,456	251,456
Intergovernmental Payable	1,533,011	7,007	1,540,018
Deferred Revenue	40,419,174	1,504,093	41,923,267
<i>Total Liabilities</i>	<u>47,287,633</u>	<u>2,204,972</u>	<u>49,492,605</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	884,384	537,270	1,421,654
Reserved for Property Taxes	5,379,223	201,991	5,581,214
Reserved for Textbooks	7,935	0	7,935
Unreserved:			
Undesignated, Reported in:			
General Fund	1,236,252	0	1,236,252
Special Revenue Funds	0	376,163	376,163
Debt Service Funds	0	179,726	179,726
Capital Projects Funds	0	1,947,498	1,947,498
<i>Total Fund Balances</i>	<u>7,507,794</u>	<u>3,242,648</u>	<u>10,750,442</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$54,795,427</u>	<u>\$5,447,620</u>	<u>\$60,243,047</u>

See accompanying notes to the basic financial statements

**Willoughby-Eastlake City School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 June 30, 2002*

<b>Total Governmental Fund Balances</b>	\$10,750,442
 <i>Amounts reported 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	9,923,143
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Delinquent Property Taxes	813,825
Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(633,281)
One internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	315,230
Long-term liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(2,600,000)
Compensated Absences	(8,659,908)
Accrued Interest Payable	<u>(13,914)</u>
Total	<u>(11,273,822)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$9,895,537</u></u>

**Willoughby-Eastlake City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2002*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$42,917,933	\$1,676,522	\$44,594,455
Intergovernmental	17,969,386	3,343,324	21,312,710
Interest	470,657	7,166	477,823
Tuition and Fees	845,038	269,332	1,114,370
Extracurricular Activities	0	588,161	588,161
Charges for Services	327,603	0	327,603
Rentals	290,004	0	290,004
Contributions and Donations	0	370,207	370,207
Miscellaneous	458,216	193,123	651,339
<i>Total Revenues</i>	<u>63,278,837</u>	<u>6,447,835</u>	<u>69,726,672</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	30,558,174	379,919	30,938,093
Special	6,192,207	665,487	6,857,694
Vocational	3,163,491	33,259	3,196,750
Adult/Continuing	0	222,699	222,699
Support Services:			
Pupil	3,619,555	866,755	4,486,310
Instructional Staff	1,953,515	325,918	2,279,433
Board of Education	238,331	1,044	239,375
Administration	4,062,186	172,797	4,234,983
Fiscal	1,046,195	2,651	1,048,846
Business	461,150	223	461,373
Operation and Maintenance of Plant	5,442,422	46,435	5,488,857
Pupil Transportation	3,270,251	17,676	3,287,927
Central	758,127	23,822	781,949
Operation of Non-Instructional Services	3,401	876,428	879,829
Extracurricular Activities	165,709	1,547,035	1,712,744
Capital Outlay	79,513	2,627,092	2,706,605
Debt Service:			
Principal Retirement	0	180,000	180,000
Interest and Fiscal Charges	0	172,365	172,365
<i>Total Expenditures</i>	<u>61,014,227</u>	<u>8,161,605</u>	<u>69,175,832</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,264,610</u>	<u>(1,713,770)</u>	<u>550,840</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	285,948	1,016,783	1,302,731
Transfers Out	(1,992,299)	(280,508)	(2,272,807)
<i>Total Other Financing Sources (Uses)</i>	<u>(1,706,351)</u>	<u>736,275</u>	<u>(970,076)</u>
<i>Net Change in Fund Balances</i>	558,259	(977,495)	(419,236)
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	<u>6,949,535</u>	<u>4,220,143</u>	<u>11,169,678</u>
<i>Fund Balances End of Year</i>	<u>\$7,507,794</u>	<u>\$3,242,648</u>	<u>\$10,750,442</u>

See accompanying notes to the basic financial statements



**Willoughby-Eastlake City School District**  
*Reconciliation of the Statement Revenues, Expenditures and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2002*

**Net Change in Fund Balances - Total Governmental Funds** (5419,236)

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

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

Fixed Asset Additions	1,076,440
Current Year Depreciation	(1,318,727)

Total (242,287)

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

Delinquent Property Taxes	695,913
---------------------------	---------

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

180,000

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

895

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

315,230

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	(16,414)
Pension Obligations	(41,094)

Total (57,508)

*Change in Net Assets of Governmental Activities* \$473,007

**Willoughby-Eastlake CSD**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$43,179,272	\$44,850,000	\$42,252,714	(\$2,597,286)
Intergovernmental	14,007,991	15,055,758	18,069,386	3,013,628
Interest	673,924	700,000	470,657	(229,343)
Tuition and Fees	1,453,750	1,510,000	1,145,996	(364,004)
Charges for Services	57,765	60,000	153,080	93,080
Rentals	221,432	230,000	305,431	75,431
Miscellaneous	455,380	530,000	598,153	68,153
<i>Total Revenues</i>	60,049,514	62,935,758	62,995,417	59,659
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	34,742,923	34,274,968	29,693,910	4,581,058
Special	5,458,148	7,084,343	6,112,908	971,435
Vocational	3,449,752	3,403,088	3,920,267	(517,179)
Support Services:				
Pupils	3,139,934	3,097,461	3,564,022	(466,561)
Instructional Staff	1,696,949	1,673,995	1,921,442	(247,447)
Board of Education	347,006	342,312	284,714	57,598
Administration	3,584,092	3,535,611	4,051,788	(516,177)
Fiscal	1,024,032	1,010,180	1,047,826	(37,646)
Business	457,065	450,882	497,474	(46,592)
Operation and Maintenance of Plant	5,604,782	5,528,968	6,555,474	(1,026,506)
Pupil Transportation	3,886,857	3,834,281	3,371,671	462,610
Central	784,658	774,044	762,000	12,044
Operation of Non-Instructional Services	15,206	15,000	3,401	11,599
Extracurricular Activities	112,117	110,600	161,059	(50,459)
Capital Outlay	15,206	15,000	79,513	(64,513)
<i>Total Expenditures</i>	64,318,727	65,150,733	62,027,469	3,123,264
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,269,213)	(2,214,975)	967,948	3,182,923
<b>Other Financing Sources (Uses)</b>				
Advances In	200,000	200,000	130,253	(69,747)
Advances Out	(290,000)	(200,000)	(250,383)	(50,383)
Transfers In	0	0	285,948	285,948
Transfers Out	0	(1,891,543)	(1,992,299)	(100,756)
<i>Total Other Financing Sources (Uses)</i>	(90,000)	(1,891,543)	(1,826,481)	65,062
<i>Net Change in Fund Balance</i>	(4,359,213)	(4,106,518)	(858,533)	3,247,985
<i>Fund Balance Beginning of Year</i>	7,201,911	7,201,911	7,201,911	0
<i>Prior Year Encumbrances Appropriated</i>	1,118,724	1,118,724	1,118,724	0
<i>Fund Balance End of Year</i>	\$3,961,422	\$4,214,117	\$7,462,102	\$3,247,985

See accompanying notes to the basic financial statements

**This page intentionally left blank.**

**Willoughby-Eastlake City School District**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*June 30, 2002*

	Business-Type		
	Food Service	Uniform School Supplies	Special Services
<b>Assets</b>			
<i>Current Assets</i>			
Equity in Pooled Cash and Cash Equivalents	\$0	\$9,292	\$5,310
Accounts Receivable	247	82,094	0
Inventory Held for Resale	39,790	0	0
Materials and Supplies Inventory	4,934	0	0
<i>Total Current Assets</i>	44,971	91,386	5,310
<i>Noncurrent Assets:</i>			
Capital Assets, Net	37,692	0	1,010
<i>Total Assets</i>	82,663	91,386	6,320
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts Payable	0	0	0
Accrued Wages	14,762	89	0
Interfund Payable	75,701	0	0
Intergovernmental Payable	48,277	0	0
Claims Payable	0	0	0
<i>Total Current Liabilities</i>	138,740	89	0
<i>Long-Term Liabilities:</i>			
Compensated Absences Payable	106,429	0	0
<i>Total Liabilities</i>	245,169	89	0
<b>Net Assets</b>			
Invested in Capital Assets	37,692	0	1,010
Unrestricted (Deficit)	(200,198)	91,297	5,310
<i>Total Net Assets (Deficit)</i>	(\$162,506)	\$91,297	\$6,320

See accompanying notes to the basic financial statements

Activities - Enterprise Funds

Community Education	Latchkey/ Preschool	Total	Governmental Activities - Internal Service Fund
\$20,359	\$116,153	\$151,114	\$1,018,185
0	0	82,341	45
0	0	39,790	0
0	0	4,934	0
20,359	116,153	278,179	1,018,230
1,088	0	39,790	0
21,447	116,153	317,969	1,018,230
0	1,502	1,502	0
0	25,384	40,235	0
0	0	75,701	0
0	38,445	86,722	0
0	0	0	703,000
0	65,331	204,160	703,000
0	16,447	122,876	0
0	81,778	327,036	703,000
1,088	0	39,790	0
20,359	34,375	(48,857)	315,230
<u>\$21,447</u>	<u>\$34,375</u>	<u>(\$9,067)</u>	<u>\$315,230</u>

**Willoughby-Eastlake CSD**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2002*

	Business-		
	Food Service	Uniform School Supplies	Special Services
<b>Operating Revenues</b>			
Tuition	\$0	\$0	\$0
Sales	1,570,354	279,376	0
Charges for Services	0	0	17,677
Miscellaneous	0	0	572
<i>Total Operating Revenues</i>	<u>1,570,354</u>	<u>279,376</u>	<u>18,249</u>
<b>Operating Expenses</b>			
Salaries	867,142	0	0
Fringe Benefits	451,640	0	0
Purchased Services	60,002	0	847
Materials and Supplies	279	285,209	25,082
Cost of Sales	922,572	92,194	0
Depreciation	4,979	0	506
Claims	0	0	0
<i>Total Operating Expenses</i>	<u>2,306,614</u>	<u>377,403</u>	<u>26,435</u>
<i>Operating Income (Loss)</i>	<u>(736,260)</u>	<u>(98,027)</u>	<u>(8,186)</u>
<b>Non-Operating Revenues</b>			
Donated Commodities	143,626	0	0
Interest	1,168	0	0
Operating Grants	523,772	0	0
<i>Total Non-Operating Revenues</i>	<u>668,566</u>	<u>0</u>	<u>0</u>
<i>Income (Loss) Before Transfers</i>	<u>(67,694)</u>	<u>(98,027)</u>	<u>(8,186)</u>
Transfers In	0	57,058	0
Transfers Out	0	0	0
Capital Contributions	24,616	0	0
<i>Change in Net Assets</i>	<u>(43,078)</u>	<u>(40,969)</u>	<u>(8,186)</u>
<i>Net Assets (Deficit) Beginning of Year - Restated (See Note 3)</i>	<u>(119,428)</u>	<u>132,266</u>	<u>14,506</u>
<i>Net Assets (Deficit) End of Year</i>	<u><u>(\$162,506)</u></u>	<u><u>\$91,297</u></u>	<u><u>\$6,320</u></u>

See accompanying notes to the basic financial statements

<u>Type Activities - Enterprise Funds</u>			
<u>Community Education</u>	<u>Latchkey/ Preschool</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Fund</u>
\$8,975	\$528,898	\$537,873	\$0
0	0	1,849,730	0
0	0	17,677	2,112,328
1,525	0	2,097	45
<u>10,500</u>	<u>528,898</u>	<u>2,407,377</u>	<u>2,112,373</u>
8,033	321,990	1,197,165	0
1,117	113,215	565,972	0
0	11,982	72,831	479,474
0	28,816	339,386	0
0	0	1,014,766	0
363	0	5,848	0
0	0	0	2,335,855
<u>9,513</u>	<u>476,003</u>	<u>3,195,968</u>	<u>2,815,329</u>
<u>987</u>	<u>52,895</u>	<u>(788,591)</u>	<u>(702,956)</u>
0	0	143,626	0
0	0	1,168	0
4,936	0	528,708	0
<u>4,936</u>	<u>0</u>	<u>673,502</u>	<u>0</u>
5,923	52,895	(115,089)	(702,956)
0	14,304	71,362	1,018,186
0	(119,472)	(119,472)	0
0	0	24,616	0
<u>5,923</u>	<u>(52,273)</u>	<u>(138,583)</u>	<u>315,230</u>
<u>15,524</u>	<u>86,648</u>	<u>129,516</u>	<u>0</u>
<u>\$21,447</u>	<u>\$34,375</u>	<u>(\$9,067)</u>	<u>\$315,230</u>

**Willoughby-Eastlake City School District**  
*Combining Statement of Cash Flows*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2002*

	Food Service	Business- Uniform School Supplies
<b>Increase (Decreases) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash Received from Customers	\$1,570,525	\$290,647
Cash Received from Tuition Payments	0	0
Cash Received from Interfund Services	0	0
Cash Received from Other Operating Sources	0	0
Cash Payments to Suppliers for Goods and Services	(878,458)	(377,314)
Cash Payments to Employees for Services	(919,680)	0
Cash Payments for Employee Benefits	(356,158)	0
Cash Payments for Claims	0	0
	<u>0</u>	<u>0</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(583,771)</u>	<u>(86,667)</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Operating Grants Received	523,772	0
Operating Transfers In	0	57,058
Operating Transfers Out	0	0
Advances In	75,701	0
Advances Out	(16,990)	0
	<u>(16,990)</u>	<u>0</u>
<i>Net Cash Provided by (Used for)</i> <i>Noncapital Financing Activities</i>	<u>582,483</u>	<u>57,058</u>
<b>Cash Flows from Investing Activities</b>		
Interest on Investments	1,168	0
	<u>1,168</u>	<u>0</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(120)	(29,609)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>120</u>	<u>38,901</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$0</u>	<u>\$9,292</u>



Type Activities - Enterprise Funds				Governmental
Special	Community	Latchkey/	Totals	Internal Service
Services	Education	Preschool		Fund
\$17,677	\$0	\$0	\$1,878,849	\$0
0	8,975	528,898	537,873	0
0	0	0	0	2,112,328
572	1,525	0	2,097	0
(25,929)	0	(39,296)	(1,320,997)	(479,474)
0	(8,226)	(331,945)	(1,259,851)	0
0	(1,152)	(93,867)	(451,177)	0
0	0	0	0	(1,632,855)
(7,680)	1,122	63,790	(613,206)	(1)
0	4,936	0	528,708	0
0	0	14,304	71,362	1,018,186
0	0	(119,472)	(119,472)	0
0	0	0	75,701	0
0	0	0	(16,990)	0
0	4,936	(105,168)	539,309	1,018,186
0	0	0	1,168	0
(7,680)	6,058	(41,378)	(72,729)	1,018,185
12,990	14,301	157,531	223,843	0
\$5,310	\$20,359	\$116,153	\$151,114	\$1,018,185

(continued)

**Willoughby-Eastlake City School District**

*Combining Statement of Cash Flows*

*Proprietary Funds (continued)*

*For the Fiscal Year Ended June 30, 2002*

	<u>Food Service</u>	<u>Business- Uniform School Supplies</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>		
<i>Operating Income (Loss)</i>	<u>(\$736,260)</u>	<u>(\$98,027)</u>
<i>Adjustments:</i>		
Donated Commodities Received During Year	143,626	0
Depreciation	4,979	0
 (Increases)Decreases in Assets:		
Accounts Receivable	171	11,271
Inventory Held for Resale	(35,911)	0
Materials and Supplies Inventory	(3,201)	0
Increase (Decreases) in Liabilities:		
Accounts Payable	(119)	0
Accrued Wages and Benefits	2,432	89
Compensated Absences Payable	51,459	0
Intergovernmental Payable	(10,947)	0
Claims Payable	<u>0</u>	<u>0</u>
 <i>Total Adjustments</i>	<u>152,489</u>	<u>11,360</u>
 <i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>(\$583,771)</u></u>	<u><u>(\$86,667)</u></u>

**Noncash Capital Financing Activities**

Federal donated commodities in the amount of \$143,626 were recorded as revenue in the food service enterprise fund.

The food service fund received donated capital assets from others funds in the amount of \$24,616.

See accompanying notes to the basic financial statements

Type Activities - Enterprise Funds				Governmental
Special	Community	Latchkey/	Totals	Internal Service
Services	Education	Preschool		Fund
<u>(\$8,186)</u>	<u>\$987</u>	<u>\$52,895</u>	<u>(\$788,591)</u>	<u>(\$702,956)</u>
0	0	0	143,626	0
506	363	0	5,848	0
0	0	0	11,442	(45)
0	0	0	(35,911)	0
0	0	0	(3,201)	0
0	0	1,502	1,383	0
0	(193)	(9,955)	(7,627)	0
0	0	16,447	67,906	0
0	(35)	2,901	(8,081)	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>703,000</u>
<u>506</u>	<u>135</u>	<u>10,895</u>	<u>175,385</u>	<u>702,955</u>
<u>(\$7,680)</u>	<u>\$1,122</u>	<u>\$63,790</u>	<u>(\$613,206)</u>	<u>(\$1)</u>

**Willoughby-Eastlake City School District**  
*Statement of Fiduciary Asset and Liabilities*  
*Fiduciary Fund*  
*June 30, 2002*

---

---

	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$147,251</u>
<b>Liabilities</b>	
Due to Students	<u>\$147,251</u>

See accompanying notes to the basic financial statements

## **Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

### **Note 1 - Description of the School District and Reporting Entity**

Willoughby-Eastlake City School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally elected five member Board and provides educational services as mandated by State or federal agencies. The Board controls the School District's thirteen instructional facilities, staffed by 472 classified personnel, 577 certified full-time teaching personnel and 28 administrative employees to provide services to students and other community members.

The School District is located in the cities of Willoughby, Eastlake, Willoughby Hills, Willowick and the villages of Lakeline, Timberlake, and Waite Hill Ohio, Lake County. The enrollment for the School District during the 2002 fiscal year was 8,969. The School District operates seven elementary schools (K-5), three middle schools (6-8) and three high schools (7-12).

#### *Reporting Entity*

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the general purpose financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service and student related activities of the School District.

*Non-Public Schools* - Within the School District boundaries, there are various non-public schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed by the School District on behalf of the parochial school by the Treasurer of the School District, as directed by the parochial school. These transactions are reported as a governmental activity on the financial statements of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes. The School District has no component units.

The School District participates in three jointly governed organizations, one related organization and an insurance purchasing pool. These organizations are the East Shore Regional Transportation System, the East Shore Center, the Ohio Schools Council, the Willoughby-Eastlake Public Library and the Ohio School Boards Association Workers' Compensation Group Rating Program. These organizations are discussed in Notes 15, 16 and 17 to the basic financial statements.

## Willoughby-Eastlake City School District

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

### **Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Willoughby-Eastlake City School 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 School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

#### ***A. Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for five business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business activity or governmental activity is self-financing or draws from the general revenues of the School District.

***Fund Financial Statements*** During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented on the face of the proprietary fund statements. The fiduciary fund is reported by type.

#### ***B. Fund Accounting***

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

## Willoughby-Eastlake City School District

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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

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

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

**Proprietary Funds** Proprietary funds focus on the determination of changes in net assets, financial position and cash flows and are classified as enterprise or internal service.

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

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

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

**Special Services Fund** This fund accounts for customer services provided by classes at the Industrial Training Center.

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

**Latchkey/Preschool Fund** This fund accounts for revenues and expenses involved in elementary and secondary summer school, the preschool program, and the latchkey program.

**Internal Service Fund** The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for the self-insurance program which provides medical, surgical, prescription drug, and dental benefits to School District employees.

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

## Willoughby-Eastlake City School District

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

#### **C. Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities present increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

**Fund Financial Statements** 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. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

#### **D. Basis of Accounting**

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

**Revenues - Exchange and Non-Exchange Transactions** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include, property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.



## Willoughby-Eastlake City School District

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2002, but which were levied to finance fiscal year 2003 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

#### ***E. Cash and Investments***

To improve cash management, cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents".

The general fund made an advance to the vocational educational special revenue fund and the food service enterprise fund to eliminate the funds' negative cash balances. The special revenue fund and the enterprise fund have interfund payables for the amount of the advance received from the general fund and the general fund has an interfund receivable for the same amount on the balance sheet.

During fiscal year 2002, investments were limited to STAROhio, repurchase agreements and Federal Farm Credit Bonds. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2002.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during the fiscal year 2002 amounted to \$470,657 which includes \$164,051 assigned from other School District funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

## Willoughby-Eastlake City School District

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

---

#### ***F. Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. Restricted assets in the general fund include amounts required by State statute to be set aside for textbooks. See Note 21 for additional information regarding set-asides.

#### ***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2002, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

#### ***H. Inventory***

Inventories are presented at the lower of cost or market on a first-in, first-out basis and are expended/expensed when used.

Inventories consist of donated foods, purchased foods, and school supplies held for resale and material and supplies for consumption.

#### ***I. Capital Assets***

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

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

All reported capital assets except 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:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	10-50 years	50 years
Furniture and Equipment	5-10 years	5-10 years
Vehicles	10 years	N/A

## **Willoughby-Eastlake City School District**

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

#### ***J. Interfund Balances***

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

#### ***K. Compensated Absences***

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits in the School District' termination policy. The School District records a liability for accumulated unused sick leave for classified, certified and administrative employees after fifteen years of service with the School District.

#### ***L. Accrued Liabilities and Long-Term Obligations***

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

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

#### ***M. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

#### ***N. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves are established for encumbrances, property taxes and textbooks.

## **Willoughby-Eastlake City School District**

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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

#### ***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service and uniform school supplies and charges for services for special services, community education, latchkey/preschool and self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

#### ***P. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

#### ***Q. Interfund Activity***

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

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

#### ***R. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

#### ***S. Estimates***

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

#### ***T. Budgetary Data***

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and

## Willoughby-Eastlake City School District

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the major object level within the general fund, and the fund level for all other funds. The Treasurer has been given the authority to allocate Board appropriations to the function and object levels.

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

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

### **Note 3 - Changes in Accounting Principles and Restatement of Fund Balance**

***Changes in Accounting Principles*** For fiscal year 2002, the School District has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures" and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements."

GASB 34 creates new basic financial statements for reporting on the School District's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the School District's programs between governmental and business-type activities. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at June 30, 2001, caused by the conversion to the accrual basis of accounting and a change in the capital asset threshold amount from \$500 to \$1,000.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the Management Discussion and Analysis, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes and rescinds certain financial statement note disclosures.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

## Willoughby-Eastlake City School District

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

**Restatement of Fund Balance** The new standards for reporting fund obligations for compensated absences in Interpretation 6 caused changes in previously reported fund balances. The new standards also call for reporting prepaids and that caused a change in previously reported fund balances. The School District also wrote off some interfund payables/receivables. These restatements had the following effects on fund balance of the major and nonmajor funds of the School District as they were previously reported. The transition from governmental fund balances to net assets of the governmental activities is also presented.

	General	Nonmajor	Total
Fund Balances, June 30, 2001	\$6,986,756	\$4,178,315	\$11,165,071
Prepaids	3,137	0	3,137
Interfund Payable/Receivable	(135,517)	41,828	(93,689)
Interpretation 6:			
Compensated Absences Payable	95,159	0	95,159
Restated Fund Balances, June 30, 2001	6,949,535	4,220,143	11,169,678
GASB 34 Adjustments:			
Capital Assets			10,165,430
Long-Term (Deferred) Assets			117,912
Long-Term Liabilities:			
Compensated Absences Payable			(8,643,494)
General Obligation Bonds Payable			(2,780,000)
Pension Obligations			(592,187)
Accrued Interest Payable			(14,809)
Governmental Activities Net Assets, June 30, 2001			\$9,422,530

The beginning net assets amounts in the business-type funds increased by \$97,012 from \$32,504 to \$129,516 due to restatement of capital assets in the amount of \$3,323 and restatement of interfund payables in the amount of \$93,689.

	Food Service	Uniform School Supplies	Special Services	Community Education	Latchkey/ Preschool	Business- Type Activities
Fund Equity, June 30, 2001	(\$119,784)	\$45,066	\$6,501	\$14,073	\$86,648	\$32,504
Capital Assets	356	0	1,516	1,451	0	\$3,323
Interfund Payable	0	87,200	6,489	0	0	\$93,689
Adjusted Net Assets, June 30, 2001	(\$119,428)	\$132,266	\$14,506	\$15,524	\$86,648	\$129,516

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

**Note 4 - Compliance and Accountability**

**A. Legal Compliance**

Contrary to Section 5705.41B, Ohio Revised Code, the following accounts had expenditures/expenses plus encumbrances in excess of appropriations:

Fund/Function	Appropriations	Expenditures Plus Encumbrances	Excess
<b>Special Revenue Funds:</b>			
Special Trust	\$64,310	\$70,888	\$6,578
Athletics and Music	1,225,765	1,358,477	132,712
Adult LPN	221,841	252,402	30,561
Ohio Reads	51,694	97,611	45,917
Conflict Management Grant	584	666	82
Literary Specialist	0	1,000	1,000
Title VI-B	909,028	951,797	42,769
Vocational Education	99,930	101,609	1,679
Emergency Immigrant Education	5,561	6,797	1,236
Drug Free Schools Grant	32,222	33,710	1,488
<b>Enterprise Fund:</b>			
Food Service	2,006,067	2,154,296	148,229

Also, contrary to Ohio Revised Code Section 5705.39, the following funds had original appropriations in excess of certified available resources:

	Original Revenues Plus Carryover Balance	Appropriations	Excess
<b>Special Revenue Funds:</b>			
Adult LPN	\$225,886	\$251,037	\$25,151
Educational Management Information Systems	30,000	50,000	20,000
School Security	26,960	50,000	23,040
Title I	593,836	600,108	6,272
Drug Free Schools Grant	35,411	40,000	4,589
Preschool Grant	48,708	50,000	1,292
Continuous Improvement Grant	13,157	150,000	136,843
<b>Enterprise Funds:</b>			
Food Service	2,100,120	2,150,120	50,000
Special Services	35,990	40,000	4,010

Also, contrary to Ohio Revised Code Section 5705.39, the following funds had final appropriations in excess of certified available resources:

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

---

	Final Revenues Plus Carryover Balance	Appropriations	Excess
<b>Special Revenue Funds:</b>			
Title VI-B	\$811,617	\$909,028	\$97,411
Vocational Education	104,344	106,374	2,030
<b>Capital Projects Fund:</b>			
SchoolNet Plus	267,612	285,612	18,000

Although these budgetary violations were not corrected by fiscal year end, management has indicated that they will closely monitor revenues and appropriations to ensure no future violations.

The School District had negative cash fund balances in the following funds indicating that revenue from other sources were used to pay obligations of these funds, contrary to Ohio Revised Code Section 5705.10:

<b>Special Revenue Funds:</b>	
Vocational Education	\$1,073
<b>Enterprise Fund:</b>	
Food Service	75,701

Although the School District ended the year with negative cash in these funds, they have corrected the problem and these funds now have positive cash balances.

**B. Fund Deficits**

The following funds had a deficit fund balance or deficit net assets as of June 30, 2002:

<b>Special Revenue Fund</b>	
Title VI - B	\$161,481
<b>Enterprise Fund</b>	
Food Service	162,506

The deficit in the special revenue fund resulted from the recognition of accrued liabilities. The general fund is responsible to cover deficit fund balances by means of a transfer. However, this is done when cash is needed rather than when accruals occur.

The enterprise fund net assets deficit resulted from the application of generally accepted accounting principles. The School District will review the operations to determine if steps need to be taken to insure that the fund is self-sustaining.

**Note 5 - Budgetary Basis of Accounting**

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



**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

- Budget (Non-GAAP Basis) and Actual presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$558,259
Revenue Accruals	(283,420)
Advance In	130,253
Expenditure Accruals	53,690
Advance Out	(250,383)
Encumbrances	<u>(1,066,932)</u>
Budget Basis	<u><u>(\$858,533)</u></u>

**Note 6 - Deposits and Investments**

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

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

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

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

## **Willoughby-Eastlake City School District**

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);
7. Certain Bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

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

## Willoughby-Eastlake City School District

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

**Cash on Hand** At fiscal year end, the School District had \$4,765 in undeposited cash on hand which is included in the balance sheet of the School District as part of equity in pooled cash and cash equivalents.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements."

**Deposits** At fiscal year-end, the carrying amount of the School District's deposits was \$11,182,010 and the bank balance was \$12,209,283. \$421,443 of the bank balance was covered by federal depository insurance. \$11,787,840 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

**Investments** The School District's investments are required to be categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District invests in STAROhio, the State Treasurer's Investment Pool, which is not classified by degree of credit risk since it is not evidenced by securities that exist in physical or book entry form.

	Category 3	Carrying Amount	Fair Value
Federal Farm Credit Bonds	\$1,000,000	\$1,000,000	\$1,000,000
STAROhio		1,315,997	1,315,997
		\$2,315,997	\$2,315,997

The classification of cash and cash equivalents, and investments on the combined general purpose financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined general purpose financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$13,502,772	\$0
Cash on Hand	(4,765)	0
Investments of Cash Management Pool:		
Federal Farm Credit Bonds	(1,000,000)	1,000,000
STAROhio	(1,315,997)	1,315,997
GASB Statement No. 3	\$11,182,010	\$2,315,997

## Willoughby-Eastlake City School District

Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

### Note 7 - Property Taxes

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

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the School District. Property tax revenue received during calendar 2002 for real and public utility property taxes represents collections of calendar 2001 taxes. Property tax payments received during calendar 2002 for tangible personal property (other than public utility property) are for calendar 2002 taxes.

2002 real property taxes are levied after April 1, 2002, on the assessed value listed as of the prior January 1, 2002, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property taxes currently are assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 2002 public utility property taxes became a lien December 31, 2001, are levied after April 1, 2002 and are collected in 2003 with real property taxes.

2002 tangible personal property taxes are levied after April 1, 2001 on the value as of December 31, 2001. Collections are made in 2002. Tangible personal property assessments are twenty-five percent of true value.

The assessed values upon which fiscal year 2002 taxes were collected are:

	2001 Second-Half Collections		2002 First-Half Collections	
	Amount	Percent	Amount	Percent
Agriculture/Residential and Other Real Estate	\$1,217,271,030	77.36 %	\$1,231,219,950	82.34 %
Public Utility Personal	190,829,760	12.13	91,529,030	6.12
Tangible Personal Property	165,437,484	10.51	172,642,754	11.54
	<u>\$1,573,538,274</u>	<u>100.00 %</u>	<u>\$1,495,391,734</u>	<u>100.00 %</u>

Tax rate per \$1,000 of  
assessed valuation

\$45.84

\$45.77

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

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

## Willoughby-Eastlake City School District

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

The School District receives property taxes from Lake County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2002, are available to finance fiscal year 2002 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, personal property and public utility taxes which became measurable as of June 30, 2002 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not levied to finance current year operations.

The amount available to the School District as an advance at June 30, 2002 is recognized as revenue. At June 30, 2002, \$5,379,223 was available to the general fund, \$40,569 was available to the bond retirement debt service fund and \$161,422 was available to the permanent improvement capital projects fund.

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

### Note 8 - Receivables

Receivables at June 30, 2002, consisted of taxes, interfund, and intergovernmental grants. 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 fiscal year guarantee of federal funds. All receivables are expected to be collected within one year. The following is a summary of the intergovernmental receivables.

Governmental Activities:	Amount
Tuition	\$18,602
Building	125,000
Rental	221
Miscellaneous	22,140
Vocational Education	7,574
Total Intergovernmental Receivables	<u>\$173,537</u>

In March 2000, the School District sold Lincoln Elementary School to the City of Willoughby for \$275,000 payable in four installments of \$50,000 and a final payment for \$75,000 beginning on or before March 2001 and ending March 31, 2006. As of June 30, 2002, an intergovernmental receivable in the amount of \$125,000 has been reported in the general fund with a corresponding amount reported as deferred revenue.

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

**Note 9 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2002, was as follows:

	Adjusted Balance 6/30/2001	Additions	Deductions	Balance 6/30/2002
<b>Governmental Activities</b>				
Capital Assets, not being depreciated				
Land	\$560,374	\$0	\$0	\$560,374
<i>Capital Assets, being depreciated</i>				
Buildings and Improvements	26,696,157	346,057	0	27,042,214
Furniture and Equipment	3,612,103	347,578	(5,988)	3,953,693
Vehicles	1,417,043	382,805	0	1,799,848
<i>Total Capital Assets, being depreciated</i>	<u>31,725,303</u>	<u>1,076,440</u>	<u>(5,988)</u>	<u>32,795,755</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(18,417,643)	(857,982)	0	(19,275,625)
Furniture and Equipment	(3,031,152)	(282,745)	5,988	(3,307,909)
Vehicles	(671,452)	(178,000)	0	(849,452)
<i>Total Accumulated Depreciation</i>	<u>(22,120,247)</u>	<u>(1,318,727) *</u>	<u>5,988</u>	<u>(23,432,986)</u>
<i>Total Capital Assets being depreciated, Net</i>	<u>9,605,056</u>	<u>(242,287)</u>	<u>0</u>	<u>9,362,769</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$10,165,430</u>	<u>(\$242,287)</u>	<u>\$0</u>	<u>\$9,923,143</u>
<b>Business-Type Activities</b>				
Furniture and Equipment	\$51,825	\$24,616	\$0	\$76,441
Less Accumulated Depreciation	(30,803)	(5,848)	0	(36,651)
Business-Type Activities Capital Assets, Net	<u>\$21,022</u>	<u>\$18,768</u>	<u>\$0</u>	<u>\$39,790</u>

## Willoughby-Eastlake City School District

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$976,523
Special	5,699
Vocational	320
Adult	364
Support Services:	0
Instructional Staff	360
Administration	53,456
Operation and Maintenance of Plant	98,159
Pupil Transportation	172,943
Operation of Non-Instructional Services	6,415
Extracurricular Activities	4,488
Total Depreciation Expense	<u>\$1,318,727</u>

### **Note 10 - Risk Management**

#### ***A. Property and Liability***

The School District is a member of the Ohio Schools Council Insurance Company property and fleet insurance purchasing group. On behalf of member school districts, the Ohio Schools Council prepares specifications and solicits quotations from insurance companies. The School District fleet was insured with Coregis with a \$2,000,000 liability limit per loss. Indiana Insurance Company carried the property insurance (which includes inland marine, earthquake, and crime), and Travelers Insurance covered the boilers and machinery.

Since school districts are not protected by the doctrine of sovereign immunity, the School District contracted with Nationwide Insurance Company (through the Ohio School Boards Association/Nationwide Ohio Educational Liability Insurance program) for coverage with limits of liability of \$2,000,000 per claim and \$5,000,000 aggregate to insure the School District, the board, all board members, all administrators, certified and classified employees, and volunteers. Additionally, the School District purchased an umbrella policy for an additional \$2,000,000 coverage.

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

#### ***B. Workers Compensation***

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

## Willoughby-Eastlake City School District

### Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

#### **C. Employee Medical Benefits**

The School District is self-insured. This program provides medical, surgical, prescription drug and dental benefits to the School District employees. The School District uses the self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. A third party, Medical Mutual, reviews all claims which are then paid by the School District. The premium is paid by the fund that pays the salary for the employee and is based on historical cost information.

Prior to February, 2002, the School District managed its health benefits on a self-insurance basis in the general fund. In February, 2002 the School District set up an internal service fund to account for the self-insurance activity. The School District maintains stop-loss coverage for its insurance program. Aggregate stop-loss is maintained at \$3,170,000. The aggregate stop-loss was not met in fiscal year 2002.

The claims liability of \$703,000 reported in the internal service fund at June 30, 2002, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the claims liability amount in 2001 and 2002 were:

	Balance at Beginning of Year	Current Year Claims	Current Year Payments	Balance at End of Year
2001	\$853,236	\$2,661,199	\$2,594,858	\$919,577
2002	919,577	2,255,198	2,471,775	703,000

#### **Note 11 - Defined Benefit Pension Plans**

##### **A. School Employees Retirement System**

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension system. 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 the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.



## **Willoughby-Eastlake City School District**

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2001, 4.2 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$525,186, \$380,813, and \$475,944 respectively; 46.11 percent has been contributed for fiscal year 2002 and 100 percent for the fiscal years 2001 and 2000. \$283,023 represents the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

### ***B. State Teachers Retirement System***

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides basic retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3771.

For the fiscal year ended June 30, 2002, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District is required to contribute 14 percent; 9.5 percent 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 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2002, 2001, and 2000 were \$3,393,307, \$3,127,224, and \$1,900,752 respectively; 84.02 percent has been contributed for fiscal year 2002 and 100 percent for the fiscal years 2001 and 2000. \$542,250 represents the unpaid contribution for fiscal year 2002. The balance outstanding is reflected as an intergovernmental payable.

### **Note 12 - Postemployment Benefits**

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2002, the STRS Board allocated employer contributions equal to 4.5 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$1,607,356 for fiscal year 2002.

## **Willoughby-Eastlake City School District**

### *Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 2001, (the latest information available) the balance in the Fund was \$3.256 billion. For the year ended June 30, 2001, net health care costs paid by STRS were \$300,772,000 and STRS had 102,132 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2002, employer contributions to fund health care benefits were 8.54 percent of covered payroll, a decrease of 1.26 percent from fiscal year 2001. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2002, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2002 fiscal year equaled \$1,016,411.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2001 (the latest information available), were \$161,439,934 and the target level was \$242.2 million. At June 30, 2001, SERS had net assets available for payment of health care benefits of \$315.7 million. SERS has approximately 50,000 participants currently receiving health care benefits.

### **Note 13 - Employee Benefits**

#### ***A. Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and administrators do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, an employee is paid for 30 percent of accumulated sick days up to a maximum of 250 accumulated sick days.

#### ***B. Life Insurance Benefits***

With one exception, the School District provides term life insurance in the amount of \$50,000 to employees (excluding substitutes) who regularly work a minimum of 20 hours per week. Employees are also given the option to purchase additional term life insurance through a payroll deduction.

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

**Note 14 - Long-Term Obligations**

Changes in long-term obligations of the School District during fiscal year 2002, were as follows:

	Principal Outstanding 6/30/2001	Additions	Deductions	Principal Outstanding 6/30/2002	Amounts Due in One Year
<b>Governmental Activities</b>					
1992 \$4,000,000 6.30%					
Library Improvement Bond	\$2,780,000	\$0	(\$180,000)	\$2,600,000	\$190,000
Compensated Absences	8,643,494	1,225,965	(1,209,551)	\$8,659,908	1,036,237
<b>Total Governmental Activities</b>					
Long-Term Liabilities	<u>\$11,423,494</u>	<u>\$1,225,965</u>	<u>(\$1,389,551)</u>	<u>\$11,259,908</u>	<u>\$1,226,237</u>
<b>Business-Type Activities</b>					
Compensated Absences	<u>\$54,970</u>	<u>\$67,906</u>	<u>\$0</u>	<u>\$122,876</u>	<u>\$0</u>

The library improvement bond will be paid from the debt service fund. In 1992, the School District issued bonds for improvements to the public library in the amount of \$4,000,000. The bonds are included as School District debt because the School District serves as the taxing authority for the library and is required to issue tax related debt. The bonds will mature in fiscal year 2012.

Compensated absences will be paid from the general fund, career development, adult lpn, title vi-b, retired senior volunteer, and title I governmental activities funds and food service and latchkey/preschool enterprise funds.

The School District's overall debt margin was \$132,205,551 with an unvoted debt margin of \$1,495,392 at June 30, 2002. Principal and interest requirement to retire the bond outstanding at June 30, 2002, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2003	\$190,000	\$161,170	\$351,170
2004	205,000	149,020	354,020
2005	215,000	135,893	350,893
2006	230,000	121,760	351,760
2007	245,000	106,437	351,437
2008-2012	1,515,000	259,513	1,774,513
Total	<u>\$2,600,000</u>	<u>\$933,793</u>	<u>\$3,533,793</u>

## **Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

### **Note 15 - Jointly Governed Organizations**

#### ***A. East Shore Regional Transportation System***

The East Shore Regional Transportation System (ESRTS) is a jointly governed organization that was formed for the purpose of providing a transportation system for the handicapped children in the sixteen member school districts. The governing board consists of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. ESRTS is not accumulating significant financial resources or experiencing fiscal distress which would cause additional financial benefit or burden on the School District. In fiscal year 2002, the School District paid \$415,540 to ESRTS. Financial information can be obtained by writing the fiscal agent, Kirtland Board of Education, 9152 Chillicothe Road, Kirtland, Ohio 44094.

#### ***B. East Shore Center***

The East Shore Center is a jointly governed organization that was formed for the purpose of providing special education for the handicapped children in the sixteen member school districts. The governing board consists of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. East Shore Center is not accumulating significant resources or experiencing fiscal distress, which would cause additional financial benefit or burden on the School District. In fiscal year 2002, the School District paid \$193,781 to the East Shore Center. Financial information can be obtained by writing the fiscal agent, Mentor Exempted Village School District, 6451 Center Street, Mentor, OH 44060.

#### ***C. Ohio Schools Council***

The Ohio Schools Council Association (Council) is a jointly governed organization among ninety-one school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2002, the School District paid \$2,450 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

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

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

The School District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 1999. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each month these estimated payments are compared to their actual usage and any necessary adjustments are made.

## **Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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

### **Note 16 - Related Organization**

The Willoughby-Eastlake Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Willoughby-Eastlake City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational 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 rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Willoughby-Eastlake Public Library, Ms. Suzan Bocciarelli, Clerk/Treasurer, at 263 East 305 Street, Willowick, Ohio 44095.

### **Note 17 - Insurance Purchasing Pool**

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of directors consisting of the President, the President-Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

### **Note 18 - Contingencies**

#### ***A. Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2002.

#### ***B. Litigation***

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

### **Note 19 - Interfund Transactions**

Transfers are primarily from the general fund to various special revenue funds within the School District. Each month the School District transfers money from the general fund to the athletic and music fund to cover the cost of salaries and benefits for coaches, cost of officials for games and transportation of athletes. The

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

School District also created a self-insurance fund during the year and the general fund transferred over one million dollars to cover actual costs. The School District closed out a special cost center of a special revenue fund and transferred that money back to the general fund. Each elementary school that has a latchkey/preschool program transfers money back to that schools public school support fund.

Transfers made during the year ended June 30, 2002 were as follows:

<b>Transfer To</b>	<b>Transfer From</b>		
	<i>Governmental Activities</i>		<i>Business-Type Activities</i>
	General	Nonmajor Funds	Latchkey/Preschool
<i>Governmental Activities</i>			
General	\$0	\$280,508	\$5,440
Nonmajor Funds	902,751	0	114,032
Total Governmental	902,751	280,508	119,472
<i>Business-Type Activities</i>			
Uniform School Supplies	57,058	0	
Latchkey/Preschool	14,304	0	0
Self-Insurance	1,018,186	0	0
Total Business-Type	1,089,548	0	0
Grand total	\$1,992,299	\$280,508	\$119,472

At the end of the fiscal year, the School District advanced money from the general fund to other funds to provide additional resources for current operations.

Interfund balances at June 30, 2002, consisted of:

	Interfund Receivable	Interfund Payable
General Fund	\$327,157	\$0
Special Revenue Funds		
Adult Basic Education	0	10,683
Job Training Partnership Act	0	5,200
Title VI-B	0	230,000
Vocational Education	0	5,573
Total Special Revenue Funds	0	251,456
Enterprise Fund		
Food Service	0	75,701
Total	\$327,157	\$327,157

## Willoughby-Eastlake City School District

Notes to the Basic Financial Statements

For the Year Ended June 30, 2002

### Note 20 – State School Funding Decision

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

The School District is currently unable to determine what effect, if any, this decision will have on its future State funding and on its financial operations.

### Note 21 - Set-Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year end or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2002, the School District had returned that money to the general fund.

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

	Textbooks Instructional Materials Reserve	Capital Improvements Reserve	Budget Stabilization Reserve
Set-aside Reserve Balance as of June 30, 2001	\$60,390	\$0	\$921,543
Current Year Set-Aside Requirement	1,097,519	1,097,519	0
Qualifying Disbursements	(1,149,974)	(1,364,085)	0
Reduction in Requirement Based on Revised Legislation	0	0	(921,543)
Totals	<u>\$7,935</u>	<u>(\$266,566)</u>	<u>\$0</u>
Set-Aside Balance as of June 30, 2002 and Carried Forward to Future Fiscal Years	<u>\$7,935</u>	<u>\$0</u>	<u>\$0</u>

**Willoughby-Eastlake City School District**

*Notes to the Basic Financial Statements*

*For the Year Ended June 30, 2002*

---

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



**This page intentionally left blank.**

**Combining  
and  
Individual Fund Statements  
and Schedules**

## *Combining Statements – Nonmajor Funds*

---

### *Nonmajor Special Revenue Funds*

Special Revenue 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 School District's special revenue funds follows:

*Special Trust Fund* - The fund accounts for monies used for purposes that are beneficial to the overall operation of the School District.

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

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

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

*Economic Education Fund* - This fund accounts for State monies received for integrating consumer and economic education concepts in the curriculum.

*Career Development Fund* - This fund accounts for State monies received for vocational education career development projects.

*Adult Licensed Practical Nurse (LPN) Fund* - This fund accounts for State and federal monies used for the two year Licensed Practical Nurse training program.

*Preschool At Risk Fund* - This fund accounts for State monies used to provide preschool education for students of low income families.

*School Net Professional Development Fund* - This fund accounts for State monies received for computer training for teachers in the School District.

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

*Ohio Reads Grant Fund* - This fund accounts for monies to improve reading outcomes on the reading proficiency test and for volunteer coordinators in public school buildings.

*Summer School Grant Fund* - This fund accounts for State monies used for the Summer School program.

*Extended Learning Grant Fund* - This fund accounts for State monies used for curriculum remediation beyond the normal school year.

*Conflict Management Grant Fund* - This fund accounts for State monies provided to educate students on proper social behavior.

(continued)

## *Nonmajor Special Revenue Funds (continued)*

---

*Literary Specialist Fund* - This fund accounts for State monies provided to help further the reading skills of the students and the community.

*Phonics Grant Fund* - This fund accounts for monies used for phonics curriculum in the grade schools.

*School Security Fund* - This fund accounts for State monies used for the installation of a hotline for students.

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

*Job Training Partnership Act Fund* - This fund accounts for monies used for planning and conducting programs that provide for training and upgrading of unemployed persons.

*Eisenhower Math and Science Fund* - This fund accounts for monies used to improve the skills of teachers and the quality of instruction in mathematics, science, foreign languages and computer learning, and to increase the access of all students to that instruction.

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

*Vocational Education Fund* - This fund accounts for monies used for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, ancillary services, research, advisory committees, and work study projects.

*Retired Senior Volunteer Program Fund* - This fund accounts for State monies used for the retired senior volunteer program.

*Title I Fund* - This fund accounts for federal monies used to assist the School District in meeting the special needs of educationally deprived children.

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

*Emergency Immigrant Education Fund* - This fund accounts for monies received for programs to assist in the public education of immigrants.

*Drug Free Schools Grant Fund* - This fund accounts for federal monies which support the implementation of programs for drug abuse education and prevention.

*Preschool Grant Fund* - This fund accounts for federal monies used for speech therapy services and instructional supplies used in preschool programs.

*Class Size Reduction Grant Fund* - This fund accounts for various monies to hire additional classroom teachers so the number of students per teacher will be reduced.

(continued)

***Nonmajor Special Revenue Funds (continued)***

---

*Continuous Improvement Grant Fund* - This fund accounts for federal monies used to provide library services and technology activities within the School District.

***Nonmajor Debt Service Fund***

The Debt Service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

***Nonmajor Capital Projects Funds***

Capital Projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

*Permanent Improvement Fund* - This fund accounts for monies to be used for various improvements to the buildings within the School District.

*School Net Plus Fund* - This fund accounts for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

*Network Connectivity Fund* – This fund accounts for State monies to be used for the installation and ongoing support of the data communication links connecting the School District’s buildings to the Statewide Network and to the ONEnet provided internet service provider.

**Willoughby-Eastlake City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2002*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$982,459	\$179,726	\$2,571,777	\$3,733,962
Receivables:				
Taxes	0	344,825	1,361,259	1,706,084
Intergovernmental	7,574	0	0	7,574
<i>Total Assets</i>	<u>\$990,033</u>	<u>\$524,551</u>	<u>\$3,933,036</u>	<u>\$5,447,620</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$14,824	\$0	\$256,818	\$271,642
Accrued Wages and Benefits	170,774	0	0	170,774
Interfund Payable	251,456	0	0	251,456
Intergovernmental Payable	7,007	0	0	7,007
Deferred Revenue	0	304,256	1,199,837	1,504,093
<i>Total Liabilities</i>	<u>444,061</u>	<u>304,256</u>	<u>1,456,655</u>	<u>2,204,972</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	169,809	0	367,461	537,270
Reserved for Property Taxes	0	40,569	161,422	201,991
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	376,163	0	0	376,163
Debt Service Funds	0	179,726	0	179,726
Capital Projects Funds	0	0	1,947,498	1,947,498
<i>Total Fund Balances</i>	<u>545,972</u>	<u>220,295</u>	<u>2,476,381</u>	<u>3,242,648</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$990,033</u>	<u>\$524,551</u>	<u>\$3,933,036</u>	<u>\$5,447,620</u>

**Willoughby-Eastlake City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2002*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$71,679	\$334,893	\$1,269,950	\$1,676,522
Intergovernmental	2,950,863	46,289	346,172	3,343,324
Interest	7,166	0	0	7,166
Tuition and Fees	269,332	0	0	269,332
Extracurricular Activities	588,161	0	0	588,161
Contributions and Donations	370,207	0	0	370,207
Miscellaneous	103,122	0	90,001	193,123
<i>Total Revenues</i>	<u>4,360,530</u>	<u>381,182</u>	<u>1,706,123</u>	<u>6,447,835</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	379,919	0	0	379,919
Special	665,487	0	0	665,487
Vocational	33,259	0	0	33,259
Adult/Continuing	222,699	0	0	222,699
Support Services:				
Pupil	866,755	0	0	866,755
Instructional Staff	325,918	0	0	325,918
Board of Education	0	1,044	0	1,044
Administration	172,797	0	0	172,797
Fiscal	0	2,651	0	2,651
Business	223	0	0	223
Operation and Maintenance of Plant	46,435	0	0	46,435
Pupil Transportation	17,676	0	0	17,676
Central	23,822	0	0	23,822
Operation of Non-Instructional Services	876,428	0	0	876,428
Extracurricular Activities	1,547,035	0	0	1,547,035
Capital Outlay	0	0	2,627,092	2,627,092
Debt Service:				
Principal Retirement	0	180,000	0	180,000
Interest and Fiscal Charges	0	172,365	0	172,365
<i>Total Expenditures</i>	<u>5,178,453</u>	<u>356,060</u>	<u>2,627,092</u>	<u>8,161,605</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(817,923)</u>	<u>25,122</u>	<u>(920,969)</u>	<u>(1,713,770)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,016,783	0	0	1,016,783
Transfers Out	(280,508)	0	0	(280,508)
<i>Total Other Financing Sources (Uses)</i>	<u>736,275</u>	<u>0</u>	<u>0</u>	<u>736,275</u>
<i>Net Change in Fund Balances</i>	(81,648)	25,122	(920,969)	(977,495)
<i>Fund Balances Beginning of Year</i>	<u>627,620</u>	<u>195,173</u>	<u>3,397,350</u>	<u>4,220,143</u>
<i>Fund Balances End of Year</i>	<u>\$545,972</u>	<u>\$220,295</u>	<u>\$2,476,381</u>	<u>\$3,242,648</u>

**Willoughby-Eastlake City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2002*

	<u>Special Trust</u>	<u>Public School Support</u>	<u>Athletics and Music</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$129,234	\$142,412	\$113,714
Intergovernmental Receivable	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$129,234</u></u>	<u><u>\$142,412</u></u>	<u><u>\$113,714</u></u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$4,943	\$1,587	\$75
Accrued Wages and Benefits	965	0	48,477
Interfund Payable	0	0	0
Intergovernmental Payable	<u>7</u>	<u>0</u>	<u>2,983</u>
<i>Total Liabilities</i>	<u>5,915</u>	<u>1,587</u>	<u>51,535</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	9,156	28,679	11,316
Unreserved, Undesignated (Deficit)	<u>114,163</u>	<u>112,146</u>	<u>50,863</u>
<i>Total Fund Balances (Deficit)</i>	<u>123,319</u>	<u>140,825</u>	<u>62,179</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$129,234</u></u>	<u><u>\$142,412</u></u>	<u><u>\$113,714</u></u>



Auxiliary Services	Career Development	Adult LPN	Preschool At Risk	School Net Professional Development	Educational Management Information Systems
\$94,901 0	\$24,371 0	\$4,428 0	\$12,082 0	\$3,450 0	\$8,609 0
<u>\$94,901</u>	<u>\$24,371</u>	<u>\$4,428</u>	<u>\$12,082</u>	<u>\$3,450</u>	<u>\$8,609</u>
\$4,021 5,127 0 159	\$0 10,689 0 0	\$500 0 0 143	\$0 5,379 0 167	\$0 0 0 0	\$0 0 0 0
<u>9,307</u>	<u>10,689</u>	<u>643</u>	<u>5,546</u>	<u>0</u>	<u>0</u>
13,620 71,974	11,659 2,023	75 3,710	0 6,536	0 3,450	0 8,609
<u>85,594</u>	<u>13,682</u>	<u>3,785</u>	<u>6,536</u>	<u>3,450</u>	<u>8,609</u>
<u>\$94,901</u>	<u>\$24,371</u>	<u>\$4,428</u>	<u>\$12,082</u>	<u>\$3,450</u>	<u>\$8,609</u>

(continued)

**Willoughby-Eastlake City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2002*

	Ohio Reads Grant	School Security	Adult Basic Education
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$46,761	\$26,801	\$18,906
Intergovernmental Receivable	0	0	0
<i>Total Assets</i>	\$46,761	\$26,801	\$18,906
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$811	\$0	\$188
Accrued Wages and Benefits	0	0	5,814
Interfund Payable	0	0	10,683
Intergovernmental Payable	0	0	364
<i>Total Liabilities</i>	811	0	17,049
 <b>Fund Balances</b>			
Reserved for Encumbrances	49,137	8,506	0
Unreserved, Undesignated (Deficit)	(3,187)	18,295	1,857
<i>Total Fund Balances (Deficit)</i>	45,950	26,801	1,857
 <i>Total Liabilities and Fund Balances</i>	\$46,761	\$26,801	\$18,906

<u>Job Training Partnership Act</u>	<u>Eisenhower Math and Science</u>	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Retired Senior Volunteer Program</u>	<u>Title I</u>
\$13,060	\$25,227	\$106,759	\$0	\$74,091	\$108,920
<u>0</u>	<u>0</u>	<u>0</u>	<u>7,574</u>	<u>0</u>	<u>0</u>
<u>\$13,060</u>	<u>\$25,227</u>	<u>\$106,759</u>	<u>\$7,574</u>	<u>\$74,091</u>	<u>\$108,920</u>
\$0	\$0	\$2,023	\$0	\$136	\$0
985	0	34,976	0	6,557	51,805
5,200	0	230,000	5,573	0	0
<u>31</u>	<u>0</u>	<u>1,241</u>	<u>0</u>	<u>300</u>	<u>1,612</u>
<u>6,216</u>	<u>0</u>	<u>268,240</u>	<u>5,573</u>	<u>6,993</u>	<u>53,417</u>
22	5,686	14,916	0	9,217	583
<u>6,822</u>	<u>19,541</u>	<u>(176,397)</u>	<u>2,001</u>	<u>57,881</u>	<u>54,920</u>
<u>6,844</u>	<u>25,227</u>	<u>(161,481)</u>	<u>2,001</u>	<u>67,098</u>	<u>55,503</u>
<u>\$13,060</u>	<u>\$25,227</u>	<u>\$106,759</u>	<u>\$7,574</u>	<u>\$74,091</u>	<u>\$108,920</u>

(continued)

**Willoughby-Eastlake City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2002*

	Title VI	Emergency Immigrant Education	Drug Free Schools Grant
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$16,937	\$1,907	\$1,701
Intergovernmental Receivable	0	0	0
<i>Total Assets</i>	<u>\$16,937</u>	<u>\$1,907</u>	<u>\$1,701</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$0	\$540	\$0
Accrued Wages and Benefits	0	0	0
Interfund Payable	0	0	0
Intergovernmental Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>540</u>	<u>0</u>
 <b>Fund Balances</b>			
Reserved for Encumbrances	3,685	1,364	1,701
Unreserved, Undesignated (Deficit)	13,252	3	0
<i>Total Fund Balances (Deficit)</i>	<u>16,937</u>	<u>1,367</u>	<u>1,701</u>
 <i>Total Liabilities and Fund Balances</i>	 <u>\$16,937</u>	 <u>\$1,907</u>	 <u>\$1,701</u>

Preschool Grant	Continuous Improvement Grant	Total Nonmajor Special Revenue Funds
\$7,701	\$487	\$982,459
<u>0</u>	<u>0</u>	<u>7,574</u>
<u>\$7,701</u>	<u>\$487</u>	<u>\$990,033</u>
\$0	\$0	\$14,824
0	0	170,774
0	0	251,456
<u>0</u>	<u>0</u>	<u>7,007</u>
<u>0</u>	<u>0</u>	<u>444,061</u>
0	487	169,809
<u>7,701</u>	<u>0</u>	<u>376,163</u>
<u>7,701</u>	<u>487</u>	<u>545,972</u>
<u>\$7,701</u>	<u>\$487</u>	<u>\$990,033</u>

**Willoughby-Eastlake City School District**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2002*

	Special Trust	Public School Support	Athletics and Music	Auxiliary Services
<b>Revenues</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	0	0	645,838
Interest	2,674	0	0	4,492
Tuition and Fees	0	0	72,588	0
Extracurricular Activities	18,465	312,549	255,932	0
Contributions and Donations	9,396	163,524	192,909	0
Miscellaneous	11,641	49,434	29,539	0
<i>Total Revenues</i>	<u>42,176</u>	<u>525,507</u>	<u>550,968</u>	<u>650,330</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	1,717	119,649	0	0
Special	0	0	0	0
Vocational	0	175	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	19,290	152,532	40,361	0
Instructional Staff	22,219	120	0	0
Administration	0	11,398	0	0
Business	0	223	0	0
Operation and Maintenance of Plant	0	42,016	250	0
Pupil Transportation	0	0	12,676	0
Central	0	0	0	0
Operation of Non-Instructional Services	17,384	0	0	573,427
Extracurricular Activities	0	240,769	1,306,266	0
<i>Total Expenditures</i>	<u>60,610</u>	<u>566,882</u>	<u>1,359,553</u>	<u>573,427</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(18,434)</u>	<u>(41,375)</u>	<u>(808,585)</u>	<u>76,903</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	0	115,503	898,416	0
Operating Transfers Out	(779)	(264,279)	(14,802)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(779)</u>	<u>(148,776)</u>	<u>883,614</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(19,213)	(190,151)	75,029	76,903
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>142,532</u>	<u>330,976</u>	<u>(12,850)</u>	<u>8,691</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$123,319</u>	<u>\$140,825</u>	<u>\$62,179</u>	<u>\$85,594</u>

Economic Education	Career Development	Adult LPN	Preschool At Risk	School Net Professional Development	Educational Management Information Systems
\$0	\$0	\$0	\$0	\$0	\$0
2,547	67,009	68,253	49,424	8,592	32,087
0	0	0	0	0	0
0	0	196,744	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	12,508	0	0	0
<u>2,547</u>	<u>67,009</u>	<u>277,505</u>	<u>49,424</u>	<u>8,592</u>	<u>32,087</u>
0	0	0	0	0	0
0	0	0	22,950	0	0
0	0	0	0	0	0
0	0	177,516	0	0	0
0	41,395	0	3,283	0	0
0	0	0	16,592	10,142	0
0	0	74,552	383	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	23,478
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>41,395</u>	<u>252,068</u>	<u>43,208</u>	<u>10,142</u>	<u>23,478</u>
<u>2,547</u>	<u>25,614</u>	<u>25,437</u>	<u>6,216</u>	<u>(1,550)</u>	<u>8,609</u>
0	0	2,864	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>2,864</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,547	25,614	28,301	6,216	(1,550)	8,609
<u>(2,547)</u>	<u>(11,932)</u>	<u>(24,516)</u>	<u>320</u>	<u>5,000</u>	<u>0</u>
<u>\$0</u>	<u>\$13,682</u>	<u>\$3,785</u>	<u>\$6,536</u>	<u>\$3,450</u>	<u>\$8,609</u>

(continued)

**Willoughby-Eastlake City School District**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
For the Fiscal Year Ended June 30, 2002

	Ohio Reads Grant	Summer School Grant	Extended Learning Grant	Conflict Management Grant
<b>Revenues</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental	94,425	0	0	0
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>94,425</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	19,169	15,890	6,053	666
Special	0	0	0	0
Vocational	0	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	45,797	0
Administration	28,962	0	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	344	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>48,475</u>	<u>15,890</u>	<u>51,850</u>	<u>666</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>45,950</u>	<u>(15,890)</u>	<u>(51,850)</u>	<u>(666)</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	45,950	(15,890)	(51,850)	(666)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>0</u>	<u>15,890</u>	<u>51,850</u>	<u>666</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$45,950</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>



Literary Specialist	School Security	Adult Basic Education	Job Training Partnership Act	Eisenhower Math and Science	Title VI-B
\$0	\$0	\$0	\$0	\$0	\$0
0	8,666	100,787	138,014	40,108	755,151
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	1,215	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>8,666</u>	<u>100,787</u>	<u>139,229</u>	<u>40,108</u>	<u>755,151</u>
1,000	0	0	0	0	0
0	0	0	0	0	282,257
0	0	0	30,040	0	0
0	0	44,783	400	0	0
0	0	0	0	0	470,239
0	0	52,245	27,194	46,671	71,343
0	0	0	0	0	37,826
0	0	0	0	0	0
0	159	4,010	0	0	0
0	0	0	0	0	5,000
0	0	0	0	0	0
0	0	0	0	0	58,247
0	0	0	0	0	0
<u>1,000</u>	<u>159</u>	<u>101,038</u>	<u>57,634</u>	<u>46,671</u>	<u>924,912</u>
<u>(1,000)</u>	<u>8,507</u>	<u>(251)</u>	<u>81,595</u>	<u>(6,563)</u>	<u>(169,761)</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(1,000)	8,507	(251)	81,595	(6,563)	(169,761)
1,000	18,294	2,108	(74,751)	31,790	8,280
<u>\$0</u>	<u>\$26,801</u>	<u>\$1,857</u>	<u>\$6,844</u>	<u>\$25,227</u>	<u>(\$161,481)</u>

(continued)

**Willoughby-Eastlake City School District**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Vocational Education	Retired Senior Volunteer Program	Title I	Title VI
<b>Revenues</b>				
Taxes	\$0	\$71,679	\$0	\$0
Intergovernmental	103,610	58,881	444,720	51,730
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	4,378	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>103,610</u>	<u>134,938</u>	<u>444,720</u>	<u>51,730</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	0	32,100
Special	0	0	332,512	0
Vocational	3,044	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	64,970	0	0	9,633
Instructional Staff	33,595	0	0	0
Administration	0	0	19,676	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	129,825	94,032	3,513
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>101,609</u>	<u>129,825</u>	<u>446,220</u>	<u>45,246</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,001</u>	<u>5,113</u>	<u>(1,500)</u>	<u>6,484</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	0	0	0	0
Operating Transfers Out	(648)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(648)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	1,353	5,113	(1,500)	6,484
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>648</u>	<u>61,985</u>	<u>57,003</u>	<u>10,453</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$2,001</u></u>	<u><u>\$67,098</u></u>	<u><u>\$55,503</u></u>	<u><u>\$16,937</u></u>

Emergency Immigrant Education	Drug Free Schools Grant	Preschool Grant	Class Size Reduction Grant	Continuous Improvement Grant	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$71,679
6,800	35,411	41,978	183,675	13,157	2,950,863
0	0	0	0	0	7,166
0	0	0	0	0	269,332
0	0	0	0	0	588,161
0	0	0	0	0	370,207
0	0	0	0	0	103,122
<u>6,800</u>	<u>35,411</u>	<u>41,978</u>	<u>183,675</u>	<u>13,157</u>	<u>4,360,530</u>
0	0	0	183,675	0	379,919
5,433	0	9,665	0	12,670	665,487
0	0	0	0	0	33,259
0	0	0	0	0	222,699
0	33,710	31,342	0	0	866,755
0	0	0	0	0	325,918
0	0	0	0	0	172,797
0	0	0	0	0	223
0	0	0	0	0	46,435
0	0	0	0	0	17,676
0	0	0	0	0	23,822
0	0	0	0	0	876,428
0	0	0	0	0	1,547,035
<u>5,433</u>	<u>33,710</u>	<u>41,007</u>	<u>183,675</u>	<u>12,670</u>	<u>5,178,453</u>
<u>1,367</u>	<u>1,701</u>	<u>971</u>	<u>0</u>	<u>487</u>	<u>(817,923)</u>
0	0	0	0	0	1,016,783
0	0	0	0	0	(280,508)
0	0	0	0	0	736,275
1,367	1,701	971	0	487	(81,648)
0	0	6,730	0	0	627,620
<u>\$1,367</u>	<u>\$1,701</u>	<u>\$7,701</u>	<u>\$0</u>	<u>\$487</u>	<u>\$545,972</u>

**Willoughby-Eastlake City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2002*

	Permanent Improvement	Network Connectivity	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$2,526,277	\$45,500	\$2,571,777
Taxes Receivable	1,361,259	0	1,361,259
<i>Total Assets</i>	\$3,887,536	\$45,500	\$3,933,036
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$256,818	\$0	\$256,818
Deferred Revenue	1,199,837	0	1,199,837
<i>Total Liabilities</i>	1,456,655	0	1,456,655
 <b>Fund Balances</b>			
Reserved for Encumbrances	367,461	0	367,461
Reserved for Property Taxes	161,422	0	161,422
Unreserved, Undesignated	1,901,998	45,500	1,947,498
<i>Total Fund Balances</i>	2,430,881	45,500	2,476,381
<i>Total Liabilities and Fund Balances</i>	\$3,887,536	\$45,500	\$3,933,036

**Willoughby-Eastlake City School District**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended June 30, 2002*

	Permanent Improvement	School Net Plus	Network Connectivity	Total Nonmajor Capital Projects Funds
<b>Revenues</b>				
Taxes	\$1,269,950	\$0	\$0	\$1,269,950
Intergovernmental	300,672	0	45,500	346,172
Miscellaneous	90,001	0	0	90,001
<i>Total Revenues</i>	1,660,623	0	45,500	1,706,123
<b>Expenditures</b>				
Capital Outlay	2,377,480	249,612	0	2,627,092
<i>Net Change in Fund Balances</i>	(716,857)	(249,612)	45,500	(920,969)
<i>Fund Balances Beginning of Year</i>	3,147,738	249,612	0	3,397,350
<i>Fund Balances End of Year</i>	\$2,430,881	\$0	\$45,500	\$2,476,381

## Agency Fund

Student Activities Fund - This fund reflects resources that belong to the student bodies of various schools, accounting for sales and other revenue generating activities.

**Willoughby-Eastlake City School District**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Beginning Balance <u>June 30, 2001</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance <u>June 30, 2002</u>
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	<u>\$138,536</u>	<u>\$398,430</u>	<u>\$389,715</u>	<u>\$147,251</u>
<b>Liabilities</b>				
Due to Students	<u>\$138,536</u>	<u>\$398,430</u>	<u>\$389,715</u>	<u>\$147,251</u>

Individual Fund Schedules of Revenues, Expenditures/Expenses  
and Changes in Fund Balances/Fund Equity –  
Budget (Non-GAAP Basis) and Actual

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$43,179,272	\$44,850,000	\$42,252,714	(\$2,597,286)
Intergovernmental	14,007,991	15,055,758	18,069,386	3,013,628
Interest	673,924	700,000	470,657	(229,343)
Tuition and Fees	1,453,750	1,510,000	1,145,996	(364,004)
Charges for Services	57,765	60,000	153,080	93,080
Rentals	221,432	230,000	305,431	75,431
Miscellaneous	455,380	530,000	598,153	68,153
<i>Total Revenues</i>	<u>60,049,514</u>	<u>62,935,758</u>	<u>62,995,417</u>	<u>59,659</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	24,008,106	23,683,357	23,363,049	320,308
Fringe Benefits	9,922,351	9,788,135	5,678,303	4,109,832
Purchased Services	19,058	18,800	36,631	(17,831)
Materials and Supplies	791,853	781,142	572,289	208,853
Capital Outlay - New	1,555	3,534	43,638	(40,104)
Total Regular	<u>34,742,923</u>	<u>34,274,968</u>	<u>29,693,910</u>	<u>4,581,058</u>
Special:				
Salaries and Wages	4,730,740	4,666,750	4,678,016	(11,266)
Fringe Benefits	675,538	2,366,425	1,402,470	963,955
Purchased Services	6,082	6,000	2,383	3,617
Materials and Supplies	43,963	43,368	28,789	14,579
Other	1,825	1,800	1,250	550
Total Special	<u>5,458,148</u>	<u>7,084,343</u>	<u>6,112,908</u>	<u>971,435</u>
Vocational:				
Salaries and Wages	1,361,713	1,343,293	1,365,133	(21,840)
Fringe Benefits	263,261	259,700	473,624	(213,924)
Purchased Services	1,786,836	1,762,666	2,014,368	(251,702)
Materials and Supplies	37,942	37,429	42,770	(5,341)
Capital Outlay - New	0	0	24,372	(24,372)
Total Vocational	<u>3,449,752</u>	<u>3,403,088</u>	<u>3,920,267</u>	<u>(517,179)</u>
Total Instruction	<u>\$43,650,823</u>	<u>\$44,762,399</u>	<u>\$39,727,085</u>	<u>\$5,035,314</u>

(continued)



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Revised Budget	Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Support Services:				
Pupils:				
Salaries and Wages	\$2,421,810	\$2,389,050	\$2,505,587	(\$116,537)
Fringe Benefits	351,454	346,700	676,619	(329,919)
Purchased Services	198,457	195,773	202,220	(6,447)
Materials and Supplies	167,472	165,207	179,596	(14,389)
Capital Outlay - New	741	731	0	731
Total Pupils	<u>3,139,934</u>	<u>3,097,461</u>	<u>3,564,022</u>	<u>(466,561)</u>
Instructional Staff:				
Salaries and Wages	1,404,143	1,385,150	1,405,611	(20,461)
Fringe Benefits	176,386	174,000	375,990	(201,990)
Purchased Services	32,874	32,429	72,002	(39,573)
Materials and Supplies	83,546	82,416	67,839	14,577
Total Instructional Staff	<u>1,696,949</u>	<u>1,673,995</u>	<u>1,921,442</u>	<u>(247,447)</u>
Board of Education:				
Salaries and Wages	6,083	6,000	6,000	0
Fringe Benefits	0	0	881	(881)
Purchased Services	172,647	170,312	133,310	37,002
Materials and Supplies	1,014	1,000	140	860
Other	167,262	165,000	144,383	20,617
Total Board of Education	<u>347,006</u>	<u>342,312</u>	<u>284,714</u>	<u>57,598</u>
Administration:				
Salaries and Wages	2,784,009	2,746,350	2,837,899	(91,549)
Fringe Benefits	503,004	496,200	922,479	(426,279)
Purchased Services	221,141	218,150	214,358	3,792
Materials and Supplies	55,591	54,839	58,547	(3,708)
Other	20,347	20,072	18,505	1,567
Total Administration	<u>3,584,092</u>	<u>3,535,611</u>	<u>4,051,788</u>	<u>(516,177)</u>
Fiscal:				
Salaries and Wages	375,125	370,050	368,183	1,867
Fringe Benefits	63,357	62,500	118,125	(55,625)
Purchased Services	58,288	57,500	59,134	(1,634)
Materials and Supplies	12,195	12,030	30,222	(18,192)
Other	515,067	508,100	472,162	35,938
Total Fiscal	<u>\$1,024,032</u>	<u>\$1,010,180</u>	<u>\$1,047,826</u>	<u>(\$37,646)</u>

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Revised Budget	Revised Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Business:</b>				
Salaries and Wages	\$183,482	\$181,000	\$181,704	(\$704)
Fringe Benefits	22,809	22,500	50,621	(28,121)
Purchased Services	115,343	113,783	170,304	(56,521)
Materials and Supplies	104,006	102,599	92,371	10,228
Capital Outlay - New	30,411	30,000	0	30,000
Other	1,014	1,000	2,474	(1,474)
<b>Total Business</b>	<b>457,065</b>	<b>450,882</b>	<b>497,474</b>	<b>(46,592)</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	2,519,988	2,485,900	2,498,102	(12,202)
Fringe Benefits	418,156	412,500	1,685,172	(1,272,672)
Purchased Services	2,444,967	2,411,895	2,139,025	272,870
Materials and Supplies	221,671	218,673	233,175	(14,502)
<b>Total Operation and Maintenance of Plant</b>	<b>5,604,782</b>	<b>5,528,968</b>	<b>6,555,474</b>	<b>(1,026,506)</b>
<b>Pupil Transportation:</b>				
Salaries and Wages	2,261,085	2,230,500	2,283,476	(52,976)
Fringe Benefits	362,402	357,500	55,000	302,500
Purchased Services	632,946	624,384	453,067	171,317
Materials and Supplies	516,720	509,731	415,485	94,246
Capital Outlay - Replacement	113,704	112,166	164,643	(52,477)
<b>Total Pupil Transportation</b>	<b>3,886,857</b>	<b>3,834,281</b>	<b>3,371,671</b>	<b>462,610</b>
<b>Central:</b>				
Salaries and Wages	463,266	457,000	453,709	3,291
Fringe Benefits	50,686	50,000	111,300	(61,300)
Purchased Services	123,876	122,200	120,171	2,029
Materials and Supplies	144,701	142,744	68,087	74,657
Capital Outlay - New	0	0	7,183	(7,183)
Other	2,129	2,100	1,550	550
<b>Total Central</b>	<b>784,658</b>	<b>774,044</b>	<b>762,000</b>	<b>12,044</b>
<b>Total Support Services</b>	<b>20,525,375</b>	<b>20,247,734</b>	<b>22,056,411</b>	<b>(1,808,677)</b>
<b>Operation of Non-Instructional Services</b>				
<b>Community Services:</b>				
Other	\$15,206	\$15,000	\$3,401	\$11,599

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Revised Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Extracurricular Activities:				
Co-Curricular Activities:				
Salaries and Wages	<u>\$112,117</u>	<u>\$110,600</u>	<u>\$161,059</u>	<u>(\$50,459)</u>
Capital Outlay:				
Building Acquisition and Construction Services:				
Other	<u>15,206</u>	<u>15,000</u>	<u>79,513</u>	<u>(64,513)</u>
<i>Total Expenditures</i>	<u>64,318,727</u>	<u>65,150,733</u>	<u>62,027,469</u>	<u>3,123,264</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,269,213)</u>	<u>(2,214,975)</u>	<u>967,948</u>	<u>3,182,923</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	200,000	200,000	130,253	(69,747)
Advances Out	(290,000)	(200,000)	(250,383)	(50,383)
Transfers In	0	0	285,948	285,948
Transfers Out	<u>0</u>	<u>(1,891,543)</u>	<u>(1,992,299)</u>	<u>(100,756)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(90,000)</u>	<u>(1,891,543)</u>	<u>(1,826,481)</u>	<u>65,062</u>
<i>Net Change in Fund Balance</i>	<u>(4,359,213)</u>	<u>(4,106,518)</u>	<u>(858,533)</u>	<u>3,247,985</u>
<i>Fund Balance Beginning of Year</i>	7,201,911	7,201,911	7,201,911	0
Prior Year Encumbrances Appropriated	<u>1,118,724</u>	<u>1,118,724</u>	<u>1,118,724</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,961,422</u></u>	<u><u>\$4,214,117</u></u>	<u><u>\$7,462,102</u></u>	<u><u>\$3,247,985</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Trust Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$18,000	\$18,000	\$0	(\$18,000)
Interest	0	0	2,674	2,674
Extracurricular Activities	20,760	20,760	18,465	(2,295)
Contributions and Donations	15,525	15,525	9,396	(6,129)
Miscellaneous	10	10	11,641	11,631
<i>Total Revenues</i>	<i>54,295</i>	<i>54,295</i>	<i>42,176</i>	<i>(12,119)</i>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	2,000	2,000	987	1,013
Materials and Supplies	5,795	5,795	2,825	2,970
Total Instruction	7,795	7,795	3,812	3,983
Support Services:				
Pupils:				
Purchased Services	8,875	8,875	19,253	(10,378)
Materials and Supplies	8,787	8,787	6,360	2,427
Other	2,000	2,000	125	1,875
Total Pupils	19,662	19,662	25,738	(6,076)
Instructional Staff:				
Purchased Services	1,000	1,000	0	1,000
Materials and Supplies	31,369	21,153	22,219	(1,066)
Total Instructional Staff	32,369	22,153	22,219	(66)
Total Support Services	52,031	41,815	47,957	(6,142)
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Purchased Services	8,000	8,000	6,941	1,059
Materials and Supplies	0	0	540	(540)
Other	6,700	6,700	11,638	(4,938)
Total Operation of Non-Instructional Services	14,700	14,700	19,119	(4,419)
<i>Total Expenditures</i>	<i>74,526</i>	<i>64,310</i>	<i>70,888</i>	<i>(6,578)</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(\$20,231)</i>	<i>(\$10,015)</i>	<i>(\$28,712)</i>	<i>(\$18,697)</i>

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Trust Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Revised Budget	Revised Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Other Financing Uses</b>				
Transfers Out	\$0	\$0	(\$779)	(\$779)
<i>Net Change in Fund Balance</i>	(20,231)	(10,015)	(29,491)	(19,476)
<i>Fund Balance Beginning of Year</i>	140,099	140,099	140,099	0
Prior Year Encumbrances Appropriated	4,527	4,527	4,527	0
<i>Fund Balance End of Year</i>	<u>\$124,395</u>	<u>\$134,611</u>	<u>\$115,135</u>	<u>(\$19,476)</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Extracurricular Activities	\$259,500	\$449,900	\$312,549	(\$137,351)
Contributions and Donations	110,300	110,300	163,524	53,224
Miscellaneous	14,800	14,800	49,434	34,634
<i>Total Revenues</i>	<u>384,600</u>	<u>575,000</u>	<u>525,507</u>	<u>(49,493)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	0	141	(141)
Materials and Supplies	72,583	72,583	63,258	9,325
Capital Outlay - New	44,000	44,000	58,578	(14,578)
Total Regular	<u>116,583</u>	<u>116,583</u>	<u>121,977</u>	<u>(5,394)</u>
Vocational:				
Materials and Supplies	0	0	175	(175)
Total Instruction	<u>116,583</u>	<u>116,583</u>	<u>122,152</u>	<u>(5,569)</u>
Support Services:				
Pupils:				
Materials and Supplies	163,861	163,861	152,760	11,101
Capital Outlay - New	6,000	6,000	0	6,000
Total Pupils	<u>169,861</u>	<u>169,861</u>	<u>152,760</u>	<u>17,101</u>
Instructional Staff:				
Materials and Supplies	0	0	12,120	(12,120)
Administration:				
Materials and Supplies	14,000	14,000	10,194	3,806
Capital Outlay - New	10,000	10,000	1,204	8,796
Total Administration	<u>24,000</u>	<u>24,000</u>	<u>11,398</u>	<u>12,602</u>
Business:				
Purchased Services	\$3,087	\$3,087	\$1,810	\$1,277

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation and Maintenance of Plant:				
Purchased Services	\$23,140	\$23,140	\$7,710	\$15,430
Materials and Supplies	36,306	36,306	38,211	(1,905)
Capital Outlay - New	2,000	2,000	0	2,000
<b>Total Operation and Maintenance of Plant</b>	<b>61,446</b>	<b>61,446</b>	<b>45,921</b>	<b>15,525</b>
<b>Total Support Services</b>	<b>258,394</b>	<b>258,394</b>	<b>224,009</b>	<b>34,385</b>
Extracurricular Activities:				
Co-Curricular Activities:				
Purchased Services	104,237	104,327	108,221	(3,894)
Materials and Supplies	59,436	59,436	74,032	(14,596)
Capital Outlay - New	9,000	9,000	24,358	(15,358)
Other	55,151	55,151	48,195	6,956
<b>Total Extracurricular Activities</b>	<b>227,824</b>	<b>227,914</b>	<b>254,806</b>	<b>(26,892)</b>
<b>Total Expenditures</b>	<b>602,801</b>	<b>602,891</b>	<b>600,967</b>	<b>1,924</b>
<i>Excess of Revenues Under Expenditures</i>	<i>(218,201)</i>	<i>(27,891)</i>	<i>(75,460)</i>	<i>(47,569)</i>
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	115,503	115,503
Transfers Out	0	(255,280)	(264,279)	(8,999)
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>(255,280)</b>	<b>(148,776)</b>	<b>106,504</b>
<b>Net Change in Fund Balance</b>	<b>(218,201)</b>	<b>(283,171)</b>	<b>(224,236)</b>	<b>58,935</b>
<b>Fund Balance Beginning of Year</b>	<b>313,490</b>	<b>313,490</b>	<b>313,490</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>22,891</b>	<b>22,891</b>	<b>22,891</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$118,180</b>	<b>\$53,210</b>	<b>\$112,145</b>	<b>\$58,935</b>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Athletics and Music Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Tuition and Fees	\$87,900	\$87,900	\$72,588	(\$15,312)
Extracurricular Activities	186,700	186,700	255,932	69,232
Contributions and Donations	84,100	84,100	192,909	108,809
Miscellaneous	29,800	29,800	29,539	(261)
<i>Total Revenues</i>	<u>388,500</u>	<u>388,500</u>	<u>550,968</u>	<u>162,468</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Pupils:				
Materials and Supplies	9,000	8,547	39,034	(30,487)
Capital Outlay - New	0	0	1,327	(1,327)
Total Pupils	9,000	8,547	40,361	(31,814)
Operation and Maintenance of Plant:				
Purchased Services	15,000	15,000	250	14,750
Pupil Transportation:				
Purchased Services	5,000	5,000	12,676	(7,676)
Total Support Services	<u>29,000</u>	<u>28,547</u>	<u>53,287</u>	<u>(24,740)</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities				
Purchased Services	1,000	1,000	43,981	(42,981)
Materials and Supplies	2,038	2,038	4,069	(2,031)
Other	1,000	1,000	13,099	(12,099)
Total Academic and Subject Oriented Activities	<u>4,038</u>	<u>4,038</u>	<u>61,149</u>	<u>(57,111)</u>
Sports Oriented Activities:				
Salaries and Wages	638,300	638,300	632,037	6,263
Fringe Benefits	91,000	91,000	89,134	1,866
Purchased Services	191,785	191,785	204,612	(12,827)
Materials and Supplies	199,077	199,077	230,325	(31,248)
Capital Outlay - New	5,000	5,000	12,105	(7,105)
Other	68,018	68,018	75,828	(7,810)
Total Sports Oriented Activities	<u>1,193,180</u>	<u>1,193,180</u>	<u>1,244,041</u>	<u>(50,861)</u>
Total Extracurricular Activities	<u>1,197,218</u>	<u>1,197,218</u>	<u>1,305,190</u>	<u>(107,972)</u>
<i>Total Expenditures</i>	<u>1,226,218</u>	<u>1,225,765</u>	<u>1,358,477</u>	<u>(132,712)</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$837,718)</u>	<u>(\$837,265)</u>	<u>(\$807,509)</u>	<u>\$29,756</u>

(continued)



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Athletics and Music Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$811,500	\$811,500	\$898,416	\$86,916
Transfers Out	0	0	(14,802)	(14,802)
<i>Total Other Financing Sources (Uses)</i>	<u>811,500</u>	<u>811,500</u>	<u>883,614</u>	<u>72,114</u>
<i>Net Change in Fund Balance</i>	(26,218)	(25,765)	76,105	101,870
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>26,218</u>	<u>26,218</u>	<u>26,218</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$453</u>	<u>\$102,323</u>	<u>\$101,870</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$660,197	\$660,197	\$645,838	(\$14,359)
Interest	0	0	4,492	4,492
<i>Total Revenues</i>	<u>660,197</u>	<u>660,197</u>	<u>650,330</u>	<u>(9,867)</u>
<b>Expenditures</b>				
Intergovernmental				
Salaries and Wages	38,004	38,004	32,877	5,127
Fringe Benefits	20,348	20,348	20,253	95
Purchased Services	374,850	373,696	372,740	956
Materials and Supplies	200,052	151,149	83,301	67,848
Capital Outlay - New	36,049	36,049	83,202	(47,153)
<i>Total Expenditures</i>	<u>669,303</u>	<u>619,246</u>	<u>592,373</u>	<u>26,873</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,106)	40,951	57,957	17,006
<b>Other Financing Uses</b>				
Advances Out	(4,309)	(4,309)	(4,309)	0
<i>Net Change in Fund Balance</i>	(13,415)	36,642	53,648	17,006
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	23,612	23,612	23,612	0
<i>Fund Balance End of Year</i>	<u>\$10,197</u>	<u>\$60,254</u>	<u>\$77,260</u>	<u>\$17,006</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Economic Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$2,400	\$2,400	\$2,400	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	2,400	2,400	2,400	0
<b>Other Financing Uses</b>				
Advances Out	<u>(2,400)</u>	<u>(2,400)</u>	<u>(2,400)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Career Development Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$67,009	\$67,009	\$67,009	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	24,393	27,723	17,680	10,043
Fringe Benefits	15,558	16,118	14,154	1,964
Purchased Services	8,081	9,184	9,758	(574)
Materials and Supplies	14,768	16,784	17,067	(283)
<i>Total Expenditures</i>	<u>62,800</u>	<u>69,809</u>	<u>58,659</u>	<u>11,150</u>
<i>Net Change in Fund Balance</i>	4,209	(2,800)	8,350	11,150
<i>Fund Balance Beginning of Year</i>	1,562	1,562	1,562	0
Prior Year Encumbrances Appropriated	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$8,571</u></u>	<u><u>\$1,562</u></u>	<u><u>\$12,712</u></u>	<u><u>\$11,150</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Adult LPN Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$30,000	\$30,000	\$68,253	\$38,253
Tuition and Fees	180,000	180,000	196,744	16,744
Miscellaneous	10,000	10,000	12,508	2,508
<i>Total Revenues</i>	<u>220,000</u>	<u>220,000</u>	<u>277,505</u>	<u>57,505</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	125,612	99,644	113,893	(14,249)
Fringe Benefits	0	0	30,119	(30,119)
Purchased Services	4,449	4,449	4,725	(276)
Materials and Supplies	20,000	20,000	19,419	581
Capital Outlay - New	0	0	3,100	(3,100)
Other	1,029	1,029	6,364	(5,335)
Total Instruction	<u>151,090</u>	<u>125,122</u>	<u>177,620</u>	<u>(52,498)</u>
Support Services:				
Administration:				
Salaries and Wages	99,947	96,719	59,393	37,326
Fringe Benefits	0	0	14,909	(14,909)
Purchased Services	0	0	100	(100)
Materials and Supplies	0	0	380	(380)
Total Support Services	<u>99,947</u>	<u>96,719</u>	<u>74,782</u>	<u>21,937</u>
<i>Total Expenditures</i>	<u>251,037</u>	<u>221,841</u>	<u>252,402</u>	<u>(30,561)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(31,037)</u>	<u>(1,841)</u>	<u>25,103</u>	<u>26,944</u>
<b>Other Financing Sources (Uses)</b>				
Advances Out	0	0	(30,000)	(30,000)
Transfers In	0	0	2,864	2,864
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(27,136)</u>	<u>(27,136)</u>
<i>Net Change in Fund Balance</i>	<u>(31,037)</u>	<u>(1,841)</u>	<u>(2,033)</u>	<u>(192)</u>
<i>Fund Balance Beginning of Year</i>	4,849	4,849	4,849	0
Prior Year Encumbrances Appropriated	<u>1,037</u>	<u>1,037</u>	<u>1,037</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$25,151)</u></u>	<u><u>\$4,045</u></u>	<u><u>\$3,853</u></u>	<u><u>(\$192)</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool At Risk Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$101,440	\$101,440	\$49,424	(\$52,016)
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	41,119	0	20,210	(20,210)
Fringe Benefits	4,977	4,977	2,040	2,937
Capital Outlay - New	450	450	450	0
Total Instruction	46,546	5,427	22,700	(17,273)
Support Services:				
Pupils:				
Salaries and Wages	0	7,876	0	7,876
Fringe Benefits	0	1,102	0	1,102
Materials and Supplies	0	8,698	3,284	5,414
Total Pupils	0	17,676	3,284	14,392
Instructional Staff:				
Salaries and Wages	0	19,277	15,180	4,097
Fringe Benefits	3,800	4,382	1,535	2,847
Total Instructional Staff	3,800	23,659	16,715	6,944
Administration:				
Materials and Supplies	383	383	383	0
Total Support Services	4,183	41,718	20,382	21,336
<i>Total Expenditures</i>	50,729	47,145	43,082	4,063
<i>Net Change in Fund Balance</i>	50,711	54,295	6,342	(47,953)
<i>Fund Balance Beginning of Year</i>	4,929	4,929	4,929	0
Prior Year Encumbrances Appropriated	809	809	809	0
<i>Fund Balance End of Year</i>	\$56,449	\$60,033	\$12,080	(\$47,953)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*School Net Professional Development Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$5,142	\$5,142	\$8,592	\$3,450
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	10,142	10,142	10,142	0
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	(1,550)	3,450
<i>Fund Balance Beginning of Year</i>	5,000	5,000	5,000	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$3,450</u>	<u>\$3,450</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Educational Management Information Systems Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$30,000	\$32,087	\$32,087	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Central:				
Purchased Services	<u>50,000</u>	<u>32,087</u>	<u>23,478</u>	<u>8,609</u>
<i>Net Change in Fund Balance</i>	(20,000)	0	8,609	8,609
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$20,000)</u></u>	<u><u>\$0</u></u>	<u><u>\$8,609</u></u>	<u><u>\$8,609</u></u>



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Ohio Reads Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$88,425	\$94,425	\$94,425	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	8,000	1,902	16,090	(14,188)
Purchased Services	0	2,800	2,800	0
Materials and Supplies	0	3,305	34,337	(31,032)
Capital Outlay - New	0	2,292	1,094	1,198
Total Instruction	8,000	10,299	54,321	(44,022)
Support Services:				
Administration:				
Salaries and Wages	0	13,245	14,607	(1,362)
Fringe Benefits	0	1,150	0	1,150
Materials and Supplies	0	24,500	26,088	(1,588)
Total Administration	0	38,895	40,695	(1,800)
Central:				
Materials and Supplies	0	2,500	2,595	(95)
Total Support Services	0	41,395	43,290	(1,895)
<i>Total Expenditures</i>	8,000	51,694	97,611	(45,917)
<i>Net Change in Fund Balance</i>	80,425	42,731	(3,186)	(45,917)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$80,425	\$42,731	(\$3,186)	(\$45,917)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Summer School Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	15,890	15,890	15,890	0
<i>Net Change in Fund Balance</i>	(15,890)	(15,890)	(15,890)	0
<i>Fund Balance Beginning of Year</i>	15,890	15,890	15,890	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Extended Learning Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>6,053</u>	<u>6,053</u>	<u>6,053</u>	<u>0</u>
Support Services:				
Instructional Staff:				
Purchased Services	<u>9,544</u>	<u>9,544</u>	<u>9,544</u>	<u>0</u>
Materials and Supplies	<u>36,253</u>	<u>36,253</u>	<u>36,253</u>	<u>0</u>
Total Support Services	<u>45,797</u>	<u>45,797</u>	<u>45,797</u>	<u>0</u>
<i>Total Expenditures</i>	<u>51,850</u>	<u>51,850</u>	<u>51,850</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(51,850)</u>	<u>(51,850)</u>	<u>(51,850)</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>51,850</u>	<u>51,850</u>	<u>51,850</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Conflict Management Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	<u>584</u>	<u>584</u>	<u>666</u>	<u>(82)</u>
<i>Net Change in Fund Balance</i>	(584)	(584)	(666)	(82)
<i>Fund Balance Beginning of Year</i>	82	82	82	0
Prior Year Encumbrances Appropriated	<u>584</u>	<u>584</u>	<u>584</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$82</u></u>	<u><u>\$82</u></u>	<u><u>\$0</u></u>	<u><u>(\$82)</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Literary Specialist Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	0	1,000	(1,000)
<i>Net Change in Fund Balance</i>	0	0	(1,000)	(1,000)
<i>Fund Balance Beginning of Year</i>	1,000	1,000	1,000	0
<i>Fund Balance End of Year</i>	\$1,000	\$1,000	\$0	(\$1,000)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Phonics Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	<u>2,292</u>	<u>2,292</u>	<u>2,292</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,292)	(2,292)	(2,292)	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>2,292</u>	<u>2,292</u>	<u>2,292</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*School Security Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$8,666	\$8,666	\$8,666	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Materials and Supplies	<u>50,000</u>	<u>8,667</u>	<u>8,665</u>	<u>2</u>
<i>Net Change in Fund Balance</i>	(41,334)	(1)	1	2
<i>Fund Balance Beginning of Year</i>	<u>18,294</u>	<u>18,294</u>	<u>18,294</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$23,040)</u></u>	<u><u>\$18,293</u></u>	<u><u>\$18,295</u></u>	<u><u>\$2</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Adult Basic Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$100,787	\$100,787	\$100,787	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	27,213	30,672	30,434	238
Fringe Benefits	4,438	5,905	4,994	911
Purchased Services	225	300	0	300
Materials and Supplies	5,593	7,442	7,004	438
Total Instruction	37,469	44,319	42,432	1,887
Support Services:				
Instructional Staff:				
Salaries and Wages	29,976	39,884	39,740	144
Fringe Benefits	4,545	6,048	6,238	(190)
Purchased Services	3,191	4,246	4,205	41
Materials and Supplies	1,744	2,320	1,783	537
Capital Outlay - New	61	81	0	81
Total Instructional Staff	39,517	52,579	51,966	613
Operation and Maintenance of Plant:				
Salaries and Wages	508	676	676	0
Fringe Benefits	71	95	95	0
Materials and Supplies	2,434	3,239	3,239	0
Total Operation and Maintenance of Plant	3,013	4,010	4,010	0
Total Support Services	42,530	56,589	55,976	613
<i>Total Expenditures</i>	79,999	100,908	98,408	2,500
<i>Excess of Revenues Over (Under) Expenditures</i>	20,788	(121)	2,379	2,500
<b>Other Financing Sources</b>				
Advances In	0	0	10,683	10,683
<i>Net Change in Fund Balance</i>	20,788	(121)	13,062	13,183
<i>Fund Balance Beginning of Year</i>	5,655	5,655	5,655	0
<i>Fund Balance End of Year</i>	\$26,443	\$5,534	\$18,717	\$13,183



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Job Training Partnership Act Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues</b>				
Intergovernmental	\$130,177	\$130,177	\$138,014	\$7,837
Extracurricular Activities	1,215	1,215	1,215	0
<i>Total Revenues</i>	<u>131,392</u>	<u>131,392</u>	<u>139,229</u>	<u>7,837</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	43,483	29,567	29,567	0
Fringe Benefits	6,522	4,435	4,435	0
Total Vocational	<u>50,005</u>	<u>34,002</u>	<u>34,002</u>	<u>0</u>
Adult/Continuing:				
Purchased Services	0	0	272	(272)
Materials and Supplies	0	0	150	(150)
Total Adult/Continuing	<u>0</u>	<u>0</u>	<u>422</u>	<u>(422)</u>
Total Instruction	<u>50,005</u>	<u>34,002</u>	<u>34,424</u>	<u>(422)</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	25,475	17,322	16,336	986
Fringe Benefits	4,591	3,122	3,122	0
Materials and Supplies	9,928	6,751	6,751	0
Total Support Services	<u>39,994</u>	<u>27,195</u>	<u>26,209</u>	<u>986</u>
<i>Total Expenditures</i>	<u>89,999</u>	<u>61,197</u>	<u>60,633</u>	<u>564</u>
<i>Excess of Revenues Under Expenditures</i>	<u>41,393</u>	<u>70,195</u>	<u>78,596</u>	<u>8,401</u>
<b>Other Financing Source (Uses)</b>				
Advances In	0	0	5,200	5,200
Advances Out	0	(70,195)	(70,758)	(563)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(70,195)</u>	<u>(65,558)</u>	<u>4,637</u>
<i>Net Change in Fund Balance</i>	41,393	0	13,038	13,038
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$41,393</u>	<u>\$0</u>	<u>\$13,038</u>	<u>\$13,038</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Eisenhower Math and Science Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$40,108	\$40,108	\$40,108	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	7,622	7,622	151	7,471
Fringe Benefits	1,517	1,517	21	1,496
Purchased Services	11,354	11,354	13,303	(1,949)
Materials and Supplies	33,289	33,289	39,635	(6,346)
Total Support Services	53,782	53,782	53,110	672
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Purchased Services	765	765	0	765
Total Expenditures	54,547	54,547	53,110	1,437
Net Change in Fund Balance	(14,439)	(14,439)	(13,002)	1,437
Fund Balance Beginning of Year	27,996	27,996	27,996	0
Prior Year Encumbrances Appropriated	4,547	4,547	4,547	0
Fund Balance End of Year	\$18,104	\$18,104	\$19,541	\$1,437

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Intergovernmental	\$755,151	\$755,151	\$755,151	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	17,058	20,520	20,520	0
Fringe Benefits	2,372	2,853	2,853	0
Purchased Services	42,258	148,243	219,550	(71,307)
Materials and Supplies	63,942	76,919	55,550	21,369
Capital Outlay - New	1,106	1,330	1,220	110
Total Instruction	126,736	249,865	299,693	(49,828)
Support Services:				
Pupils:				
Salaries and Wages	188,266	226,473	186,377	40,096
Fringe Benefits	41,557	49,991	44,107	5,884
Purchased Services	168,279	202,430	242,431	(40,001)
Materials and Supplies	3,238	3,895	3,895	0
Total Pupils	401,340	482,789	476,810	5,979
Instructional Staff:				
Salaries and Wages	45,943	55,267	54,937	330
Fringe Benefits	12,502	15,039	14,993	46
Capital Outlay - New	1,205	1,450	1,413	37
Total Instructional Staff	59,650	71,756	71,343	413
Administration:				
Salaries and Wages	25,229	30,349	30,349	0
Fringe Benefits	7,500	9,022	8,598	424
Purchased Services	831	1,000	955	45
Materials and Supplies	831	1,000	802	198
Total Administration	34,391	41,371	40,704	667
Pupil Transportation:				
Purchased Services	4,156	5,000	5,000	0
Total Support Services	\$499,537	\$600,916	\$593,857	\$7,059

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Purchased Services	<u>48,420</u>	<u>58,247</u>	<u>58,247</u>	<u>0</u>
<i>Total Expenditures</i>	<u>674,693</u>	<u>909,028</u>	<u>951,797</u>	<u>(42,769)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	80,458	(153,877)	(196,646)	(42,769)
<b>Other Financing Sources</b>				
Advances In	<u>0</u>	<u>0</u>	<u>230,000</u>	<u>230,000</u>
<i>Net Change in Fund Balance</i>	80,458	(153,877)	33,354	187,231
<i>Fund Balance Beginning of Year</i>	31,771	31,771	31,771	0
Prior Year Encumbrances Appropriated	<u>24,695</u>	<u>24,695</u>	<u>24,695</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$136,924</u>	<u>(\$97,411)</u>	<u>\$89,820</u>	<u>\$187,231</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$104,344	\$104,344	\$102,480	(\$1,864)
<b>Expenditures</b>				
Current:				
Instruction:				
Vocational:				
Purchased Services	4,185	5,200	3,044	2,156
Support Services:				
Pupils:				
Salaries and Wages	51,781	64,342	64,342	0
Fringe Benefits	505	628	628	0
Total Pupils	52,286	64,970	64,970	0
Instructional Staff:				
Salaries and Wages	23,338	29,000	29,000	0
Purchased Services	20,191	760	4,595	(3,835)
Total Instructional Staff	43,529	29,760	33,595	(3,835)
Total Support Services	95,815	94,730	98,565	(3,835)
<i>Total Expenditures</i>	100,000	99,930	101,609	(1,679)
<i>Excess of Revenues Over Expenditures</i>	4,344	4,414	871	(3,543)
<b>Other Financing Sources (Uses)</b>				
Advances In	0	0	4,500	4,500
Advances Out	0	(5,796)	(5,796)	0
Transfers Out	0	(648)	(648)	0
<i>Total Other Financing Sources (Uses)</i>	0	(6,444)	(1,944)	4,500
<i>Net Change in Fund Balance</i>	4,344	(2,030)	(1,073)	957
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$4,344	(\$2,030)	(\$1,073)	\$957

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Retired Senior Volunteer Program Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Taxes	\$75,000	\$75,000	\$71,679	(\$3,321)
Intergovernmental	64,717	64,717	67,241	2,524
Contributions and Donations	4,378	4,378	4,378	0
<i>Total Revenues</i>	<u>144,095</u>	<u>144,095</u>	<u>143,298</u>	<u>(797)</u>
<b>Expenditures</b>				
Current:				
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Salaries and Wages	119,420	77,372	68,641	8,731
Fringe Benefits	31,667	20,517	19,088	1,429
Purchased Services	17,441	27,148	28,999	(1,851)
Materials and Supplies	23,755	15,391	15,072	319
Capital Outlay - New	2,778	1,800	3,176	(1,376)
Other	4,939	3,200	3,266	(66)
<i>Total Expenditures</i>	<u>200,000</u>	<u>145,428</u>	<u>138,242</u>	<u>7,186</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(55,905)</u>	<u>(1,333)</u>	<u>5,056</u>	<u>6,389</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	61,463	61,463	0	(61,463)
Transfers Out	0	(61,463)	0	61,463
<i>Total Other Financing Sources (Uses)</i>	<u>61,463</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,558	(1,333)	5,056	6,389
<i>Fund Balance Beginning of Year</i>	<u>59,682</u>	<u>59,682</u>	<u>59,682</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$65,240</u></u>	<u><u>\$58,349</u></u>	<u><u>\$64,738</u></u>	<u><u>\$6,389</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$444,900	\$444,900	\$444,720	(\$180)
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Salaries and Wages	377,185	258,524	256,087	2,437
Fringe Benefits	91,093	90,096	80,152	9,944
Purchased Services	6,066	6,000	131	5,869
Materials and Supplies	2,894	2,862	1,988	874
Total Instruction	477,238	357,482	338,358	19,124
Support Services:				
Administration:				
Salaries and Wages	15,661	15,490	13,408	2,082
Fringe Benefits	4,734	4,682	4,682	0
Purchased Services	2,118	2,392	1,223	1,169
Materials and Supplies	938	928	392	536
Total Support Services	23,451	23,492	19,705	3,787
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Salaries and Wages	77,719	76,868	73,868	3,000
Fringe Benefits	20,357	20,134	20,080	54
Purchased Services	888	878	84	794
Materials and Supplies	455	450	0	450
Total Operation of Non-Instructional Services	99,419	98,330	94,032	4,298
<i>Total Expenditures</i>	600,108	479,304	452,095	27,209
<i>Excess of Revenues Under Expenditures</i>	(155,208)	(34,404)	(7,375)	27,029
<b>Other Financing Sources</b>				
Transfers In	33,224	33,224	0	(33,224)
<i>Net Change in Fund Balance</i>	(121,984)	(1,180)	(7,375)	(6,195)
<i>Fund Balance Beginning of Year</i>	115,304	115,304	115,304	0
Prior Year Encumbrances Appropriated	408	408	408	0
<i>Fund Balance (Deficit) End of Year</i>	(\$6,272)	\$114,532	\$108,337	(\$6,195)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$51,730	\$51,730	\$51,730	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	3,678	5,600	5,000	600
Materials and Supplies	33,456	29,003	28,929	74
Capital Outlay - New	7,664	7,664	2,132	5,532
Total Instruction	44,798	42,267	36,061	6,206
Support Services:				
Pupils:				
Purchased Services	9,633	9,633	9,633	0
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Materials and Supplies	1,044	0	0	0
Capital Outlay - New	5,062	3,513	3,513	0
Total Operation of Non-Instructional Services	6,106	3,513	3,513	0
<i>Total Expenditures</i>	60,537	55,413	49,207	6,206
<i>Net Change in Fund Balance</i>	(8,807)	(3,683)	2,523	6,206
<i>Fund Balance Beginning of Year</i>	10,192	10,192	10,192	0
Prior Year Encumbrances Appropriated	537	537	537	0
<i>Fund Balance End of Year</i>	\$1,922	\$7,046	\$13,252	\$6,206



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Emergency Immigrant Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$6,800	\$6,800	\$6,800	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Materials and Supplies	1,415	491	2,123	(1,632)
Capital Outlay - New	4,146	5,070	4,674	396
<i>Total Expenditures</i>	5,561	5,561	6,797	(1,236)
<i>Net Change in Fund Balance</i>	1,239	1,239	3	(1,236)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$1,239	\$1,239	\$3	(\$1,236)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Free Schools Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$35,411	\$35,411	\$35,411	\$0
<b>Expenditures</b>				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	10,613	9,129	10,680	(1,551)
Fringe Benefits	1,486	0	0	0
Purchased Services	27,320	23,093	23,030	63
Materials and Supplies	581	0	0	0
<i>Total Expenditures</i>	<u>40,000</u>	<u>32,222</u>	<u>33,710</u>	<u>(1,488)</u>
<i>Net Change in Fund Balance</i>	(4,589)	3,189	1,701	(1,488)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$4,589)</u>	<u>\$3,189</u>	<u>\$1,701</u>	<u>(\$1,488)</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$41,978	\$41,978	\$41,978	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Purchased Services	10,060	9,800	5,300	4,500
Materials and Supplies	2,229	2,171	4,365	(2,194)
Capital Outlay - New	1,700	1,656	0	1,656
Total Instruction	13,989	13,627	9,665	3,962
Support Services:				
Pupils:				
Salaries and Wages	25,904	18,505	25,564	(7,059)
Fringe Benefits	5,734	5,586	5,586	0
Purchased Services	308	300	0	300
Materials and Supplies	2,020	1,968	192	1,776
Total Support Services	33,966	26,359	31,342	(4,983)
Operation of Non-Instructional Services:				
Services:				
Community Services:				
Purchased Services	2,045	1,992	0	1,992
<i>Total Expenditures</i>	50,000	41,978	41,007	971
<i>Net Change in Fund Balance</i>	(8,022)	0	971	971
<i>Fund Balance Beginning of Year</i>	6,730	6,730	6,730	0
<i>Fund Balance End of Year</i>	(\$1,292)	\$6,730	\$7,701	\$971

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Class Size Reduction Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$183,675	\$183,675	\$183,675	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	144,874	144,874	144,874	0
Fringe Benefits	38,801	38,801	38,801	0
<i>Total Expenditures</i>	<u>183,675</u>	<u>183,675</u>	<u>183,675</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Continuous Improvement Grant Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$13,157</u>	<u>\$13,157</u>	<u>\$13,157</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Special:				
Materials and Supplies	75,000	7,222	7,222	0
Capital Outlay - New	<u>75,000</u>	<u>5,935</u>	<u>5,935</u>	<u>0</u>
<i>Total Expenditures</i>	<u>150,000</u>	<u>13,157</u>	<u>13,157</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(136,843)	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$136,843)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bond Retirement Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$320,000	\$320,000	\$329,363	\$9,363
Intergovernmental	46,320	45,064	46,289	1,225
<i>Total Revenues</i>	<u>366,320</u>	<u>365,064</u>	<u>375,652</u>	<u>10,588</u>
<b>Expenditures</b>				
Current:				
Support Services:				
Board of Education:				
Other	0	0	1,044	(1,044)
Fiscal:				
Other	0	5,000	2,641	2,359
Total Support Services	<u>0</u>	<u>5,000</u>	<u>3,685</u>	<u>1,315</u>
Debt Service:				
Principal Retirement	180,000	180,000	180,000	0
Interest and Fiscal Charges	170,000	340,198	172,365	167,833
Total Debt Service	<u>350,000</u>	<u>520,198</u>	<u>352,365</u>	<u>167,833</u>
<i>Total Expenditures</i>	<u>350,000</u>	<u>525,198</u>	<u>356,050</u>	<u>169,148</u>
<i>Net Change in Fund Balance</i>	16,320	(160,134)	19,602	179,736
<i>Fund Balance Beginning of Year</i>	<u>160,134</u>	<u>160,134</u>	<u>160,134</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$176,454</u></u>	<u><u>\$0</u></u>	<u><u>\$179,736</u></u>	<u><u>\$179,736</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	499,259	1,109,961	1,247,271	137,310
Intergovernmental	300,000	300,000	300,672	672
Miscellaneous	0	0	90,001	90,001
<i>Total Revenues</i>	<u>799,259</u>	<u>1,409,961</u>	<u>1,637,944</u>	<u>227,983</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Materials and Supplies	20,000	20,000	2,032	17,968
Capital Outlay - New	39,925	39,925	63,556	(23,631)
Total Regular	<u>59,925</u>	<u>59,925</u>	<u>65,588</u>	<u>(5,663)</u>
Special:				
Capital Outlay - New	5,000	5,000	1,495	3,505
Vocational:				
Capital Outlay - New	19,333	19,333	4,421	14,912
Total Instruction	<u>84,258</u>	<u>84,258</u>	<u>71,504</u>	<u>12,754</u>
Support Services:				
Pupils:				
Materials and Supplies	45,000	45,000	65,576	(20,576)
Capital Outlay - New	10,000	10,000	7,988	2,012
Total Pupils	<u>55,000</u>	<u>55,000</u>	<u>73,564</u>	<u>(18,564)</u>
Instructional Staff:				
Materials and Supplies	40,000	40,000	13,805	26,195
Capital Outlay - New	5,000	5,000	1,301	3,699
Total Instructional Staff	<u>45,000</u>	<u>45,000</u>	<u>15,106</u>	<u>29,894</u>
Board of Education:				
Other	10,000	10,000	3,785	6,215
Administration:				
Materials and Supplies	70,697	70,697	21,499	49,198
Capital Outlay - New	130,000	130,000	32,487	97,513
Total Administration	<u>200,697</u>	<u>200,697</u>	<u>53,986</u>	<u>146,711</u>
Fiscal:				
Materials and Supplies	5,000	5,000	0	5,000
Capital Outlay - New	5,000	5,000	6,557	(1,557)
Other	20,000	20,000	10,513	9,487
Total Fiscal	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$17,070</u>	<u>\$12,930</u>

(continued)

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund (continued)*  
*For the Fiscal Year Ended June 30, 2002*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Business:</b>				
Purchased Services	\$5,000	\$5,000	\$260	\$4,740
Materials and Supplies	5,000	5,000	465	4,535
<b>Total Business</b>	<b>10,000</b>	<b>10,000</b>	<b>725</b>	<b>9,275</b>
<b>Operation and Maintenance of Plant:</b>				
Purchased Services	743,426	1,743,426	1,608,399	135,027
Materials and Supplies	318,769	318,769	228,309	90,460
Capital Outlay - New	40,000	40,000	6,900	33,100
Capital Outlay - Replacement	34,297	34,297	85,172	(50,875)
<b>Total Operation and Maintenance of Plant</b>	<b>1,136,492</b>	<b>2,136,492</b>	<b>1,928,780</b>	<b>207,712</b>
<b>Pupil Transportation:</b>				
Purchased Services	10,000	10,000	3,469	6,531
Materials and Supplies	70,000	70,000	278,275	(208,275)
Capital Outlay - New	5,000	5,000	1,669	3,331
Capital Outlay - Replacement	217,177	1,558,912	268,157	1,290,755
<b>Total Pupil Transportation</b>	<b>302,177</b>	<b>1,643,912</b>	<b>551,570</b>	<b>1,092,342</b>
<b>Central:</b>				
Purchased Services	0	0	14,555	(14,555)
Materials and Supplies	0	0	13,335	(13,335)
Capital Outlay - New	30,000	30,000	27,101	2,899
Capital Outlay - Replacement	0	0	21,501	(21,501)
<b>Total Central</b>	<b>30,000</b>	<b>30,000</b>	<b>76,492</b>	<b>(46,492)</b>
<b>Total Support Services</b>	<b>1,819,366</b>	<b>4,161,101</b>	<b>2,721,078</b>	<b>1,440,023</b>
<b>Operation of Non-Instructional Services:</b>				
<b>Services:</b>				
<b>Food Service Operations:</b>				
Purchased Services	10,000	10,000	7,415	2,585
Materials and Supplies	10,000	10,000	3,049	6,951
Capital Outlay - New	5,000	5,000	23,289	(18,289)
<b>Total Operation of Non-Instructional Services</b>	<b>25,000</b>	<b>25,000</b>	<b>33,753</b>	<b>(8,753)</b>
<b>Total Expenditures</b>	<b>1,928,624</b>	<b>4,270,359</b>	<b>2,826,335</b>	<b>1,444,024</b>
<b>Net Change in Fund Balance</b>	<b>(1,129,365)</b>	<b>(2,860,398)</b>	<b>(1,188,391)</b>	<b>1,672,007</b>
<b>Fund Balance Beginning of Year</b>	<b>2,861,765</b>	<b>2,861,765</b>	<b>2,861,765</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>228,624</b>	<b>228,624</b>	<b>228,624</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$1,961,024</b>	<b>\$229,991</b>	<b>\$1,901,998</b>	<b>\$1,672,007</b>



**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*School Net Plus Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Purchased Services	17,071	38,715	0	38,715
Materials and Supplies	37,454	84,942	21,270	63,672
Capital Outlay - New	<u>63,475</u>	<u>161,955</u>	<u>246,342</u>	<u>(84,387)</u>
<i>Total Expenditures</i>	<u>118,000</u>	<u>285,612</u>	<u>267,612</u>	<u>18,000</u>
<i>Net Change in Fund Balance</i>	(118,000)	(285,612)	(267,612)	18,000
<i>Fund Balance Beginning of Year</i>	249,612	249,612	249,612	0
Prior Year Encumbrances Appropriated	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$149,612</u>	<u>(\$18,000)</u>	<u>\$0</u>	<u>\$18,000</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Network Connectivity Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$45,500	\$45,500	\$45,500	\$0
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Capital Outlay - New	<u>45,500</u>	<u>45,500</u>	<u>0</u>	<u>45,500</u>
<i>Net Change in Fund Balance</i>	0	0	45,500	45,500
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$45,500</u></u>	<u><u>\$45,500</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales	\$1,630,000	\$1,630,000	\$1,570,525	(\$59,475)
Interest	2,000	2,000	1,168	(832)
Operating Grants	468,000	468,000	523,772	55,772
<i>Total Revenues</i>	<u>2,100,000</u>	<u>2,100,000</u>	<u>2,095,465</u>	<u>(4,535)</u>
<b>Expenses</b>				
Salaries:				
Food Service Operations	918,785	807,948	919,680	(111,732)
Fringe Benefits:				
Food Service Operations	329,899	321,000	356,158	(35,158)
Purchased Services:				
Food Service Operations	73,071	71,100	60,002	11,098
Materials and Supplies:				
Food Service Operations	828,365	806,019	818,456	(12,437)
<i>Total Expenses</i>	<u>2,150,120</u>	<u>2,006,067</u>	<u>2,154,296</u>	<u>(148,229)</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(50,120)	93,933	(58,831)	(152,764)
Advances Out	0	0	(16,990)	(16,990)
<i>Net Change in Fund Equity</i>	(50,120)	93,933	(75,821)	(169,754)
<i>Fund Equity Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	120	120	120	0
<i>Fund Equity (Deficit) End of Year</i>	<u>(\$50,000)</u>	<u>\$94,053</u>	<u>(\$75,701)</u>	<u>(\$169,754)</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Sales	<u>\$369,254</u>	<u>\$345,574</u>	<u>\$290,647</u>	<u>(\$54,927)</u>
<b>Expenses</b>				
Materials and Supplies:				
Regular Instruction	371,468	353,156	357,505	(4,349)
Special Instruction	6,142	5,670	3,170	2,500
Vocational Instruction	<u>22,540</u>	<u>20,808</u>	<u>17,296</u>	<u>3,512</u>
<i>Total Expenses</i>	<u>400,150</u>	<u>379,634</u>	<u>377,971</u>	<u>1,663</u>
<i>Excess of Revenues Under Expenses</i>	(30,896)	(34,060)	(87,324)	(53,264)
Transfers In	<u>0</u>	<u>23,680</u>	<u>57,058</u>	<u>33,378</u>
<i>Net Change in Fund Equity</i>	(30,896)	(10,380)	(30,266)	(19,886)
<i>Fund Equity Beginning of Year</i>	38,749	38,749	38,749	0
Prior Year Encumbrances Appropriated	<u>151</u>	<u>151</u>	<u>151</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$8,004</u></u>	<u><u>\$28,520</u></u>	<u><u>\$8,634</u></u>	<u><u>(\$19,886)</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Special Services Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$22,000	\$22,000	\$17,677	(\$4,323)
Other	1,000	1,000	572	(428)
<i>Total Revenues</i>	<u>23,000</u>	<u>23,000</u>	<u>18,249</u>	<u>(4,751)</u>
<b>Expenses</b>				
Purchased Services:				
Vocational Instruction	2,857	2,500	847	1,653
Materials and Supplies:				
Vocational Instruction	37,143	24,834	25,187	(353)
<i>Total Expenses</i>	<u>40,000</u>	<u>27,334</u>	<u>26,034</u>	<u>1,300</u>
<i>Net Change in Fund Equity</i>	(17,000)	(4,334)	(7,785)	(3,451)
<i>Fund Equity Beginning of Year</i>	<u>12,990</u>	<u>12,990</u>	<u>12,990</u>	<u>0</u>
<i>Fund Equity (Deficit) End of Year</i>	<u>(\$4,010)</u>	<u>\$8,656</u>	<u>\$5,205</u>	<u>(\$3,451)</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Community Education Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Tuition and Fees	\$20,000	\$20,000	\$8,975	(\$11,025)
Operating Grants	0	0	4,936	4,936
Other	0	0	1,525	1,525
<i>Total Revenues</i>	<u>20,000</u>	<u>20,000</u>	<u>15,436</u>	<u>(4,564)</u>
<b>Expenses</b>				
Salaries:				
Pupil Support Services	10,000	10,000	8,226	1,774
Fringe Benefits:				
Pupil Support Services	<u>0</u>	<u>10,000</u>	<u>1,152</u>	<u>8,848</u>
<i>Total Expenses</i>	<u>10,000</u>	<u>20,000</u>	<u>9,378</u>	<u>10,622</u>
<i>Net Change in Fund Equity</i>	10,000	0	6,058	6,058
<i>Fund Equity Beginning of Year</i>	<u>14,301</u>	<u>14,301</u>	<u>14,301</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$24,301</u></u>	<u><u>\$14,301</u></u>	<u><u>\$20,359</u></u>	<u><u>\$6,058</u></u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Latchkey/Preschool Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Tuition and Fees	\$560,000	\$560,000	\$528,898	(\$31,102)
<b>Expenses</b>				
Salaries:				
Regular Instruction	64,696	60,000	57,709	2,291
Administration	25,878	24,000	8,086	15,914
Pupil Transportation Support Services	2,157	2,000	1,246	754
Operation of Non Instructional Services	336,417	267,620	264,904	2,716
Total Salaries	429,148	353,620	331,945	21,675
Fringe Benefits:				
Regular Instruction	7,548	7,000	2,515	4,485
Administration	9,165	8,500	9,055	(555)
Pupil Transportation Support Services	0	0	187	(187)
Operation of Non Instructional Services	102,974	95,500	82,110	13,390
Total Fringe Benefits	119,687	111,000	93,867	17,133
Purchased Services:				
Regular Instruction	0	0	95	(95)
Operation and Maintenance of Plant	10,783	10,000	8,286	1,714
Operation of Non Instructional Services	7,548	7,000	2,125	4,875
Total Purchased Services	18,331	17,000	10,506	6,494
Materials and Supplies:				
Regular Instruction	4,313	4,000	5,221	(1,221)
Pupil Transportation Support Services	0	0	1,099	(1,099)
Operation of Non Instructional Services	48,521	45,000	23,936	21,064
Total Materials and Supplies	52,834	49,000	30,256	18,744
<i>Total Expenses</i>	<u>620,000</u>	<u>530,620</u>	<u>466,574</u>	<u>64,046</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(60,000)	29,380	62,324	32,944
Transfers In	15,000	15,000	14,304	(696)
Transfers Out	0	(45,000)	(119,472)	(74,472)
<i>Net Change in Fund Equity</i>	(45,000)	(620)	(42,844)	(42,224)
<i>Fund Equity Beginning of Year</i>	<u>157,531</u>	<u>157,531</u>	<u>157,531</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$112,531</u>	<u>\$156,911</u>	<u>\$114,687</u>	<u>(\$42,224)</u>

**Willoughby-Eastlake City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Self-Insurance Fund*  
*For the Fiscal Year Ended June 30, 2002*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<b>Revenues</b>				
Charges for Services	\$2,500,000	\$2,500,000	\$2,112,328	(\$387,672)
<b>Expenses</b>				
Purchased Services	0	0	479,474	(479,474)
Claims	2,446,540	2,446,540	1,632,855	813,685
<i>Total Expenses</i>	<u>2,446,540</u>	<u>2,446,540</u>	<u>2,112,329</u>	<u>334,211</u>
<i>Excess of Revenues Over (Under) Expenses</i>	53,460	53,460	(1)	(53,461)
Transfers In	0	0	1,018,186	1,018,186
<i>Net Change in Fund Equity</i>	53,460	53,460	1,018,185	964,725
<i>Fund Equity Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$53,460</u>	<u>\$53,460</u>	<u>\$1,018,185</u>	<u>\$964,725</u>



# **Willoughby-Eastlake City School District**

## **Statistical Section**

The following statistical tables reflect social and economic data, financial trends and fiscal capacity of the School District.

**Willoughby-Eastlake City School District**  
*General Fund Revenues by Source  
and Expenditures by Function (1)*  
Last Ten Fiscal Years

	2002	2001	2000	1999	1998
<b>Revenues</b>					
Taxes	\$42,917,933	\$44,147,371	\$43,725,047	\$42,187,216	\$42,108,268
Intergovernmental	17,969,386	14,561,652	13,178,730	12,466,867	12,191,864
Interest	470,657	864,710	748,275	509,330	410,778
Tuition and Fees	845,038	1,703,110	1,664,316	1,593,232	1,336,320
Extracurricular Activities	0	0	0	11,103	0
Charges for Services	327,603	189,222	249,175	185,985	0
Rentals	290,004	251,361	237,144	249,000	0
Contributions and Donations	0	0	2,617	86	0
Miscellaneous	458,216	178,187	148,911	173,750	470,149
<b>Total</b>	<b>\$63,278,837</b>	<b>\$61,895,613</b>	<b>\$59,954,215</b>	<b>\$57,376,569</b>	<b>\$56,517,379</b>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	\$30,558,174	\$28,661,944	\$28,369,993	\$25,723,573	\$24,691,598
Special	6,192,207	5,763,895	6,228,426	5,700,000	4,617,590
Vocational	3,163,491	3,228,739	1,933,046	2,043,381	3,091,397
Other	0	0	0	0	489,221
Support Services					
Pupils	3,619,555	3,186,731	3,271,335	2,909,394	2,796,003
Instructional Staff	1,953,515	1,616,654	1,515,454	1,405,870	1,307,190
Board of Education	238,331	304,184	218,226	273,908	247,471
Administration	4,062,186	4,098,220	3,866,846	3,674,935	3,626,395
Fiscal	1,046,195	967,248	961,969	1,116,090	943,849
Business	461,150	404,410	363,186	429,132	299,597
Operation and Maintenance					
of Plant	5,442,422	6,229,808	6,158,254	5,203,914	5,181,042
Pupil Transportation	3,270,251	4,505,333	3,822,720	3,400,200	3,077,564
Central	758,127	744,902	532,102	483,236	437,291
Operation of Non-Instructional					
Services	3,401	8,184	30,354	32,558	38,105
Extracurricular Activities	165,709	132,853	137,808	92,441	129,438
Capital Outlay	79,513	4,162	0	26,505	0
Debt Service	0	3,411	40,931	40,931	66,309
<b>Total</b>	<b>\$61,014,227</b>	<b>\$59,860,678</b>	<b>\$57,450,650</b>	<b>\$52,556,068</b>	<b>\$51,040,060</b>

(1) Information is based on modified accrual. Information for full accrual for governmental activities will be presented when there are enough years of information to make comparisons.

Source: School District Financial Records

<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>
\$38,487,088	\$37,453,502	\$37,729,382	\$31,271,664	\$32,221,853
12,187,714	12,131,499	11,206,103	11,158,906	10,864,882
0	0	309,788	230,192	269,694
1,175,889	459,562	755,044	1,094,678	800,104
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
529,429	681,448	527,805	491,351	639,028
<u>\$52,380,120</u>	<u>\$50,726,011</u>	<u>\$50,528,122</u>	<u>\$44,246,791</u>	<u>\$44,795,561</u>
\$24,994,557	\$24,875,405	\$24,190,760	\$21,909,364	\$27,555,731
4,671,276	4,595,200	3,849,044	4,024,415	0
2,336,717	2,008,289	1,963,853	2,331,872	0
723,290	1,051,655	1,007,168	554,584	0
2,842,161	2,907,259	2,854,578	2,668,737	2,928,109
1,334,359	1,393,889	1,634,107	1,560,775	1,140,818
158,562	202,069	208,493	202,723	150,611
3,927,895	3,649,616	3,649,711	3,510,080	3,043,986
848,035	789,324	819,725	729,092	768,591
249,027	322,856	396,638	362,750	377,672
5,010,356	4,630,534	4,592,200	4,990,241	4,885,985
2,966,772	2,962,953	2,547,399	2,925,548	2,750,316
414,428	374,400	437,915	432,693	542,552
24,401	7,882	22,105	16,255	20,449
98,430	84,909	96,604	141,906	47,778
25,919	29,222	27,728	26,050	26,371
1,483,884	1,557,908	42,852	41,649	25,415
<u>\$52,110,069</u>	<u>\$51,443,370</u>	<u>\$48,340,880</u>	<u>\$46,428,734</u>	<u>\$44,264,384</u>

**Willoughby-Eastlake City School District**  
*Property Tax Levies and Collections*  
*Real and Tangible Personal Property (1)*  
*Last Ten Years*

Year (2)	Current Levy	Delinquent Levy (3)	Total Levy	Current Collection	Percent of Current Levy Collected
2001	\$50,803,531	\$2,478,372	\$53,281,903	\$49,346,903	97.1%
2000	47,757,092	2,442,137	50,199,229	46,913,773	98.2
1999	47,953,564	2,159,442	50,113,006	47,443,568	98.9
1998	47,460,422	1,796,669	49,257,091	46,906,165	98.8
1997	44,342,404	1,392,418	45,734,822	43,733,771	98.6
1996	43,584,928	1,173,352	44,758,280	42,997,252	98.7
1995	42,459,338	1,312,681	43,772,019	41,988,952	98.9
1994	36,300,932	1,643,273	37,944,205	35,907,249	98.9
1993	36,023,453	1,837,588	37,861,041	35,584,882	98.8
1992	35,478,575	2,304,112	37,782,687	34,899,670	98.4

Source: Lake 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.

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2002 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Current Levy</u>
\$640,697	\$49,987,600	98.4%
2,415,360	49,329,133	103.3
719,278	48,162,846	100.4
573,389	47,479,554	100.0
608,509	44,342,280	100.0
625,234	43,622,486	100.1
732,269	42,721,221	100.6
614,312	36,521,561	100.6
688,287	36,273,169	100.7
1,229,419	36,129,089	101.8

**Willoughby-Eastlake City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Year	Real Property		Public Utility Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)
2002	\$1,231,219,950	\$3,517,771,286	\$91,529,030	\$104,010,261
2001	1,217,271,030	3,477,917,229	190,829,760	216,852,000
2000	1,081,386,630	3,089,676,086	208,672,250	237,127,557
1999	1,063,788,970	3,039,397,057	217,394,080	247,038,727
1998	1,046,294,160	2,989,411,886	220,985,390	251,119,761
1997	919,775,570	2,627,930,200	219,906,660	249,893,932
1996	898,573,150	2,567,351,857	227,192,400	258,173,182
1995	883,405,710	2,524,016,314	205,317,670	233,315,534
1994	807,841,190	2,308,117,686	200,335,460	227,653,932
1993	792,931,360	2,265,518,171	202,401,390	230,001,580

Source: Lake 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.

- (1) This amount is calculated based on the following percentages:  
 Real estate is assessed at 35 percent of actual value.  
 Public utility personal is assessed at 88 percent of actual value.  
 Tangible personal property is assessed at 25 percent of actual value.

Tangible Personal Property		Total		
Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Ratio
\$172,642,754	\$690,571,016	\$1,495,391,734	\$4,312,352,563	35%
165,437,484	661,749,936	1,573,538,274	4,356,519,165	36
155,232,538	620,930,152	1,445,291,418	3,947,733,795	37
151,359,246	605,436,984	1,432,542,296	3,891,872,768	37
137,893,748	551,574,992	1,405,173,298	3,792,106,639	37
131,058,095	524,232,380	1,270,740,325	3,402,056,512	37
119,553,436	478,213,744	1,245,318,986	3,303,738,783	38
115,433,302	461,733,208	1,204,156,682	3,219,065,056	37
114,637,308	458,549,232	1,122,813,958	2,994,320,850	37
114,492,383	457,969,532	1,109,825,133	2,953,489,283	38

**Willoughby-Eastlake City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

Willoughby-Eastlake City School District						
Year	General	Bond Retirement	Permanent Improvement	Total	Lake County	Library
2002	\$44.23	\$0.24	\$1.30	\$45.77	\$15.70	\$1.30
2001	44.30	0.24	1.30	45.84	15.70	1.30
2000	45.14	0.27	1.30	46.71	15.60	1.30
1999	45.14	0.27	1.30	46.71	15.60	0.30
1998	45.14	0.27	1.30	46.71	14.10	0.30
1997	45.95	0.37	1.30	47.62	14.00	0.30
1996	46.11	0.00	1.30	47.41	14.00	0.30
1995	46.71	0.00	1.30	48.01	14.00	0.30
1994	43.09	0.42	1.30	44.81	13.90	0.30
1993	43.24	0.42	1.30	44.96	13.90	0.30

Source: Lake 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.



<u>City of Eastlake</u>	<u>City of Willoughby</u>	<u>City of Willoughby Hills</u>	<u>City of Willowick</u>	<u>Village of Timberlake</u>	<u>Village of Lakeline</u>	<u>Village of Waite Hill</u>
\$73.57	\$69.68	\$70.17	\$82.27	\$75.77	\$73.77	\$75.77
73.64	69.75	70.24	82.78	75.84	73.84	75.84
73.03	70.80	70.41	82.55	76.43	73.61	76.43
73.03	69.80	70.41	82.55	75.61	73.61	75.61
71.53	67.40	68.91	81.05	74.11	72.11	74.11
72.34	68.47	69.72	82.89	74.62	72.92	74.92
72.13	68.26	69.71	82.69	74.71	72.71	74.71
72.43	68.86	70.31	81.91	775.31	73.31	75.31
69.31	65.56	67.11	78.61	66.21	70.01	72.01
69.66	65.71	67.26	78.71	66.36	65.16	72.16

**Willoughby-Eastlake City School District**  
*Ratio of Net General Obligation Bonded Debt to  
 Assessed Value and Net Bonded Debt Per Capita  
 Last Ten Years*

<u>Year</u>	<u>Net General Obligation Bonded Debt (1)</u>	<u>Assessed Value (2)</u>	<u>Population (3)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
2002	\$2,379,705	\$1,495,391,734	67,218	0.16%	\$35.40
2001	2,584,827	1,573,538,274	67,218	0.16	38.45
2000	2,771,086	1,445,291,418	67,317	0.19	41.16
1999	2,954,516	1,432,542,296	67,317	0.21	43.89
1998	3,130,676	1,405,173,298	67,624	0.22	46.30
1997	3,351,518	1,270,740,325	67,624	0.26	49.56
1996	3,378,194	1,245,318,986	67,259	0.27	50.23
1995	3,153,365	1,204,156,682	67,259	0.26	46.88
1994	3,164,522	1,122,813,958	67,439	0.28	46.92
1993	3,588,542	1,109,825,133	67,439	0.32	53.21

Source:

- (1) School District Financial Records
- (2) Lake County Auditor
- (3) Lake County

**Willoughby-Eastlake City School District**  
*Computation of Legal Debt Margin*  
 June 30, 2002

Assessed Valuation	\$1,495,391,734
Debt Limit - 9% of Assessed Value (1)	\$134,585,256
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonds	2,600,000
Less: Amount Available in Debt Service Fund	(220,295)
Amount of Debt Subject to the Limit	2,379,705
Overall Debt Margin	\$132,205,551
Debt Limit - .10% of Assessed Value (1)	\$1,495,392
Amount of Debt Applicable	0
Unvoted Debt Margin	\$1,495,392

Source: Lake County Auditor and School District Financial Records

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

**Willoughby-Eastlake City School District**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 2001*

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<u>Direct:</u>			
Willoughby-Eastlake City School District	<u>\$2,600,000</u>	100.00%	<u>\$2,600,000</u>
<u>Overlapping:</u>			
City of Willoughby	11,052,074	97.72	10,800,087
City of Eastlake	5,895,000	98.11	5,783,585
City of Willoughby Hills	1,519,704	100.00	1,519,704
City of Willowick	505,000	99.97	504,849
Lake County	<u>18,630,000</u>	27.68	<u>5,156,784</u>
Total Overlapping	<u>37,601,778</u>		<u>23,765,009</u>
Total	<u>\$40,201,778</u>		<u>\$26,365,009</u>

Source: Lake County Auditor, Willoughby-Eastlake City School District, City of Willoughby, City of Eastlake, City of Willoughby Hills, City of Willowick.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2001 collection year.

**Willoughby-Eastlake City School District**  
*Ratio of Annual Debt Service Expenditures For  
 General Obligation Bonded Debt to General Fund Expenditures  
 Last Ten Years*

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures (Percentage)
2002	\$180,000	\$172,365	\$352,365	\$61,014,227	0.58%
2001	170,000	182,780	352,780	59,860,678	0.59
2000	160,000	192,395	352,395	57,450,650	0.61
1999	150,000	206,295	356,295	52,556,068	0.68
1998	150,000	209,445	359,445	51,040,060	0.70
1997	150,000	217,395	367,395	52,110,069	0.71
1996	140,000	224,829	364,829	51,443,370	0.71
1995	185,000	233,255	418,255	48,340,880	0.87
1994	230,000	250,375	480,375	46,428,734	1.03
1993	275,000	274,420	549,420	44,264,384	1.24

Source: School District Financial Records

**Willoughby-Eastlake City School District**  
*Demographic Statistics*  
*Last Ten Years*

<u>Year</u>	<u>Lake County Population</u>	<u>Willoughby- Eastlake CSD Population</u>	<u>School Enrollment (1)</u>	<u>Unemployment Rate (2)</u>
2002	227,511	67,218	8,969	5.0%
2001	227,511	67,218	9,076	3.6
2000	223,779	67,317	9,194	4.0
1999	223,779	67,317	9,139	3.6
1998	223,239	67,624	9,120	4.0
1997	223,239	67,624	9,292	4.4
1996	220,850	67,259	9,072	4.5
1995	220,850	67,259	8,983	5.7
1994	219,357	67,439	8,892	6.9
1993	219,357	67,439	8,683	7.2

(1) School District Financial Records

(2) Represents Lake County

**Willoughby-Eastlake City School District**  
*Property Value,*  
*Financial Institution Deposits and Building Permits*  
*Last Ten Years*

Year	Property Value (1) (Real Estate Only)	Financial Institution Deposits (000's) Banks	Value of Residential Building Permits Issued (2)	Value of Commercial Building Permits Issued (2)
2001	\$1,217,271,030	\$127,482,000	\$30,363,228	\$15,959,858
2000	1,081,386,630	61,942,764	32,090,907	33,011,409
1999	1,063,788,970	57,816,942	37,179,814	34,772,308
1998	1,046,294,160	58,904,596	50,755,793	42,015,663
1997	919,775,570	53,941,971	34,918,521	42,959,863
1996	898,573,150	27,068,211	22,315,855	16,351,711
1995	883,405,710	22,458,573	37,222,137	23,037,957
1994	807,841,190	20,885,453	22,310,795	12,970,233
1993	792,931,360	21,009,421	20,502,044	22,121,898
1992	778,868,990	19,379,280	26,287,070	12,924,581

Sources: Federal Reserve Bank of Cleveland  
 Cities of Willoughby, Eastlake, Willoughby Hills and the Village of Waite Hill Building Departments

- (1) Represents assessed value.
- (2) Information not available from the Villages of Lakeline and Timberlake. Information available from the City of Willoughby Hills for 1998 through 2001 only.

**Willoughby-Eastlake City School District**  
*Principal Taxpayers*  
*Real Estate Tax*  
*December 31, 2001*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Property Assessed Value</u>
Ratner Abert TR	\$6,165,140	0.50%
Tam A Rac	5,975,420	0.49
First Interstate	5,687,280	0.46
Millstein Norman TR	4,895,120	0.40
Renaissance Properties	4,436,390	0.36
Ohio Presbyterian	4,336,560	0.35
Melinz Adolph	4,015,490	0.33
Cleveland Clinic	3,946,800	0.32
Shoregate	3,731,010	0.30
Pine Ridge Apartments	<u>3,642,920</u>	<u>0.30</u>
Total	<u><u>\$46,832,130</u></u>	<u><u>3.81%</u></u>
Total Assessed Value	<u><u>\$1,231,219,950</u></u>	

Source: Lake County Auditor

(1) Assessed values are for the 2002 collection year.



**Willoughby-Eastlake City School District**

*Principal Taxpayers*

*Tangible Personal Property Tax*

*December 31, 2001*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Property Assessed Value</u>
Nupro Company	\$12,451,080	7.21%
Atlantic Company	4,777,280	2.77
Metal Seal and Products Incorporated	4,775,470	2.77
United Musical Instruments USA Incorporated	3,702,910	2.14
Parker Hannifin Corp,	3,424,200	1.98
G E Quartz Incorporated	2,967,440	1.72
Ekohwerks Company	2,920,160	1.69
G A Tek Inc. (Formerly Gould), Eastlake	2,813,580	1.63
Steel Technologies Incorporated	2,681,210	1.55
Astro Model Development Incorporated	<u>2,385,420</u>	<u>1.38</u>
Total	<u>\$42,898,750</u>	<u>24.84%</u>
Total Assessed Value	<u>\$172,642,754</u>	

Source: Lake County Auditor

(1) Assessed values are for the 2002 collection year.

**Willoughby-Eastlake City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*December 31, 2001*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Public Utilities Assessed Value</u>
Cleveland Electric Illuminating Company	\$72,089,870	78.76%
Ohio Bell Telephone Company	9,527,430	10.41
American Transmission	6,779,250	7.41
East Ohio Gas Company	<u>1,278,730</u>	<u>1.40</u>
Total	<u>\$89,675,280</u>	<u>97.98%</u>
Total Assessed Value	<u>\$91,529,030</u>	

Source: Lake County Auditor

(1) Assessed values are for the 2002 collection year.

**Willoughby-Eastlake City School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Average Daily Student Enrollment</u>	<u>Per Pupil Cost</u>
2002	\$61,014,227	8,969	\$6,803
2001	59,860,678	9,076	6,595
2000	57,450,650	9,194	6,249
1999	52,556,068	9,139	5,751
1998	51,040,060	9,120	5,596
1997	52,110,069	9,292	5,608
1996	51,443,370	9,072	5,671
1995	48,340,880	8,983	5,381
1994	46,428,734	8,892	5,221
1993	44,264,384	8,683	5,098

Source: School District Financial Records.

**Willoughby-Eastlake City School District**  
*Teacher Education and Experience*  
 June 30, 2002

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	107	18.54%
Bachelor + 15	75	13.00
Bachelor + 30	46	7.97
Master's Degree	262	45.42
Master's + 15	55	9.53
Master's + 30	12	2.08
Master's + 45	7	1.21
Master's + 60	7	1.21
Doctorate	<u>6</u>	<u>1.04</u>
Total	<u><u>577</u></u>	<u><u>100.00%</u></u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	128	22.18%
6 - 10	110	19.06
11 and Over	<u>339</u>	<u>58.76</u>
	<u><u>577</u></u>	<u><u>100.00%</u></u>

Source: School District Personnel Records



**Auditor of State  
Betty Montgomery**

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140

Telephone 614-466-4514  
800-282-0370

Facsimile 614-466-4490

**WILLOUGHBY-EASTLAKE CITY SCHOOL DISTRICT**

**LAKE 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  
FEBRUARY 11, 2003**