

**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2010



Mary Taylor, CPA
Auditor of State

**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Grant Award Year	Federal CFDA Number	Receipts	Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
Child Nutrition Cluster				
Non-Cash Assistance (Food Distribution)				
National School Lunch Program	2010	10.555	\$ 215,670	\$ 215,670
School Breakfast Program	2010	10.553	130,900	130,900
National School Lunch Program	2010	10.555	808,018	808,018
Total U.S. Department of Agriculture - Child Nutrition Cluster			<u>1,154,588</u>	<u>1,154,588</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education:</i>				
Special Education Cluster:				
Special Education - Grants to States	2009	84.027	217,361	253,920
Special Education - Grants to States	2010	84.027	1,428,936	1,379,347
Special Education - Grants to States - ARRA	2010	84.391	1,135,471	982,217
Total Special Education - Grants to States			<u>2,781,768</u>	<u>2,615,484</u>
Special Education - Preschool Grant	2009	84.173	1,346	4,383
Special Education - Preschool Grant	2010	84.173	20,955	20,201
Special Education - Preschool Grant - ARRA	2010	84.392	66,792	59,776
Total Special Education - Preschool Grant			<u>89,093</u>	<u>84,360</u>
Total Special Education Cluster			<u>2,870,861</u>	<u>2,699,844</u>
State Fiscal Stabilization Fund	2010	84.394	976,511	976,511
Title I Grants to Local Educational Agencies	2009	84.010	91,438	111,647
Title I Grants to Local Educational Agencies	2010	84.010	817,953	787,737
Title I Grants to Local Educational Agencies - ARRA	2010	84.389	402,096	350,257
Total Title 1 Grants to Local Educational Agencies			<u>1,311,487</u>	<u>1,249,641</u>
Safe and Drug-Free Schools	2010	84.186	25,424	23,360
State Grants for Innovative Programs	2009	84.298	-	43
Education Technology State Grants	2009	84.318	-	3,487
Education Technology State Grants	2010	84.318	854	4,411
Total Education Technology State Grants			<u>854</u>	<u>7,898</u>
English Language Acquisition Grants	2009	84.365	-	20,453
English Language Acquisition Grants	2010	84.365	56,156	62,326
Total English Language Acquisition Grants			<u>56,156</u>	<u>82,779</u>
Improving Teacher Quality State Grants	2009	84.367	13,720	18,661
Improving Teacher Quality State Grants	2010	84.367	165,400	182,136
Total Improving Teacher Quality State Grants			<u>179,120</u>	<u>200,797</u>
Total U.S. Department of Education			<u>\$ 5,420,413</u>	<u>\$ 5,240,873</u>

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

**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

Federal Grantor/ Pass Through Grantor Program Title	Grant Award Year	Federal CFDA Number	Receipts	Expenditures
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICES:</u>				
<i>Passed Through Ohio Department of Education:</i>				
Learn and Serve America - Community Based Programs	2010	94.004	12,840	11,406
Total U.S. Corporation for National and Community Services			<u>12,840</u>	<u>11,406</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through Ohio Department of Transportation:</i>				
Safe Route to School	2010	20.205	1,999	1,999
Total			<u>\$ 6,589,840</u>	<u>\$ 6,408,866</u>

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

**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

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Mary Taylor, CPA

Auditor of State

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

Worthington City School District
Franklin County
200 East Wilson Bridge Road
Worthington, Ohio 43085

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Worthington City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2010 which collectively comprise the District's basic financial statements and have issued our report thereon October 26, 2010, wherein we noted, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

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

Mary Taylor, CPA
Auditor of State

October 26, 2010



Mary Taylor, CPA

Auditor of State

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

Worthington City School District
Franklin County
200 East Wilson Bridge Road
Worthington, Ohio 43085

To the Board of Education:

Compliance

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

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

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

Internal Control Over Compliance

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

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

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

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Worthington City School District, Franklin County, Ohio as of and for the year ended June 30, 2010, and have issued our report thereon dated October 26, 2010, wherein we noted, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relations to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

October 26, 2010

**WORTHINGTON CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None

3. FINDINGS FOR FEDERAL AWARDS

None



Worthington City School District

Comprehensive Annual Financial Report



For the Fiscal Year Ended June 30, 2010
Worthington, Ohio



Absolute Excellence | Exponential Impact

WORTHINGTON CITY SCHOOL DISTRICT

WORTHINGTON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT *For Fiscal Year Ended June 30, 2010*

Issued by:
Office of the Treasurer

Jeffrey S. McCuen
Treasurer

Introductory Section



Bernard Wen - SAT Perfect Score (1600)



Kathryn Krakoff - American Scholastic Press Association Feature Writing Award



Tatum Mounts - Future Educators of America First Place Award - National Lesson Planning Competition



Absolute Excellence | Exponential Impact

WORTHINGTON CITY SCHOOL DISTRICT

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200 E. Wilson Bridge Rd.
Worthington, Ohio 43085
Phone: 614-883-3120
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Worthington Schools

October 26, 2010

To the Board of Education and the Citizens of the Worthington City School District:

As the Superintendent and the Treasurer of the Worthington City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2010. This CAFR is prepared by the Treasurer and in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Management is responsible for the contents of this report, and we believe the data presented is complete and accurate in all material respects.

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

Management is also required to prepare a narrative introduction and overview of the financial statements in the form of Management's Discussion and Analysis, which can be found on page 3. This letter of transmittal is designed and should be read in conjunction with that analysis. Comments on the report are welcome and requests for additional financial information can be obtained by contacting the Office of the Treasurer.

Reporting Entity

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

The District encompasses approximately twenty (20) square miles and has an enrollment of approximately 9,500 students in grades K through 12. The District's boundaries include all of the City of Worthington and the Village of Riverlea, and portions of the City of Columbus, as well as unincorporated territory lying within Perry Township and Sharon Township. The District lies entirely within the boundaries of Franklin County.

WORTHINGTON CITY SCHOOL DISTRICT

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

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

Organization of the District

An elected five-member Board of Education (the Board) serves as the taxing authority, contracting body, and policy maker for the District and ensures that all general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. It approves the annual appropriation resolution and tax budget and also directly approves all personnel-related expenditures. As of June 30, 2010, board members were as follows:

<u>Board Member</u>	<u>Service Began</u>	<u>Term Expires</u>	<u>Position</u>
Julie Keegan	1/1/08	12/31/11	President
Marc Schare	1/1/06	12/31/13	Vice President
Jennifer Best	1/1/02	12/31/13	Member
David Bressman	1/1/02	12/31/13	Member
Charlie Wilson	2/14/07	12/31/11	Member

The Superintendent is the Chief Executive Officer of the District, responsible to the Board for total educational and support operations. Dr. Melissa Conrath assumed this role in January 2006. Prior to Worthington, Dr. Conrath was the superintendent at Big Walnut Local Schools for 10 years. Her professional experience also includes leadership positions in several other Ohio public school districts. She currently holds adjunct faculty appointments at The Ohio State University and Viterbo University in Wisconsin, respectively. Committed to community involvement, Melissa is a member of the Worthington Rotary, and the Worthington Area Chamber of Commerce. She has also been active with the Worthington Area Business & Professional Women's Association.

The Treasurer is the Chief Financial Officer of the District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, preparing the District's 5-year forecast, and investing idle funds as permitted by Ohio law. Jeff McCuen assumed this role in August 2007. Prior to Worthington, he was the Assistant Treasurer in the Dublin City School District and has been in the government finance profession nearly 20 years. Mr. McCuen is a certified public accountant in the state of Ohio and an active member of the Worthington AM Rotary, the

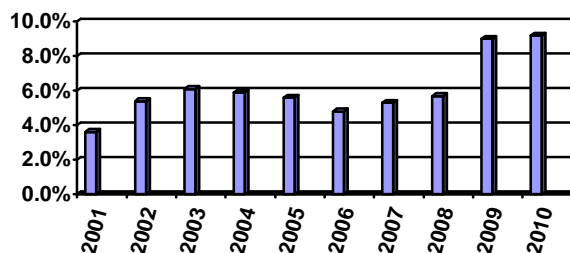
WORTHINGTON CITY SCHOOL DISTRICT

Government Finance Officers Association, the American Institute of Certified Public Accountants, and State Auditor Mary Taylor's Regional Advisory Board.

Economic Outlook

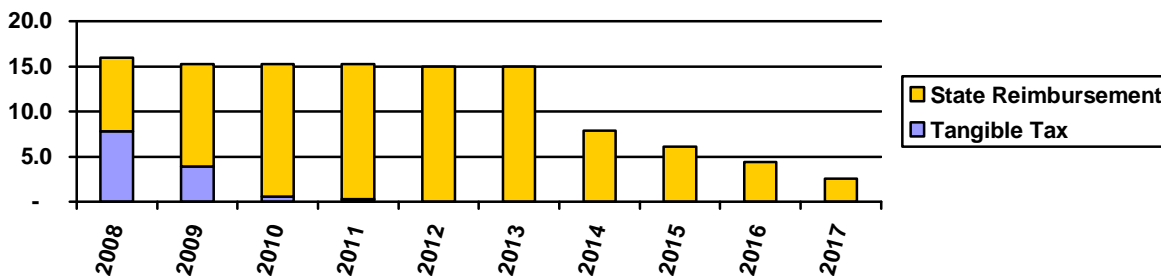
The District's economic condition is stable for the near term. The financial forecast of general fund operations for the next five years, as approved in May 2010, demonstrates that the forecast is balanced through June 30, 2013. Although the recent economic recession has hurt property values nationwide, Franklin County values received no decrease in the most recent reappraisal. Unemployment figures for June 2010, as illustrated below, remain high at 9.2% for Franklin County, although it is lower than the state average of 10.5%.

Franklin County Unemployment Rates



While the short term financial picture of the District has improved, there are still long term concerns. These concerns would include the lack of a permanent reimbursement plan to replace tangible tax revenues eliminated in June 2005. While the latest budget bill, House Bill 1, retained the state reimbursement of this revenue through 2013, there is still no permanent plan to replace this lost revenue stream which represents a substantial portion of the District's revenue as shown in the graph below. Therefore, the Administration and Board will be working to influence legislation that will continue these reimbursements.

Tangible Tax and Reimbursement Revenue



Another long-term concern is the continued flaws in the state funding formula for schools in Ohio, which results in our District losing more state revenue from inflationary increases in property values than is generated in new local tax revenues from these increased values,

WORTHINGTON CITY SCHOOL DISTRICT

commonly known as “phantom revenue”. Although the current state budget bill made great efforts to address this issue, especially with the new Ohio Evidence Based Model funding formula, the current economic downturn hindered the full implementation of these efforts and required them to be phased in over an extended period of time. The state budget also adversely impacted our expenditure assumptions by requiring all day kindergarten without providing any resource to pay for it. Additionally, this state budget has been crafted and balanced with many one time revenue sources. It is doubtful this budget, and certainly the next, is sustainable with the adverse financial conditions that brought on our current national and state-wide recession.

A significant improvement in the economic outlook of the District is an increase in enrollment in the elementary schools. The most recent enrollment projections show the total enrollment of the District to remain relatively consistent and even increase slightly over the next five years, reversing the recent trend of declining enrollment.

Community Relations

The Administrative team holds in high regard the involvement of key stakeholders. From students to parents and staff members to community members, administrators welcome participation and feedback from these groups. The Superintendent has created several opportunities to engage in two-way communications with a variety of key community groups including parents, businesses, public officials and residents without school-aged children.

The District is pleased with many partnership programs including those with Worthington Public Libraries, the Griswold Center, the Worthington Arts Council, the American Cancer Society’s Relay for Life Program, the United Way, the Worthington Chamber of Commerce and the City of Worthington. It is with solid partnerships and community support that an excellent school district is not only created, but maintained.

On November 3, 2009, the District overwhelmingly supported an incremental operating tax levy which will provide the necessary resources to maintain the District’s offerings in light of decreasing state support. Our Community Budget Advisory Committee continues to work closely with staff to identify cost-savings strategies that will maximize these new resources.

Major Initiative – Middle School Restructuring

After careful planning, community discussion, and input from all stakeholders, the District restructured its middle school alignment for the 2010-11 School Year. Students at Perry Middle School will now attend McCord Middle School, and the Perry building will operate an expanded alternative middle school program, known as Phoenix Middle School. It is estimated this will save a minimum of \$800,000 for the 2010-11 school year and \$1,000,000 for the 2011-12 school year and thereafter. While the restructuring was not without a few bumps, the overall plan will help trim the budget without negatively impacting education.

WORTHINGTON CITY SCHOOL DISTRICT

Employee Relations

The District had 1,171 full time equivalent employees during the 2009-10 school year. The Worthington Education Association (WEA) represents certified staff for collective bargaining purposes and prior to the passage of the operating levy in November 2009, agreed to a 0% base wage change for the 2011-12 school year.

Independent Auditors

The basic financial statements of the District for the year ended June 30, 2010, were audited by the Ohio Auditor of State whose unqualified opinion thereon is included at the beginning of the Financial Section of this report.

Awards

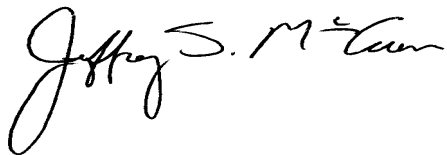
GFOA Certificate of Achievement The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Worthington City School District for its Comprehensive Annual Report for the fiscal year ended June 30, 2009. This was the 17th consecutive year that the District has achieved this prestigious award. 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. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report was made possible by the diligence of the staff of the entire Financial Services department. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

In closing, we would like to thank the Board of Education for their support of the value of quality financial information that makes this report possible. The Board's continued support of absolute excellence will continue to have an exponential impact.

Respectfully submitted,



Jeffrey S, McCuen, Treasurer/CFO



Melissa Conrath, Superintendent

**WORTHINGTON CITY SCHOOL DISTRICT
ELECTED OFFICIALS AND ADMINISTRATIVE STAFF
JUNE 30, 2010**

Board of Education Members

President	Julie Keegan
Vice-President	Marc Schare
Member	Jennifer Best
Member	David Bressman
Member	Charlie Wilson

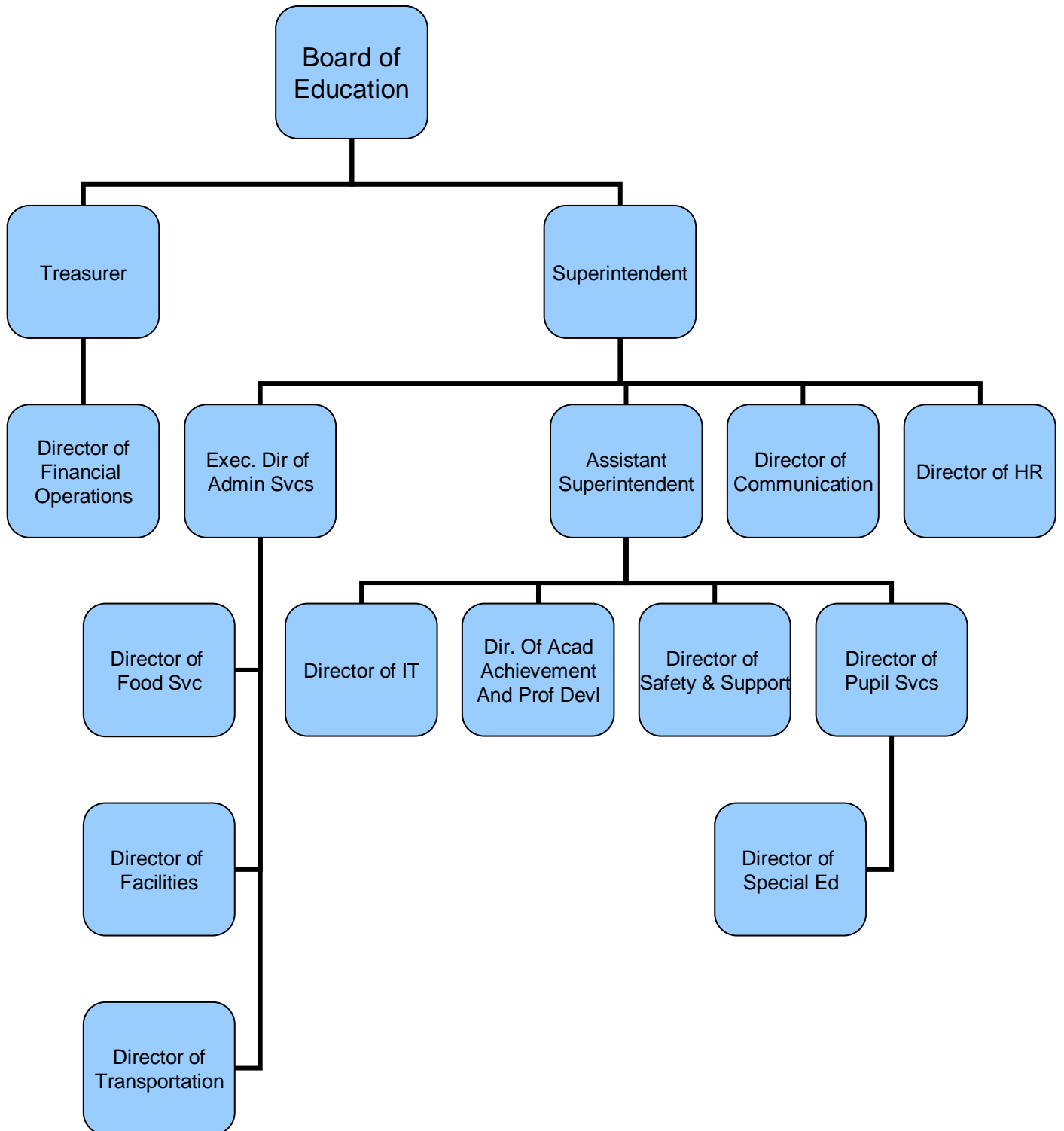
Appointed Officials

Superintendent	Melissa Conrath
Treasurer	Jeff McCuen

Administrative Staff

Asst. Superintendent of Academic Services	Mark Glassbrenner
Director of Academic Achievement & Prof. Devel.	Jennifer Wene
Director of School Support & Safety	Jim McElligott
Director of Pupil Services	Shirley Hamilton
Director of Special Education	Lynne Hamelberg
Director of Human Resources	Jeanne Paliotto
Director of Information Technology	Keith Schlarb
Director of Communication	Victoria Gnezda
Director of Financial Operations	Tracy DeMatteo
Director of Facilities Management	Tim Gehring
Executive Director of Administrative Services	George Joseph

Worthington City School District
Organizational Chart
June 30, 2010



Certificate of Achievement for Excellence in Financial Reporting

Presented to
Worthington City School District
Ohio

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

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to read "JEFFREY R. EMER".

President

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

Executive Director

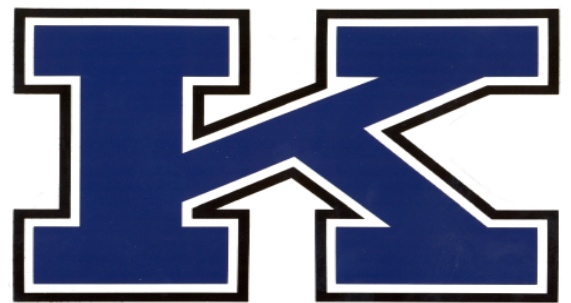
Financial Section



Womens Water Polo State Champion
TWHS Girls Team



Men's Tennis Singles State Champion
Kevin Metka



Absolute Excellence | Exponential Impact



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Worthington City School District
Franklin County
200 East Wilson Bridge Road
Worthington, Ohio 43085

To the Board of Education:

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

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

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

As described in Note 17, during year ended June 30, 2010, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

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

Management's Discussion and Analysis and the budgetary comparison for the General Fund are not a required part of the basic financial statements but are supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on them.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules 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.

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

Mary Taylor, CPA
Auditor of State

October 26, 2010

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

As management of the Worthington City School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the District's financial statements, which follow this section.

Financial Highlights

Key financial highlights for the fiscal year 2010 were as follows:

- Assets of the District exceeded its liabilities at the close of the fiscal year by \$79.7 million (net assets). Of this amount, \$51.7 million (unrestricted net assets) may be used to meet the District's ongoing obligations to citizens and creditors.
- Unassigned fund balance for the General Fund, which is available for spending at the District's discretion, was \$48.3 million, an increase of \$4.5 million from the prior year and mainly the result of the passage and collection of an operating levy.
- Total expenses of the District were held under a 3% increase from the prior year. Rapidly rising employee benefit costs are affecting all employers, but successful health insurance negotiations resulted in the District receiving a premium decrease of 1% and full implementation of self insurance for worker's compensation generated additional savings.
- Building renovations and improvements continued as a result of the 2006 Bond Issue. A new elementary roof, three new boilers, cooling towers, various HVAC work, and expanded elementary server cooling systems that will accommodate additional technology were among the projects completed this year.
- The District received an upgraded rating from Moody's Rating Services to Aa1 which will allow the District to issue future debt at lower interest costs.

Using this Comprehensive Annual Financial Report

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

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

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

Reporting the District as a Whole

The Statement of Net Assets and Statement of Activities

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

These two statements report the District's net assets and changes in them. The change in net assets provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

In the Statement of Net Assets and the Statement of Activities, all of the District's activities are reported as governmental including instruction, support, non-instruction, co-curricular, and interest and fiscal charges.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds appears on the fund financial statements beginning with the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary, and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

Proprietary Funds

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

Fiduciary Funds

The District has two fiduciary funds: a Private Purpose Trust Fund and a Student Managed Activities Agency fund. The District's fiduciary activities are reported in the Statement of Net Assets, Fiduciary Funds. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$79.7 million according to the Statement of Net Assets at the close of the most recent fiscal year.

One of the larger portions of the District's net assets (26%) reflects its investment in capital assets less depreciation and any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are usually not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

A comparative analysis of fiscal year 2010 to 2009 follows from the Statements of Net Assets:

Worthington City School District		
Net Assets Governmental Activities		
	<u>2010</u>	<u>2009</u>
Current assets	\$ 142,124,624	\$ 138,247,127
Capital assets	68,363,274	69,986,187
Total assets	<u>210,487,898</u>	<u>208,233,314</u>
Current liabilities	65,062,951	60,973,774
Long-term liabilities	65,662,070	71,259,645
Total liabilities	<u>130,725,021</u>	<u>132,233,419</u>
Net Assets:		
Invested in capital, net of debt	21,216,857	24,026,751
Restricted	6,752,719	12,740,759
Unrestricted	51,793,301	39,232,385
Total net assets	<u>\$ 79,762,877</u>	<u>\$ 75,999,895</u>

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

The District is able to report positive balances in all three categories of net assets.

Current assets increased \$3.9 million while current liabilities increased \$4.1 million. Both are primarily the result of the passage of an incremental operating property tax levy approved by voters in November of 2009. Since property taxes are paid one year in arrears, a receivable exists at June 30 for the amount to be received next fiscal year. However, since those funds are to be used to finance next fiscal year's operations, a corresponding liability, unearned revenue, exists as well. The incremental levy will increase the amount collected next year and therefore increases both the current asset and current liability.

Long term liabilities decreased \$5.6 million due to the paying down of the District's debt.

An additional portion of the District's net assets (8%) represent resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities.

Total net assets increased \$3.7 million from the prior year. In order to further understand what makes up the changes in net assets for the current year, the following comparative analysis of fiscal year 2010 and 2009 follows from the statement of activities:

Worthington City School District		
Changes in Net Assets		
Governmental Activities		
	<u>2010</u>	<u>2009</u>
<u>Program revenues:</u>		
Charges for services	\$ 5,588,286	\$ 5,505,929
Operating Grants and Contributions	9,085,628	4,959,306
Total Program Revenues	\$ 14,673,914	\$ 10,465,235
<u>General revenues:</u>		
Property taxes	\$ 84,251,201	\$ 81,746,921
State entitlements	38,083,058	35,560,655
Interest income	429,863	1,427,545
Other	802,439	412,989
Total General Revenues	\$ 123,566,561	\$ 119,148,110
Total Revenues	\$ 138,240,475	\$ 129,613,345
 <u>Expenses:</u>		
Instructional	\$ 76,262,329	\$ 75,066,103
Support services	48,251,132	45,729,865
Food service	3,326,175	3,375,873
Community services	1,446,962	1,777,357
Co-curricular student activities	2,634,317	2,302,894
Interest and Fiscal Charges	2,556,578	2,629,246
Total expenses	\$ 134,477,493	\$ 130,881,338
 Change in Net Assets	 \$ 3,762,982	 \$ (1,267,993)
Net Assets Beginning of Year	75,999,895	77,267,888
Net Assets End of Year	\$ 79,762,877	\$ 75,999,895

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

Key elements of the change in net assets are:

- Property tax revenue increased by \$2.5 million. This is the result of both an incremental operating tax levy that generated an additional \$5.5 million and offset by the continued phase-out of tangible business property taxes that decreased revenue by \$3.2 million.
- State entitlements increased \$2.4 million as a result of an increase in the Tangible Personal Property tax reimbursement from State as that tax is phased out. Currently the reimbursement is scheduled to be phased out beginning in fiscal year 2014.
- Interest income decreased \$1 million due to current economic trends and falling market rates.
- Operating grants increased \$4.1 million mostly due to the federal American Reinvestment and Recovery Act (the Stimulus Act). This act increased the Special Education IDEA grant and Title I grant by \$2 million and \$0.6 million, respectively. State Fiscal Stabilization Funds were also part of the Stimulus Act and resulted in a \$1 million operating grant that replaced \$1 million in State Entitlements not received this year.
- Total expenses were held to an increase of \$3.7 million, or 2.8%. This was mostly due to wage increases related to negotiated base and step increases as well as ongoing maintenance costs associated with the 2006 Capital Improvement Bond Issue. The District continued to monitor costs closely and reduce expenses. Health insurance premiums decreased 1% on January 1, 2010 and the District successfully negotiated several fixed utility contracts.

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

Governmental Activities

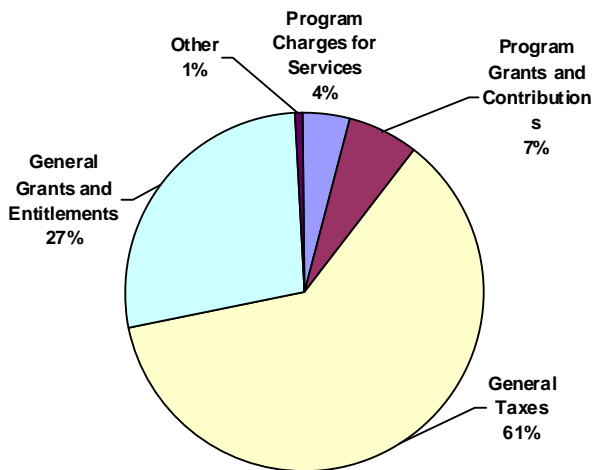
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. General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

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

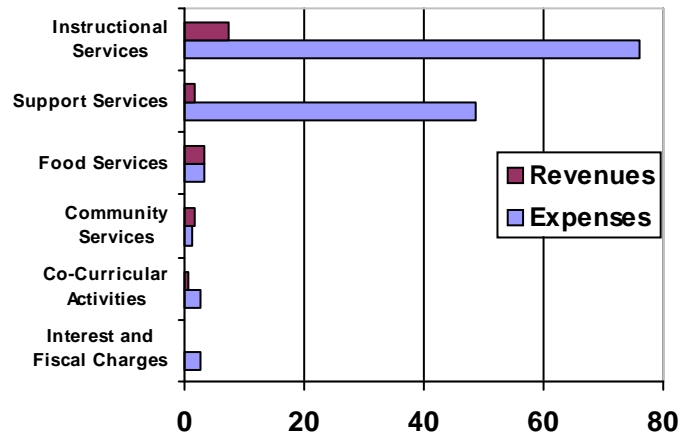
Governmental Activities

<u>Programs</u>	<u>Total Cost of Services</u>		<u>Net Cost (Benefit) of Service</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Instructional services	\$ 76,262,329	\$ 75,066,103	69,004,703	71,261,881
Support services	48,251,132	45,729,865	46,440,307	44,533,332
Food services	3,326,175	3,375,873	(7,394)	127,366
Community services	1,446,962	1,777,357	(104,966)	242,663
Co-curricular student activities	2,634,317	2,302,894	1,914,351	1,621,615
Interest on long-term debt	2,556,578	2,629,246	2,556,578	2,629,246
Total	\$ 134,477,493	\$ 130,881,338	119,803,579	120,416,103

Revenue By Source



Expense and Program Revenue (in millions)



The District's reliance upon tax revenues is demonstrated by the graph above that indicates 61% of total revenues for governmental activities come from local taxes. The net services column reflecting the need for \$119.8 million of support indicates the reliance on general revenues to support governmental activities.

The chart above reflects how the District funds its programs through program revenues. Instructional services, support services, co-curricular activities, and interest charges rely heavily on general revenues. Food services and community services still rely on general revenues, but not to as great an extent.

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

The District's Funds

The District's governmental funds reported a combined fund balance of \$68.6 million, which represents an increase of \$2.8 million from the prior year. A comparison of total fund balance for each major fund is shown below:

Fund	Fund Balance June 30, 2010	Fund Balance June 30, 2009 (as Restated)	Increase (Decrease)
General Fund	\$ 52,773,929	\$ 48,285,733	\$ 4,488,196
Debt Service Fund	4,662,945	4,887,321	(224,376)
Building Fund	7,233,633	14,144,620	(6,910,987)
Other Governmental Funds	3,989,318	4,200,891	(211,573)
Total	<u>\$ 68,659,825</u>	<u>\$ 71,518,565</u>	<u>\$ (2,858,740)</u>

General Fund

The District's General Fund balance increased \$4.5 million from the prior year. The tables that follow illustrate the financial activities of the General Fund.

<u>Revenues</u>	<u>2010</u>	<u>2009 (as restated)</u>	<u>Change</u>
Property taxes	\$ 77,250,078	\$ 74,795,560	3.3%
Intergovernmental	37,226,299	34,760,385	7.1%
Investment income	332,512	1,287,382	-74.2%
Other revenue	2,501,174	1,942,424	28.8%
Total	<u>\$ 117,310,063</u>	<u>\$ 112,785,751</u>	<u>4.0%</u>

Property tax revenue increased as a result of both an incremental operating property tax levy effective January 1, 2010 and offset by the phase-out of the tangible business property tax, as discussed above. Intergovernmental revenue increased due to state reimbursement of the lost tangible personal property tax as previously discussed as well as an increase in rollback and homestead reimbursements, which represent the state paid portion of a homeowner's property taxes, corresponding to the new levy. Investment income decreased significantly due to a decrease in market rates over the past year. Other revenues include tuition and fees and miscellaneous revenue and increased mainly due to excess cost tuition receipts received from the state associated with children served at the United Methodist Children's Home who are not residents of the District.

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

As the table below indicates, the largest portion of General Fund expenditures is for instructional services, primarily for salaries and fringe benefits. The District is a service entity and therefore is labor intensive.

General Fund Expenditures by Function

	<u>2010</u>	<u>2009 (restated)</u>	<u>Change</u>
Instructional services	\$ 67,346,727	\$ 67,674,672	-0.5%
Support services	41,798,867	40,575,581	3.0%
Community Service	625,592	844,231	-25.9%
Co-curricular student activities	1,668,358	1,505,088	10.8%
Capital outlay	58,821	216,965	-72.9%
Total	<u>\$ 111,498,365</u>	<u>\$ 110,816,537</u>	<u>0.6%</u>

As a result of administration's continued focus on cost-saving measures as well as the use of available bond funds, total General Fund expenditures were held to less than a 1% increase from the prior year. Successful labor negotiations were able to hold down the District's share of rising employee benefit expenses and bond proceeds were used to fund most of the District's capital outlay needs.

Debt Service Fund

The Debt Service Fund balance remained stable from the prior year as the District continued paying down its debt with no new issuances during the year. The final payment on the District's 1986 McCord and Sutter Park Bonds was also made during the year.

Building Fund

The Building Fund decreased \$6.9 million as several projects relating to the 2006 approved Bond Levy were completed including high school auditorium lighting and control upgrades, new lockers at McCord Middle and Kilbourne High, various flooring replacements, paving and resurfacing at several locations, new whiteboards, and expansion of cooling and ventilating at all elementary server rooms to accommodate upgraded technology.

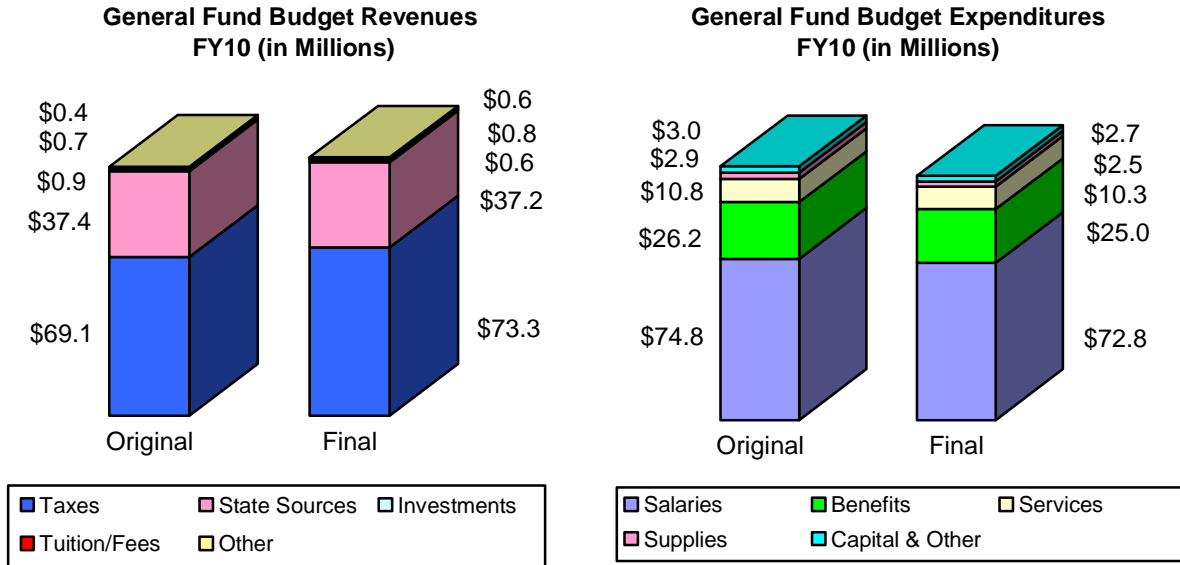
Other Funds

Other governmental funds consist of a capital project fund and special revenue funds. The total fund balances of Other Nonmajor Governmental Funds decreased by \$0.2 million. These are mainly grant funds in which proceeds are to be spent timely and revenues generally approximate expenditures. As part of the federal stimulus act, the District received \$1 million in State Fiscal Stabilization Funds accounted for in a special revenue fund that replaced \$1 million in general state aid as well as \$1.2 million and \$0.6 million in Special Education and Title I funds, respectively. The remaining \$0.8 million of the total \$2 million Special Education stimulus funds allocated to the District are deferred until next year at the fund level. Additionally, a new internal service fund, the Employee Benefits Insurance Fund, was created to account for the District's Worker's Compensation Self-Insurance program that began August 1, 2009. Premiums paid into the fund were at the same rate as was paid to the Bureau of Workers Compensation, 0.9% of covered payroll, and will be adjusted each year according to claims data. Net assets of the fund at the June 30, 2010 were \$619,587.

Worthington City School District
 Management's Discussion & Analysis
 For the Fiscal Year Ended June 30, 2010
 (Unaudited)

General Fund Budget Information

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. Changes are made to the District's budget as changes in revenues and spending patterns are experienced. The most significant budgeted fund is the General Fund, and it is monitored closely, looking for possible shortfalls or overspending by individual departments.



General Fund revenues were originally budgeted for \$108.5 million and final budget and actual revenues were \$112.5 million. The increase is related to the passage of an incremental operating property tax levy that went into effect January 1, 2010. Expenditures were originally budgeted at \$117.6 million and final and actual expenditures were \$113.3 million. This was a result of a decrease in health insurance premium costs of 1% as well as successful negotiations of fixed rate utility costs. The Building Fund was also utilized for various facility maintenance upgrades and capital outlay expenditures.

The District uses the five-year forecast as the original document from which to form the operating budget. After updating the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. Budgets are reviewed periodically to ensure management becomes aware of any variations during the year.

Capital Assets

The District has \$68.3 million invested in capital assets net of depreciation, which are entirely attributable to governmental activities. Acquisitions totaled \$3.1 million and include a new roof at Worthington Hills Elementary, several new cooling towers and boilers, 3 special education busses, 90 interactive smartboards, and various other technology and instructional equipment upgrades. Depreciation for the year totaled \$4.4 million. Detailed information regarding capital

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

asset activity is included Footnote 8 of the notes to the basic financial statements. In addition, the District had numerous construction commitments outstanding at June 30, 2010 as a result of the ongoing capital improvement plan; these commitments are described in footnote 14 of the notes to the basic financial statements.

Debt

On June 30, 2010, the District had \$55.3 million in outstanding notes, certificates of participation and bonds. The District paid \$5.8 million in principal and \$2.5 million in interest on that debt during the year. Detailed information regarding long-term debt is included in Footnote 9 of the notes to the basic financial statements.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% (exclusive of any accretion on deep discount debt and certificates of participation) of the total taxable valuation of real and personal property. As of June 30, 2010, the District's general obligation debt was below the legal limit.

Current Financial and Economic Conditions

The latest five-year forecast passed in May 2010 shows a positive cash balance through fiscal year 2013. However, the future financial stability of the District is not without challenges.

The first challenge is for management to ensure resources can be preserved as long as possible by continuing to maintain careful financial planning and prudent fiscal management.

The second challenge is based in the local economy and the state funding of education in Ohio. The district has limited available land upon which to build new homes and businesses, creating a minimal rate of new construction upon which the primary revenue source of local taxes is based. Flaws in the state funding formula result in more lost state revenue from inflationary increases in home and business values than is generated in local tax increases from the increased value. Additionally, there is a lack of a permanent reimbursement plan to replace lost tangible tax revenues that have been phased out. Although the state has provisions to "hold harmless" through 2013, projecting the long-term impact of this is difficult. The most recent state budget bill, House Bill 1, addressed many of these challenges by implementing an Evidence Based Model funding program for public school districts. However, due to the current economic downturn and limited resources, much of this model cannot be fully implemented for several years. Additionally, HB 1 uses approximately \$3.2 billion in federal stimulus funds and it is difficult to predict whether state tax revenues will rebound enough in the future years to support the new method of education funding.

The administration continues to look at the long term financial stability of our education system. We are currently projecting a negative cash balance in 2014 and have enacted various budget reductions, including a hiring freeze, reducing overtime and substitute costs, and restructuring middle school alignments. The District engaged the State Auditor's Office to perform a comprehensive performance audit of the District during the year and management is hopeful to utilize the findings to continue utilizing resources in the best possible manner.

Worthington City School District
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2010
(Unaudited)

Request for Information

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show accountability for the money it receives. Questions concerning any information provided in this report or request for additional financial information should be addressed to the Treasurer/CFO of the Worthington City School District, Jeffrey S. McCuen at 200 E. Wilson Bridge Rd. Worthington, Ohio 43085.

WORTHINGTON CITY SCHOOL DISTRICT

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BASIC FINANCIAL STATEMENTS

Worthington City School District
Statement of Net Assets
June 30, 2010

	Governmental Activities
ASSETS:	
Cash and Investments	\$ 61,368,407
Inventory	285,478
Receivables, net	78,039,230
Intergovernmental Receivable	1,905,469
Deferred Charges	526,040
Land and Construction in Progress	10,205,386
Depreciable Capital Assets, net	58,157,888
<i>Total Assets</i>	\$ 210,487,898
LIABILITIES:	
Accounts Payable	\$ 1,312,081
Accrued Liabilities	10,734,249
Intergovernmental Payable	6,535,706
Unearned Revenue	46,480,915
Long-Term Liabilities:	
Due Within One Year	7,109,214
Due in More Than One Year	58,552,856
<i>Total Liabilities</i>	\$ 130,725,021
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	\$ 21,216,857
Restricted for:	
Debt Service	2,986,937
Capital Outlay	1,437,072
School Supplies	238,251
Non-Public Schools	96,453
Special Education	1,162,903
Targeted Academic Assistance	381,948
Other Purposes	449,155
Unrestricted	51,793,301
<i>Total Net Assets</i>	\$ 79,762,877

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

Worthington City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2010

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net(Expense) Revenue and Changes in Net Assets Governmental Activities</u>
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Instruction:				
Regular	\$ 61,107,812	1,629,706	830,763	\$ (58,647,343)
Special	13,780,924	73,009	4,633,539	(9,074,376)
Vocational	1,371,730	-	90,609	(1,281,121)
Adult/Continuing	1,863	-	-	(1,863)
Support Services:				
Pupils	6,109,044	89,250	21,487	(5,998,307)
Instructional Staff	10,618,889	93,998	1,156,320	(9,368,571)
Board of Education	63,151	-	-	(63,151)
Administration	8,830,428	9,863	127,113	(8,693,452)
Business	2,678,412	-	173,438	(2,504,974)
Operation and Maintenance of Plant	14,045,142	-	556	(14,044,586)
Pupil Transportation	4,363,343	75,696	-	(4,287,647)
Central	1,542,723	-	63,104	(1,479,619)
Food Service Operations	3,326,175	2,270,288	1,063,281	7,394
Community Services	1,446,962	626,510	925,418	104,966
Co-curricular Student Activities	2,634,317	719,966	-	(1,914,351)
Interest and Fiscal Charges	2,556,578	-	-	(2,556,578)
Total Governmental Activities	\$ 134,477,493	5,588,286	9,085,628	\$ (119,803,579)
General Revenues:				
Taxes:				
Property Taxes, Levied for General Purposes				\$ 77,937,496
Property Taxes, Levied for Debt Service				6,313,705
Grants and Entitlements not Restricted to Specific Programs				38,083,058
Investment Earnings				429,863
Miscellaneous				802,439
Total General Revenues				\$ 123,566,561
Change in Net Assets				\$ 3,762,982
Net Assets Beginning of Year				\$ 75,999,895
Net Assets End of Year				\$ 79,762,877

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

Worthington City School District
Balance Sheet
Governmental Funds
June 30, 2010

	General Fund	Debt Service Fund	Building Fund	All Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and Investments	\$ 45,229,375	2,565,945	7,686,835	4,617,538	60,099,693
Inventory	141,145	-	-	92,591	233,736
Receivables, net	71,792,610	6,030,000	-	216,620	78,039,230
Interfund Receivable	24,400	-	-	-	24,400
Intergovernmental Receivable	-	-	-	1,905,469	1,905,469
Total Assets	\$ 117,187,530	8,595,945	7,686,835	6,832,218	140,302,528
LIABILITIES:					
Accounts Payable	\$ 713,192	-	453,202	106,165	1,272,559
Accrued Liabilities	9,632,116	-	-	772,884	10,405,000
Interfund Payable	63,803	-	-	29,405	93,208
Intergovernmental Payable	6,211,490	-	-	306,429	6,517,919
Deferred Revenue	47,793,000	3,933,000	-	1,628,017	53,354,017
Total Liabilities	\$ 64,413,601	3,933,000	453,202	2,842,900	71,642,703
FUND BALANCES:					
Nonspendable:					
Inventories	\$ 141,145	-	-	92,591	233,736
Restricted for:					
Debt Service	-	4,662,945	-	-	4,662,945
Capital Outlay	-	-	7,233,633	-	7,233,633
School Supplies	-	-	-	238,251	238,251
Non-public Schools	-	-	-	96,453	96,453
Special Education	-	-	-	133,541	133,541
Targeted Academic Assistance	-	-	-	69,061	69,061
Other Purposes	-	-	-	144,929	144,929
Committed to:					
Capital Outlay	-	-	-	2,754,074	2,754,074
Student and Staff Support	-	-	-	346,327	346,327
Extracurricular Activities	-	-	-	442,353	442,353
Budget Contingency	3,118,000	-	-	-	3,118,000
Assigned	1,166,656	-	-	-	1,166,656
Unassigned	48,348,128	-	-	(328,262)	48,019,866
Total Fund Balances	\$ 52,773,929	4,662,945	7,233,633	3,989,318	68,659,825
Total Liabilities and Fund Balances	\$ 117,187,530	8,595,945	7,686,835	6,832,218	140,302,528

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

Worthington City School District
Reconciliation of Total Governmental Fund Balances to
Net assets of Governmental Activities
June 30, 2010

Total Governmental Fund Balances \$ 68,659,825

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 68,291,080

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

Taxes	5,245,085	
Intergovernmental	1,413,733	
Installment Receivable	214,284	
Unamortized Financing Costs	526,040	
Total	7,399,142	7,399,142

Long term liabilities, including bonds, notes payable, and long term portion of compensated absences are not due and payable in the current period and therefore are not reported in the funds

Interest Payable	(205,921)	
Compensated Absences	(10,297,430)	
Bonds and Notes Payable	(50,000,993)	
Certificates of Participation	(5,357,719)	
Total	(65,862,063)	(65,862,063)

Two internal service funds are used by management to charge the cost copying and printing as well as workers compensation insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. 1,274,893

Net Assets of Governmental Activities \$ 79,762,877

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

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

	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	All Other Governmental Funds	Total Governmental Funds
REVENUES:					
Property and Other Local Taxes	\$ 77,250,078	6,303,363	-	-	83,553,441
Intergovernmental	37,226,299	947,368	-	7,652,734	45,826,401
Investment Income	332,512	-	96,488	863	429,863
Tuition and Fees	1,706,535	-	-	473,347	2,179,882
Co-curricular Activities	-	-	-	764,662	764,662
Customer Sales and Services	-	-	-	2,274,518	2,274,518
Other	794,639	-	7,800	369,224	1,171,663
<i>Total Revenues</i>	<u>\$ 117,310,063</u>	<u>7,250,731</u>	<u>104,288</u>	<u>11,535,348</u>	<u>136,200,430</u>
EXPENDITURES:					
Current:					
Instruction:					
Regular	\$ 55,377,978	-	979,044	1,591,194	57,948,216
Special	10,673,765	-	9,430	3,172,882	13,856,077
Vocational	1,293,121	-	-	-	1,293,121
Adult/Continuing	1,863	-	-	-	1,863
Support Services:					
Pupils	5,981,259	-	-	119,029	6,100,288
Instructional Staff	9,109,006	-	493,268	951,797	10,554,071
Board of Education	63,247	-	-	-	63,247
Administration	8,845,077	-	1,288	90,059	8,936,424
Business	2,093,997	95,436	225,783	254,746	2,669,962
Operation and Maintenance of Plant	10,538,644	-	2,536,813	58,444	13,133,901
Pupil Transportation	3,908,111	-	-	-	3,908,111
Central	1,259,526	-	-	108,398	1,367,924
Food Service Operations	-	-	5,251	3,319,665	3,324,916
Community Services	625,592	-	-	821,253	1,446,845
Co-curricular Student Activities	1,668,358	-	7,812	794,503	2,470,673
Capital Outlay	58,821	-	2,756,586	536,380	3,351,787
Debt Service:					
Principal	-	5,850,000	-	-	5,850,000
Interest	-	2,495,815	-	-	2,495,815
<i>Total Expenditures</i>	<u>\$ 111,498,365</u>	<u>8,441,251</u>	<u>7,015,275</u>	<u>11,818,350</u>	<u>138,773,241</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>\$ 5,811,698</u>	<u>(1,190,520)</u>	<u>(6,910,987)</u>	<u>(283,002)</u>	<u>(2,572,811)</u>
OTHER FINANCING SOURCES AND USES:					
Transfers In	\$ -	966,144	-	-	966,144
Proceeds from Sale of Capital Assets	-	-	-	71,429	71,429
Transfers Out	(1,323,502)	-	-	-	(1,323,502)
<i>Total Other Financing Sources and Uses</i>	<u>\$ (1,323,502)</u>	<u>966,144</u>	<u>-</u>	<u>71,429</u>	<u>(285,929)</u>
<i>Net Change in Fund Balances</i>	<u>\$ 4,488,196</u>	<u>(224,376)</u>	<u>(6,910,987)</u>	<u>(211,573)</u>	<u>(2,858,740)</u>
<i>Fund Balance Beginning of Year, As Restated</i>	<u>\$ 48,285,733</u>	<u>4,887,321</u>	<u>14,144,620</u>	<u>4,200,891</u>	<u>71,518,565</u>
<i>Fund Balance End of Year</i>	<u>\$ 52,773,929</u>	<u>4,662,945</u>	<u>7,233,633</u>	<u>3,989,318</u>	<u>68,659,825</u>

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

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

Net Change in Fund Balances - Total Governmental Funds \$ (2,858,740)

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 depreciations expense. This is the amount by which depreciation exceeded capital outlays in the current period.

useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital Asset Additions	2,836,250	
Current Year Depreciation	(4,342,698)	
Total	(1,506,448)	(1,506,448)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the gains and losses on the disposal of capital assets.

for each disposal. This is the amount of the gains and losses on the disposal of capital assets

Proceeds From Sale of Capital Assets	(71,429)	
Loss on Disposal of Capital Assets	(8,476)	
Total	(79,905)	(79,905)

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

Taxes	697,760	
Intergovernmental	1,342,285	
Total	2,040,045	2,040,045

Debt issuance costs reported in the statement of revenues, expenditures, and changes in fund balances are reported as expenditures when incurred but are amortized over the life of the debt on the statement of (42,492)

Repayment of bond principle is recorded as expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net assets and does not result in an expense in the statement of activities 5,850,000

The accounting loss on refunded debt is reported as an expenditure at the time of refunding in the governmental funds, but is amortized over the life of the new debt in the statement of activities (24,300)

Premium on issuance of bonds is recorded as other financing sources in the governmental funds, but the premium is recorded as part of the bond liability and amortized over the life of the bonds in the statement of activities 147,947

In the statement of activities, interest is accrued on outstanding bonds and long term notes payable, whereas in governmental funds, an interest expenditure is reported when due. 58,163

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

Compensated Absences	(172,439)	
Capital Bond Accretion	(200,081)	
Total	(372,520)	(372,520)

Two internal service funds used by management to charge the costs of copying and printing services and workers compensation insurance to individual funds is not reported in the district wide statement of activities.

Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

551,232

Net Change in Net Assets of Governmental Activities \$ 3,762,982

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

Worthington City School District
Statement of Fund Net Assets
Proprietary Fund
June 30, 2010

	Governmental Activities - Internal Service Funds
ASSETS:	
Current Assets:	
Cash and Investments	\$ 1,268,714
Inventory	51,742
Interfund Receivable	68,808
<i>Total Current Assets</i>	<i>\$ 1,389,264</i>
Noncurrent Assets:	
Depreciable Capital Assets, net	\$ 72,194
<i>Total Noncurrent Assets</i>	<i>\$ 72,194</i>
<i>Total Assets</i>	<i>\$ 1,461,458</i>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 39,522
Accrued Liabilities	123,328
Intergovernmental Payable	17,787
Compensated Absences Payable	5,928
<i>Total Liabilities</i>	<i>\$ 186,565</i>
NET ASSETS:	
Invested in Capital Assets	\$ 72,194
Unrestricted	1,202,699
<i>Total Net Assets</i>	<i>\$ 1,274,893</i>

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

Worthington City School District
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2010

	Governmental Activities - Internal Service Funds
OPERATING REVENUES:	
Charges for Services	\$ 1,284,425
<i>Total Operating Revenues</i>	<i>1,284,425</i>
OPERATING EXPENSES:	
Salaries	\$ 164,656
Fringe Benefits	91,106
Purchased Services	430,120
Materials and Supplies	258,006
Depreciation	116,747
Other	29,916
<i>Total Operating Expenses</i>	<i>\$ 1,090,551</i>
<i>Operating Income Before Transfers</i>	<i>\$ 193,874</i>
Transfers In	357,358
<i>Net Change in Net Assets</i>	<i>\$ 551,232</i>
<i>Net Assets at Beginning of Year</i>	<i>723,661</i>
<i>Net Assets at End of Year</i>	<i>\$ 1,274,893</i>

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

Worthington City School District
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2010

	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from charges for services	\$ 1,215,617
Cash payments for personal services	(241,700)
Cash payments for purchased services	(276,044)
Cash payments for supplies and materials	(292,280)
Cash payments for other expenses	(29,916)
NET CASH PROVIDED BY OPERATING ACTIVITIES	375,677
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES	
Transfers In	357,358
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of property, plant, and equipment	(5,300)
INCREASE IN CASH AND CASH EQUIVALENTS	727,735
CASH AND EQUIVALENTS BEGINNING OF YEAR	540,979
CASH AND EQUIVALENTS END OF YEAR	\$ 1,268,714
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 193,874
Adjustments	
Depreciation	116,747
(Increase) Decrease in Assets:	-
Inventory	(39,592)
Interfund Receivable	(68,808)
Increase (Decrease) in Liabilities:	-
Accounts payable	36,064
Accrued liabilities	123,328
Intergovernmental payable	10,512
Compensated Absences	3,552
Net cash provided by operating activities	\$ 375,677

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

Worthington City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

	<u>Private Purpose Trust Fund</u>	<u>Agency Fund</u>
ASSETS:		
Current Assets:		
Cash and Investments	\$ 161,324	\$ 211,259
Inventory		5,503
<i>Total Assets</i>	<u>\$ 161,324</u>	<u>\$ 216,762</u>
LIABILITIES:		
Current Liabilities:		
Accounts Payable	-	3,181
Due to Others	-	213,581
<i>Total Liabilities</i>	<u>-</u>	<u>\$ 216,762</u>
NET ASSETS:		
Held in Trust for Scholarships	\$ 161,324	
<i>Total Net Assets</i>	<u>\$ 161,324</u>	

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

Worthington City School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2010

	<u>Private Purpose Trust Fund</u>
ADDITIONS:	
Gifts and Contributions	\$ 2,150
Interest	202
<i>Total Additions</i>	<u>\$ 2,352</u>
DEDUCTIONS:	
Contributions - Scholarships	\$ 1,800
<i>Total Deductions</i>	<u>\$ 1,800</u>
<i>Change in Net Assets</i>	<u>\$ 552</u>
<i>Net Assets Beginning of Year</i>	\$ 160,772
<i>Net Assets End of Year</i>	<u><u>\$ 161,324</u></u>

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

WORTHINGTON CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements

June 30, 2010

1. Reporting Entity

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

The District encompasses approximately twenty (20) square miles. The District's boundaries include all of the City of Worthington and the Village of Riverlea, and portions of the City of Columbus, as well as unincorporated territory lying within Perry Township and Sharon Township. The District lies entirely within the boundaries of Franklin County.

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

The Worthington Public Library is a school district library created under Chapter 3375 of the Ohio Revised Code and is located in the City of Worthington. The Board of Trustees of the Library controls and manages the Library and issues its own financial statements. Although the Worthington Board of Education is required to approve appointments to the Board of Trustees and to approve the annual budget, the Board has no authority to reject the Library's recommendations.

The Worthington Educational Foundation (WEF) is a separate legal non-profit organization organized to benefit the citizens of the City of Worthington. The Board of WEF consists of twenty-two (22) members of which one member is a current member of the Board of Education. Additionally, the Superintendent of the District is an ex officio member of the WEF Board. The Board of Trustees of WEF controls and manages WEF and issues its own financial statements. In fiscal 2001 the WEF assisted the Worthington City School District in arranging financing for the purchase of the Worthington Educational and Administrative Building.

The Rockbridge Academy (Academy) is a joint venture consisting of a consortium of five school districts. The joint venture was formed for the purpose of providing alternative education services to at risk students. The initial capital of the Academy was raised through the receipt of a State Grant in the amount of \$375,000.

The Governing Board of the Academy consists of seven members appointed by each member school as well as one from the Rockbridge Foundation and one from The Buckeye Ranch. The District does not have an equity interest that is explicit and measurable in the joint venture, however the District does have an ongoing financial obligation to support the Academy in meeting its financial obligations. The Academy is dependent upon continued support of the member schools as it is not independently accumulating adequate financial resources.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

The Educational Service Center of Central Ohio is the financial agent for the Academy. Further detailed financial information may be obtained by contacting the ESCCO at 614-445-3750.

2. Summary of Significant Accounting Policies

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Beginning July 1, 2002, the District changed its financial reporting to comply with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and GASB Statement No. 38, *Certain Financial Statement Disclosures*. The District's significant accounting policies are described below.

a. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used, which is not eliminated. Internal Service Fund operating activity is eliminated by allocating net revenue/expenses to the appropriate function accounts so as to avoid overstatement of revenues and expenses. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District reports no such business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

b. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and private purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

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

The agency funds have no measurement focus and do not report revenues, expenses, or net assets but rather changes in assets and liabilities are recognized on the accrual basis.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected within 60 days after fiscal year-end are recorded as a receivable with an offset to unearned revenue for amounts not collected and available for advance on June 30th by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major funds:

General Fund, a governmental fund. The General Fund is the District's primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

Debt Service Fund, a governmental fund. The Debt Service Fund is used to account for and report financial resources that are restricted to expenditure for principal and interest.

Building Fund, a governmental fund. The *building fund* is used to account for and report financial resources that are restricted to expenditures related to the District's capital bond improvements.

The District's nonmajor governmental funds include the following fund types:

Special Revenue Funds, governmental funds that are used to account for and report the proceeds of specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

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

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

The District's nonmajor proprietary funds include the following fund type:

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District generally on a cost-reimbursement basis. The District has two such funds, an Intra-District Services Fund that accounts for copying and printing services provided to other funds and an Employee Benefits (Worker's Compensation) Self-Insurance Fund.

Additionally, the District reports *Fiduciary Funds*. Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds, a type of fiduciary fund, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has one Private Purpose Trust fund that accounts for money which has been set aside for scholarship purposes from which the income may be expended in accordance with the related trust agreements but the principal must remain intact. The District also has one agency fund that accounts for student managed activities.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to the same limitation. The District has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Charges for services are the principal operating revenues for the District's internal service funds. Operating expenses for the internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

c. Cash and Investments

Monies received by the District are pooled in a central bank account with individual fund balance integrity retained throughout. In 1998, the District adopted GASB Statement No. 31 (GASB 31), *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments, except certificates of deposits and repurchase agreements, which are reported at cost, at fair value.

d. Inventory

Inventories of supplies are presented at cost determined on a first-in, first-out basis while inventories held for resale are presented at the lower of cost or market. For all funds, inventories are determined by physical count.

e. Capital Assets and Depreciation

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than one year. The District does not possess any infrastructure.

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

Land Improvements	20
Buildings & Improvements	20-50
Furniture, Fixtures and Equipment	3-15
Buses, Autos, and Trucks	5-10

f. Interfund Activity

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

g. Compensated Absences

The District has implemented the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

The compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, the compensated absence liability is reported only if they have matured and represent the current portion of unpaid compensated absences that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "accrued liabilities" in the fund

from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

h. Accrued Liabilities and Long-term Debt

All accrued liabilities and long-term debt is reported in the entity-wide financial statements as well as the proprietary fund financial statements. For governmental fund financial statements, these accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims for judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debts paid from governmental funds are not recognized as a liability in the fund financial statements until due. All premiums, issuance costs, and deferred amounts on refunding related to long-term debt are amortized using the straight line method over the life of the debt.

i. Fund Balances

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

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

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

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

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

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

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

The District does not have a formal minimum fund balance policy. However, the Board has committed \$3.1 million in the General Fund as a budget contingency for which formal action must be taken in order to expend.

j. Statement of Cash Flows

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

k. Management Estimates

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

3. Cash and Investments

a. Cash

The investment and deposit of the District's monies is governed by the provisions of the ORC. In accordance with these statutes, the District is authorized to invest in United States and State of Ohio bonds, notes, and other obligations; bank certificates of deposit; banker acceptances; commercial paper notes rated prime and issued by United States corporations; repurchase agreements secured by United States obligations; and STAROhio. During fiscal year 2009, investments were limited to STAROhio, repurchase agreements, CDs, and federal agency securities. Earnings on investments are credited to the General Fund except earnings specifically related to the Capital Projects Fund, Food Service Fund, Other Local Sources Fund and the Private Purpose Trust fund which is in compliance with ORC Section 3315.01. In fiscal year 2010 investment income of \$429,863 was recorded in the Statement of Activities.

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 Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2010.

According to state law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the FDIC, or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. During 2010, the District and public depositories complied with the provisions of these statutes.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

b. Deposits with Financial Institutions

At June 30, 2010, the carrying amount of all District deposits was \$ 44,449,941. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of June 30, 2010, \$40,135,660 of the District's bank balance of \$44,875,760 was exposed to custodial risk as discussed below, while \$4,740,100 was covered by Federal Deposit Insurance Corporation.

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

c. Investments

As of June 30, 2010, the District had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities		
		6 Months or Less	7 to 12 Months	13 to 18 Months
Star Ohio	252,899	252,899		
FHLB	8,005,040		8,005,040	
FFCB	9,025,960			9,025,960
	<u>\$ 17,283,899</u>	<u>252,899</u>	<u>8,005,040</u>	<u>9,025,960</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk. The District's investments were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAROhio an AAAM money market rating. The District has no investment policy that would further limit its investment choices other than what has been approved by state statute as described above.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

Concentration of Credit Risk. The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage to total of each investment type held by the District at June 30, 2010:

Investment Type	Fair Value	% of Total
Star Ohio	252,899	1.46%
FHLB	8,005,040	46.32%
FFCB	9,025,960	52.22%
	\$ 17,283,899	100.00%

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

Reconciliation of Cash and Investments to the Statement of Net Assets

Investments (Summarized Above)	\$ 17,283,899
Carrying Amount of Deposits	44,449,941
Cash on Hand	7,150
Less: Fiduciary Cash and Investments	(372,583)
Total Cash & Investments Stmt of Net Assets	\$ 61,368,407

4. Property Taxes

Property taxes are levied and assessed on a calendar-year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year, except monies available to be advanced against such distributions which may be appropriated and used in the current fiscal year. Property taxes include amounts levied against all real, public and tangible (i.e., used in business) property located in the District.

Real property taxes and public utility taxes are levied after April against the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised value.

Public utility property taxes are assessed on tangible personal property as well as land and improvements. Real property is assessed at 35% of true value and tangible personal property is currently assessed at varying percentages of true value. These taxes attach as a lien against local and inter-exchange telephone companies and are levied January 1 of the current year. Tangible personal property tax on business inventory, manufacturing machinery, and equipment is no longer levied and collected.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
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The assessed values for collection in 2010, upon which the 2009 levies were based, were as follows:

Agricultural/Residential Real Estate	\$	1,365,780,710
Commercial/Industrial Real Estate		439,560,770
Public Utility Real Estate		127,900
Public Utility Tangible		30,224,580
General Tangible Property		4,296,663
 Total		 <u>\$ 1,839,990,623</u>

Real property taxes are payable annually or semiannually. If paid annually, the payment is due January 30; if paid semiannually, the payment is due January 30 with the remainder payable by June 30.

The Franklin County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected.

Accrued property taxes receivables represent real property and public utility taxes which were measurable but not available as of June 30, 2010. However, monies legally available as an advance to the District as of June 30, 2010 are recognized as revenue as they are both measurable and available, although monies the District hasn't actually advanced are prohibited by law from being appropriated in the current year in accordance with Ohio Revised Code Section 5705.35.

5. Receivables

Receivables at June 30, 2010 consisted of taxes and other miscellaneous accounts receivable. Taxes receivable include current and delinquent taxes receivable. A summary of the principal items of receivables follows:

Governmental Activities:	General Fund	Debt Service Fund	All Other Governmental Funds	Total
Taxes current	\$ 66,902,522	5,610,393	-	\$ 72,512,915
Taxes delinquent	4,825,478	419,607	-	5,245,085
Other	64,610	-	216,620	281,230
Total	<u>\$ 71,792,610</u>	<u>\$ 6,030,000</u>	<u>\$ 216,620</u>	<u>\$ 78,039,230</u>

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

6. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2010 consist of the following:

	<u>Governmental Activities:</u>
	All Other Governmental Funds
Federal	\$ 1,832,293
State	<u>73,176</u>
Total	<u><u>\$ 1,905,469</u></u>

The receivable is a result of federal and state awards not yet received at year end.

7. Interfund Transactions

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

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 24,400	\$ 63,803
All Other Governmental Funds	-	29,405
Internal Service Fund	<u>68,808</u>	
Totals	<u><u>\$ 93,208</u></u>	<u><u>\$ 93,208</u></u>

The purpose of the General Fund interfund receivable and \$24,400 of the Other Governmental Funds payable is the result of short-term interfund loans made by the General Fund while the other funds await grant reimbursement. The Internal Service Fund receivable and General Fund Payable and \$5,005 of the Other Governmental Funds payable is the result of Workers Compensation Premiums on wages earned but not yet paid that are due to the self insurance fund.

Interfund transfers on the fund statements at June 30, 2010, consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund		\$ 1,323,502
Debt Service Fund	\$ 966,144	
Internal Service Fund	<u>357,358</u>	
	<u>1,323,502</u>	<u>1,323,502</u>

The purpose of the transfer to the Debt Service Fund was to fund debt service obligations. The purpose of the transfer to the Internal Service Fund was to begin operations of the District's self insurance program for Workers Compensation insurance.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

8. Capital Assets

A summary of capital asset activity for the fiscal year follows:

	Balance June 30, 2009	Additions/ Transfers	Disposals/ Transfers	Balance June 30, 2010
Governmental Activities				
<i>Non Depreciable Capital Assets</i>				
Land	\$ 10,012,904	-	-	10,012,904
Construction In Progress	515,537	192,482	(515,537)	192,482
Total Non Depreciable Capital Assets	\$ 10,528,441	192,482	(515,537)	10,205,386
<i>Depreciable Capital Assets</i>				
Land Improvements	10,457,653	20,280	-	10,477,933
Building and improvements	110,002,863	1,897,412	(81,978)	111,818,297
Furniture, fixtures and equipment	17,398,766	1,024,332	(484,493)	17,938,605
Buses, autos and trucks	5,486,902	226,039	(94,992)	5,617,949
Total Depreciable Capital Assets	\$ 143,346,184	3,168,063	(661,463)	145,852,784
<i>Accumulated Depreciation</i>				
Land Improvements	\$ (7,779,899)	(293,361)	-	(8,073,260)
Building and improvements	(59,770,197)	(2,757,473)	79,554	(62,448,116)
Furniture, fixtures and equipment	(13,394,365)	(965,030)	478,441	(13,880,954)
Buses, autos and trucks	(2,943,977)	(443,581)	94,992	(3,292,566)
Total accumulated depreciation	\$ (83,888,438)	(4,459,445)	652,987	(87,694,896)
Depreciable Capital Assets, net	\$ 59,457,746	(1,291,382)	(8,476)	58,157,888
Total Governmental Activities Capital Assets, Net	\$ 69,986,187	(1,098,900)	(524,013)	68,363,274

Depreciation expense was charged to governmental functions as follows:

Instructional Services:	
Regular	\$ 3,175,199
Special	22,285
Support Services:	
Pupils	2,407
Instructional Staff	80,521
Administration	63,733
Business Operations	11,957
Operation and Maintenance of Plant	356,274
Transportation	455,933
Central	133,321
Food Service Operations	16,352
Community Services	2,156
Co-Curricular Student Services	139,307
Total Depreciation Expense	\$ 4,459,445

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

9. General Long-Term Obligations

A summary of the governmental activities changes in long-term liabilities follows:

	Balance					Balance	Amounts Due
	June 30, 2009	Additions	Accretion	Reductions	Amortization	June 30, 2010	in One Year
Accrued Liabilities	\$ 10,127,367	\$ 1,718,345		\$ 1,542,354		\$ 10,303,358	\$ 884,214
Cetificates of Participation	5,593,667			250,000	(14,052)	\$ 5,357,719	290,000
Bonds Payable	52,424,611		200,081	5,260,000	137,699	\$ 47,226,993	5,585,000
Notes Payable	3,114,000	-	-	340,000	-	\$ 2,774,000	350,000
	<u>\$ 71,259,645</u>	<u>\$ 1,718,345</u>	<u>\$ 200,081</u>	<u>\$ 7,392,354</u>	<u>\$ 123,647</u>	<u>\$ 65,662,070</u>	<u>\$ 7,109,214</u>

Included in the amortization above is (\$24,300) of deferred amount on refunding and \$147,947 of bond premium which are both being amortized over the life of the bonds.

As of June 30, 2010, the District had five general obligation bond issues, two general obligation long-term note issues and two certificates of participation financing issues outstanding. This debt was issued for general government activities, specifically, the construction and renovation of school buildings and an administrative facility. General obligations currently outstanding are as follows on the next page:

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

Purpose	Issue Date	Final Maturity	Interest Rate	Balance June 30, 2010
2002 Current Refunding Bonds (1)	3/2/2002	12/1/2012	6.000%	10,870,000
2007A Permanent Improvement Bonds (2)	2/15/2007	12/1/2021	3.6-5.5%	10,185,719
2007B Permanent Improvement Bonds (2)	3/6/2007	12/1/2021	4.0-5.5%	5,400,917
2008 Refunding and Improvement Bonds (7/2)	11/5/2008	12/1/2024	3.75-4.5%	9,730,429
2009 General Obligation Bonds (2)	5/5/2009	12/1/2024	2.5-4%	11,039,928
				<u>\$ 47,226,993</u>
Energy Conservation Notes (3)	3/2/1999	12/1/2013	4.200%	\$ 920,000
Airport Authority Conservation Note (4)	10/6/2005	10/1/2020	4.260%	1,854,000
				<u>\$ 2,774,000</u>
2000 Certificates of Participation (5)	3/30/2000	12/1/2019	5.393%	\$ 995,000
2007 Refunding Certificates of Participation (6)	9/20/2007	12/1/2019	4.0-4.5%	4,362,719
				<u>\$ 5,357,719</u>
				<u><u>\$ 55,358,712</u></u>

(1) Refunded portion of bonds previously issued 5/15/1992.

(2) Part of a \$37.5 million bond levy passed in November 2006 for construction and improvement of District facilities, technology upgrades, transportation upgrades, and various replacement equipment.

(3) Construction and installation of various energy conservation and improvement projects.

(4) Note agreement with the Columbus Regional Airport Authority relating to the Ohio Association of School Business Official's Expanded Asset Pooled Financing Program authorizing the issuance of revenue bonds by the Airport Authority to assist school districts in financing project costs associated with constructing and installing certain energy conservation measures to existing school buildings and facilities in accordance with House Bill 264. Participating districts enter into a note agreement with the Airport Authority for an approved amount which is deposited into a third party trustee account and a payment and interest schedule is determined.

(5) On March 30, 2000, the District issued \$6,545,000 of Certificates of Participation (COPs). The COPs represent proportionate interests of the registered owners thereof in certain rental payments to be paid by the District as rental for new administrative facilities at 200 East Wilson Bridge Road (the Project Site). Pursuant to ORC Section 3313.375, the District has leased certain real property comprised of the Project Site to the Worthington Education Foundation (the Foundation) and sub-leased such Project Site back from the Foundation. In addition, the District has agreed to act as agent for the Foundation in connection with the acquisition, renovation, improvement, equipping and furnishing the Project Site. Pursuant to a Trust Indenture between the Foundation and Huntington National Bank (the Trustee), the Trustee agreed to execute and deliver the COPs to the registered owners, each evidencing a proportionate interest in the rental payments to be paid by the District, in the aggregate principal amount of \$6,545,000. The proceeds of the COPs were to assist in the financing of the administrative facility project.

(6) Advance refunded \$4.2 million of the 2000 COPs. As of June 30, 2010, the refunded COPs had a balance of \$4.2 million that is not included in the District's outstanding debt and will be retired out of escrow on 12/1/10.

(7) Current refunded \$5.55 million of the 1998 GO Bonds. Remaining \$3.9 million issued for #2 above.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

The general obligation debt is a direct obligation of the District for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the school district. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund.

The annual maturities of the general obligation bonds, notes and COPS, as of June 30, 2010, and related interest payments are as follows (net of \$1,934,161 unamortized bond premium and (\$245,347) unamortized deferred amount on refunding):

Fiscal Year	Totals		Bonds		Notes		COPS	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 6,225,000	2,211,328	5,585,000	1,863,925	350,000	110,230	290,000	237,173
2012	6,231,000	1,867,657	5,495,000	1,552,532	366,000	95,111	370,000	220,014
2013	4,415,535	1,551,238	3,618,535	1,272,191	382,000	79,316	415,000	199,731
2014	4,596,555	1,605,365	3,737,555	1,362,746	399,000	62,825	460,000	179,794
2015	3,084,425	1,516,833	2,419,425	1,305,663	160,000	50,992	505,000	160,178
2016-2020	17,401,383	5,974,234	13,040,383	5,425,030	911,000	144,222	3,450,000	404,982
2021-2025	11,716,000	985,729	11,510,000	981,341	206,000	4,388	-	-
Total	<u>53,669,898</u>	<u>15,712,384</u>	<u>45,405,898</u>	<u>13,763,428</u>	<u>2,774,000</u>	<u>547,084</u>	<u>5,490,000</u>	<u>1,401,872</u>

The above bonds include current interest serial bonds, capital appreciation bonds, and current term interest bonds. Total accumulated accretion outstanding at June 30, 2010 was \$726,920.

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

The effects of these debt limitations at June 30, 2010 are a voted debt margin of \$121,646,132 and an unvoted debt margin of \$1,839,991. The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with various governmental entities. As of June 30, 2010, these entities have complied with the requirement that the unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value. Management believes that the District has complied with all bond covenants.

10. Accrued Liabilities

Accrued Liabilities at June 30, 2010 consist of the following:

	General Fund	Other Governmental Funds	Total Governmental Activities
Accrued Wages	\$ 9,114,764	\$ 715,012	\$ 9,829,776
Regular Termination Pay	517,352	57,872	575,224
Incurred But Not Reported Claims			123,328
Interest on Debt			205,921
Total	<u>\$ 9,632,116</u>	<u>\$ 772,884</u>	<u>\$ 10,734,249</u>

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

11. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors, and omissions, injuries to employees and natural disasters. The District contracts with third party insurance carriers for property insurance (including boiler and machinery) and general liability insurance. During fiscal year 2010, the District contracted with the Ohio School Plan, administered by Hylant Administrative Services, for general and professional liability with a \$3 million single occurrence limit and a \$5 million aggregate limit. Automobile bodily and property damage is covered by a \$3 million combined single occurrence limit. Property and vehicles are also protected with a \$1,000 deductible. Settled claims have not exceeded coverage in any of the past three years.

The District provides employee medical/surgical and dental benefits through a premium insurance plan. Employee monthly contributions are determined by negotiated agreements with the certificated and non-certificated staff bargaining units. The premium is paid by the fund that pays the salary for the employee.

The District provides life insurance and accidental death and dismemberment insurance to most in an amount related to the employee's position, ranging from \$10,000 to \$350,000.

On August 1, 2009 the District created an internal service fund in connection with a formalized risk management program in an effort to control claims and costs related to injured workers' compensation. The District pays into the Workers Compensation Internal Service Fund a percentage of the covered employee's salary. The rate is fixed and determined annually based on claims experience. The rate for fiscal year 2010 was 0.9% and is paid by the fund from which the employee is paid. The District contracts with CareWorks Consultants Inc. to manage claims and also purchased stop-loss coverage through Republic Indemnity for claims exceeding \$350,000. As required by law, the District also paid into the Self-Insured Employers Guaranty Fund, which guarantees that claims are satisfied should the District become unable to pay them.

A claims liability of \$123,328 was recorded at June 30, 2010 in the Workers' Compensation Self Insurance Fund and reflects an estimate of incurred but unpaid and unreported claims at year end. This estimate was calculated based on an analysis of 10 years of claims history. Changes in the fund's claim liability in 2010 are as follows:

Claims liability beginning of year	\$ -
Claims incurred and changes in estimates	164,150
Claims Paid	<u>(40,822)</u>
Claims liability end of year	<u><u>\$ 123,328</u></u>

12. Defined Benefit Pension Plans

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling 614-222-5853. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board, acting with the advice of the actuary, allocated the current employer contribution rate among the four funds (Pension Trust, Death Benefit, Medicare B, and Health Care funds) of the system. For fiscal year ending June 30, 2009 (latest information available), it was determined the employer contribution rate to pension and death benefits to be 9.09%, with the remaining 4.91% of the 14% employer contribution rate allocated to the Health Care and Medicare B Funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010 (based on 2009 rates), 2009 and 2008 were \$2,180,438, \$2,143,725, and \$2,341,164 respectively; 100% has been contributed for all three fiscal years.

B. State Teachers Retirement System

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

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

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

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

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

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$8,609,048, \$8,409,210, and \$8,285,652, respectively; 74 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

C. Social Security System

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

13. Post employment Benefits Other than Pension Benefits

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2009 was 96.40. SERS's reimbursement to retirees was \$45.50. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund and Medicare B Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009 (latest information available), 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS covered payroll for the surcharge. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care fund; for 2010, this amount was estimated to be \$246,960.

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

The School District's contributions for health care for the fiscal years ended June 30, 2010 (based on 2009 rates), 2009, and 2008 were \$894,862, \$915,055, and \$974,005 respectively; 72 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009 (latest information available), this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2010 (based on 2009 rates), 2009, and 2008 were \$116,809, \$101,061, and \$110,369, respectively; 100 percent has been contributed for all three fiscal years.

B. State Teachers Retirement System

Plan Description – The School District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. All benefit recipients pay a monthly premium. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009 (latest information available), STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$614,932, \$600,658, and \$591,832, respectively; 74 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

14. Contingencies

A. Grants

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

b. Litigation

The District is a defendant in various lawsuits. The outcome and possible impact of these lawsuits is not presently determinable.

c. Contractual Commitments

The District is undertaking several construction projects relating to the November 2006 Bond Levy. Below is a list of related outstanding commitments at year end:

Vendor Name	Contract Amount	Amount Expended	Balance 6/30/10
Advanced Glass Systems	\$ 24,880	\$ -	\$ 24,880
Bird Houk Collaborative	43,775	19,201	24,574
Construction Systems Inc	27,856	-	27,856
Gateway Mechanical	329,380	-	329,380
GHM, Inc	278,464	-	278,464
Heiberger Paving	673,795	-	673,795
JA Guy	108,430	-	108,430
Legacy Flooring	179,912	-	179,912
Martin Painting and Coating	39,782	-	39,782
McMillen Paving & Sealing	645,800	-	645,800
Schorr & Assoc	170,785	117,987	52,798
Settle-Muter Electric	260,555	-	260,555
Trame Mechanical	20,658	-	20,658
Triad Architects Inc	83,344	59,681	23,663
	<u>\$ 2,887,416</u>	<u>\$ 196,869</u>	<u>\$ 2,690,547</u>

Amount reported here is different than the amount reported as construction in progress due to some amounts being repairs and maintenance costs that will not be capitalized.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

15. Set-Asides

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

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

	Textbooks	Capital Acquisitions
Set-aside Reserve Balance carried forward at July 1, 2009	\$ -	-
Current year set-aside requirements	1,570,813	1,570,813
Qualifying disbursements	(2,301,112)	(2,072,144)
Total	(730,299)	(501,331)
Set-aside Reserve Balance at June 30, 2010	\$ -	-

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

16. Fund Deficits / Accountability

The following funds had deficit fund balances as of June 30, 2010:

	Deficit Fund Balance
<u>Governmental Activities:</u>	
Special Revenue Funds-	
Food Service Fund	(94,561)
Alternative Education	(15,243)
Fiscal Stabilization Fund	(124,873)
Title III LEP Grant Fund	(994)

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

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Basic Financial Statements, continued
June 30, 2010

17. Restatement

On July 1, 2009, the District implemented Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. As a result, certain funds previously reported as Special Revenue Funds were reclassified to the General Fund. The adjustment had the following effect on beginning fund balances:

	General Fund	All Other Governmental Funds
	<u> </u>	<u> </u>
Fund Balance July 1, 2009	\$ 46,446,606	\$ 6,040,018
Reclassification of Special Rotary Fund	1,270,157	(1,270,157)
Reclassification of Public School Support Funds	568,970	(568,970)
Restated Fund Balance July 1, 2009	<u>\$ 48,285,733</u>	<u>\$ 4,200,891</u>

The reclassification had no effect on Government-wide Net Assets.

18. Subsequent Event

On August 30, 2010, the District issued \$8.6 million in School Facilities Construction and Improvement Bonds, which includes \$1.8 million in Federal Taxable Qualified School Construction Bonds. The issuance was part of a bond levy approved by voters in November of 2006 and will be used to finance various capital facilities projects, technology upgrades, and equipment replacements.

REQUIRED SUPPLEMENTARY INFORMATION

WORTHINGTON CITY SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES:				
Property taxes	\$ 69,161,350	\$ 73,319,078	\$ 73,319,078	\$ -
State sources	37,388,956	37,226,300	\$ 37,226,300	-
Investment income	900,000	576,615	\$ 576,615	-
Tuition and fees	700,000	779,773	\$ 779,773	-
Miscellaneous	368,047	545,188	\$ 545,188	-
TOTAL REVENUES	<u>\$ 108,518,353</u>	<u>\$ 112,446,954</u>	<u>\$ 112,446,954</u>	<u>\$ -</u>
EXPENDITURES:				
Current:				
Salaries	\$ 74,773,486	\$ 72,823,625	\$ 72,823,625	\$ -
Benefits	26,240,910	24,972,608	\$ 24,972,608	-
Purchased services	10,795,113	10,318,281	\$ 10,318,281	-
Supplies and materials	2,932,476	2,495,398	\$ 2,495,398	-
Other	1,663,808	1,626,071	\$ 1,626,071	-
Total Current	<u>\$ 116,405,793</u>	<u>\$ 112,235,983</u>	<u>\$ 112,235,983</u>	<u>\$ -</u>
Capital outlay	304,548	228,825	228,825	
TOTAL EXPENDITURES	<u>\$ 116,710,341</u>	<u>\$ 112,464,808</u>	<u>\$ 112,464,808</u>	<u>\$ -</u>
Excess of revenues over expenditures	(8,191,988)	(17,854)	(17,854)	-
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(966,144)	(966,144)	(966,144)	-
Advances in	23,953	23,953	23,953	-
Advances (out)	-	(24,400)	(24,400)	-
Sale of assets	-	2,112	2,112	-
Refund of prior year expenditures	-	10,230	10,230	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (942,191)</u>	<u>\$ (954,249)</u>	<u>\$ (954,249)</u>	<u>\$ -</u>
NET CHANGE IN FUND BALANCE	(9,134,179)	(972,103)	(972,103)	-
FUND BALANCE, JULY 1	37,117,725	37,117,725	37,117,725	-
PRIOR YEAR ENCUMBRANCES APPROPRIATED	1,537,148	1,537,148	1,537,148	-
FUND BALANCE, JUNE 30	<u>\$ 29,520,694</u>	<u>\$ 37,682,770</u>	<u>\$ 37,682,770</u>	<u>\$ -</u>

See notes to the required supplementary schedule.

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2010

NOTE A - BUDGETARY DATA

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund and 1 level object for the General Fund. All other Funds are budgeted at the fund level. Any budgetary modifications at this level must be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and the Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for rate determination.

Estimated Resources:

Prior to March 15, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year do not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2010.

Appropriations:

Upon receipt from the County Auditor of an amended official certificate of estimated resources based on the final assessed values and tax rates or a certificate stating no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund and 1 level object for General Fund expenditures, and at the fund level for all other funds, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals at any level of control. Any revisions that alter the total of any fund appropriation or alter total function appropriations within a fund, or alter

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2010

object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the original and final appropriation amounts, including all supplemental appropriations.

Formal budgetary integration is employed as a management control device during the year for all funds, including the Debt Service Fund, consistent with statutory provisions.

Encumbrances:

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the Non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year-end are reported in their respective category as restricted, committed, or assigned.

Lapsing of Appropriations:

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

NOTE B - RECONCILING BUDGET BASIS AND GAAP

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual column presented on the Budgetary Comparison Schedule – General Fund is prepared in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis); and
- D. Investments are recorded at cost (budget basis) as opposed to fair value (GAAP basis).
- E. Some funds are included in the General Fund (GAAP basis) but have separate legally adopted budgets (budget basis). See note D below

WORTHINGTON CITY SCHOOL DISTRICT
Notes to the Required Supplementary Information
For the Year Ended June 30, 2010

A reconciliation of the General Fund results of operations at the end of the year on the GAAP basis to the budget basis follows:

Net change in fund balance (GAAP Basis)	\$ 4,488,196
Adjustments	
Due to revenues	(5,287,860)
Due to expenditures and encumbrances	(720,274)
Due to other financing sources	369,253
Funds Budgeted Elsewhere (See Note D)	178,582
Net change in fund balance (Budget Basis)	<u>\$ (972,103)</u>

NOTE C – SIGNIFICANT VARIANCES

Property Tax revenue was \$4.2 million more than originally budgeted. This increase was due to the passage of a new operating levy during year.

NOTE D – FUNDS BUDGETED ELSEWHERE

As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, certain funds that are legally budgeted in separate special revenue funds are considered part of the General Fund on a GAAP basis. This includes the entire Special Rotary Fund and a portion of the Public School Support Fund.

WORTHINGTON CITY SCHOOL DISTRICT

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WORTHINGTON CITY SCHOOL DISTRICT

SUPPLEMENTAL DATA



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WORTHINGTON CITY SCHOOL DISTRICT

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WORTHINGTON CITY SCHOOL DISTRICT MAJOR GOVERNMENTAL FUNDS

General– The general operating fund of the District used to account for the financial resources except those required to be accounted for in another fund. A budget comparison schedule has been included in the Required Supplementary Information section of this report

Debt Service – The debt service fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal and interest.

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

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Debt Service Fund				
Total Revenues and Other Sources	\$8,854,108	8,148,877	8,148,877	\$0
Total Expenditures and Other Uses	<u>8,475,000</u>	<u>8,441,250</u>	<u>8,441,250</u>	<u>0</u>
Net Change in Fund Balance	379,108	(292,373)	(292,373)	0
Fund Balance, July 1	2,858,321	2,858,321	2,858,321	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$3,237,429</u></u>	<u><u>\$2,565,948</u></u>	<u><u>\$2,565,948</u></u>	<u><u>\$0</u></u>
Building Fund				
Total Revenues and Other Sources	\$0	104,288	104,288	\$0
Total Expenditures and Other Uses	<u>14,164,668</u>	<u>11,009,933</u>	<u>11,009,933</u>	<u>0</u>
Net Change in Fund Balance	(14,164,668)	(10,905,645)	(10,905,645)	0
Fund Balance, July 1	9,669,131	9,669,131	9,669,131	0
Prior Year Encumbrances Appropriated	<u>5,218,397</u>	<u>5,218,397</u>	<u>5,218,397</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$722,860</u></u>	<u><u>\$3,981,883</u></u>	<u><u>\$3,981,883</u></u>	<u><u>\$0</u></u>

WORTHINGTON CITY SCHOOL DISTRICT NONMAJOR CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources and report financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Permanent Improvement – A fund provided to account for and report financial resources that are restricted, committed, or assigned to expenditures related to the acquiring, constructing, or improving of such permanent improvements as authorized by Section 5705 of the Ohio Revised Code.

**WORTHINGTON CITY SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS**

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

Food Service – A fund used to record the financial transactions related to the district's food service operation.

Other Local Sources – A fund used to account for specific local revenue sources received from various contributors that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures generally include community services.

Uniform School Supplies – A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the district. Profit derived from such sale is to be used for school purposes or activities in connection with the school.

Special Rotary – A rotary fund provided to account for the income and expenditures in connections with (1) supplemental education classes, (2) a special education preschool program, (3) a life enrichment program, and (4) facility rentals. This fund is legally budgeted separately but included in the General Fund on a GAAP basis.

Public School Support – A fund used for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Grants-Local Sources – A fund used to account for specific local revenue sources, other than taxes (i.e., profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

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

Auxiliary Services – A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district. For generally accepted accounting principles, this fund is accounted for as a special revenue fund.

EMIS Grants – A fund provided to account for the monies received and expended for the implementation of the Educational Management Information System that was required by legislation in Ohio.

Data Communications Support – A fund provided to account for monies appropriated from the State of Ohio for Ohio Educational Computer Network Connections.

**WORTHINGTON CITY SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS**

Alternative Education Grant – A fund provided to account for monies received for intervention services satisfying criteria defined in section 3313.608 of Ohio Revised Code.

Other State Grants - A fund provided to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

Special Education Part B IDEA Grants - A fund provided to account for monies received to assist states 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 Grants – A fund provided to account for monies received for vocational education, primarily those passed through the State of Ohio Department of Education related to the Carl D. Perkins Vocational and Applied Technology Act of 1990.

State Fiscal Stabilization Fund – A fund provided to account for federal monies that are part of the American Recovery and Reinvestment Act (the Stimulus Act) that were passed through the state to supplement the State's total education budget. Although these funds replaced previous state aid accounted for in the General Fund that would have been eliminated, they are required to be accounted for in a separate special revenue fund.

Title II-D Technology Grants– A fund provided to account for federal monies received and expended to improve student academic achievement through the use of technology in schools and to encourage the effective integration of technology with teacher training and curriculum development.

Title III Immigrant/LEP Grants – A fund provided to account for the Foreign Language Grant program at the elementary schools, which is funded with U.S. Department of Education grant monies.

Title I Grants – A fund which accounts for federal funds used to meet the special needs of educationally deprived children.

Title V Grants – A fund to consolidate various programs into a single authorization of grants to states to be used in accordance with the educational needs and priorities of the state and local agencies.

Title IV Grants– A fund provided to account for federal funds used to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in the District.

Special Education Preschool Grants – A fund provided to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**WORTHINGTON CITY SCHOOL DISTRICT
NON-MAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS**

Other Miscellaneous Federal Grants – A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

WORTHINGTON CITY SCHOOL DISTRICT

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Worthington City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

CAPITAL PROJECTS

	PERMANENT IMPROVEMENT	FOOD SERVICE FUND	OTHER LOCAL SOURCES
ASSETS:			
Cash and Investments	2,765,662	167,468	52,215
Inventory	-	92,591	-
Receivables, net	214,284	-	-
Intergovernmental Receivable	-	-	-
<i>Total Assets</i>	<u>2,979,946</u>	<u>260,059</u>	<u>52,215</u>
LIABILITIES:			
Accounts Payable	11,588	653	-
Accrued Liabilities	-	216,504	-
Interfund Payable	-	1,324	-
Intergovernmental Payable	-	136,139	-
Deferred Revenue	214,284	-	-
<i>Total Liabilities</i>	<u>225,872</u>	<u>354,620</u>	<u>-</u>
FUND BALANCES:			
Nonspendable:			
Inventories	-	92,591	-
Restricted for:			
School Supplies	-	-	-
Non-public Schools	-	-	-
Special Education	-	-	-
Targeted Academic Assistance	-	-	-
Other Purposes	-	-	52,215
Committed to:			
Capital Outlay	2,754,074	-	-
Student and Staff Support	-	-	-
Extracurricular Activities	-	-	-
Unassigned	-	(187,152)	-
<i>Total Fund Balances</i>	<u>2,754,074</u>	<u>(94,561)</u>	<u>52,215</u>
<i>Total Liabilities and Fund Balances</i>	<u>2,979,946</u>	<u>260,059</u>	<u>52,215</u>

SPECIAL REVENUE

UNIFORM SCHOOL SUPPLIES	PUBLIC SCHOOL SUPPORT	GRANTS - LOCAL SOURCES	DISTRICT MANAGED STUDENT ACTIVITIES	AUXILLARY SERVICES
245,646	378,657	16,504	472,730	134,291
-	-	-	-	-
-	2,336	-	-	-
-	-	-	-	69,895
<u>245,646</u>	<u>380,993</u>	<u>16,504</u>	<u>472,730</u>	<u>204,186</u>
7,395	34,666	2,309	21,966	8,704
-	-	-	4,712	81,982
-	-	-	33	360
-	-	-	3,666	16,687
-	-	-	-	-
<u>7,395</u>	<u>34,666</u>	<u>2,309</u>	<u>30,377</u>	<u>107,733</u>
-	-	-	-	-
238,251	-	-	-	-
-	-	-	-	96,453
-	-	-	-	-
-	-	-	-	-
-	-	14,195	-	-
-	-	-	-	-
-	346,327	-	-	-
-	-	-	442,353	-
-	-	-	-	-
<u>238,251</u>	<u>346,327</u>	<u>14,195</u>	<u>442,353</u>	<u>96,453</u>
<u>245,646</u>	<u>380,993</u>	<u>16,504</u>	<u>472,730</u>	<u>204,186</u>

(Continued)

Worthington City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	EMIS GRANTS	DATA COMMUNICATION SUPPORT	ALTERNATIVE EDUCATION GRANT
ASSETS:			
Cash and Investments	20,938	-	5,036
Inventory	-	-	-
Receivables, net	-	-	-
Intergovernmental Receivable	-	-	-
<i>Total Assets</i>	<u>20,938</u>	<u>-</u>	<u>5,036</u>
LIABILITIES:			
Accounts Payable	-	-	-
Accrued Liabilities	-	-	15,061
Interfund Payable	-	-	105
Intergovernmental Payable	-	-	5,113
Deferred Revenue	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>20,279</u>
FUND BALANCES:			
Nonspendable:			
Inventories	-	-	-
Restricted for:			
School Supplies	-	-	-
Non-public Schools	-	-	-
Special Education	-	-	-
Targeted Academic Assistance	-	-	-
Other Purposes	20,938	-	-
Committed to:			
Capital Outlay	-	-	-
Student and Staff Support	-	-	-
Extracurricular Activities	-	-	-
Unassigned	-	-	(15,243)
<i>Total Fund Balances</i>	<u>20,938</u>	<u>-</u>	<u>(15,243)</u>
<i>Total Liabilities and Fund Balances</i>	<u>20,938</u>	<u>-</u>	<u>5,036</u>

SPECIAL REVENUE				
OTHER STATE GRANTS	SPECIAL EDUCATION PART B IDEA GRANTS	VOCATIONAL EDUCATION GRANTS	FISCAL STABILIZATION	TITLE II D TECHNOLOGY
6,359	202,838	12,161	-	358
-	-	-	-	-
-	-	-	-	-
3,281	1,256,510	-	-	7,580
<u>9,640</u>	<u>1,459,348</u>	<u>12,161</u>	<u>-</u>	<u>7,938</u>
-	7,483	3,557	-	-
3,783	225,767	-	95,969	-
26	1,581	-	671	3,500
2,250	71,498	-	28,233	-
-	1,026,558	-	-	4,438
<u>6,059</u>	<u>1,332,887</u>	<u>3,557</u>	<u>124,873</u>	<u>7,938</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	126,461	-	-	-
-	-	-	-	-
3,581	-	8,604	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(124,873)	-
<u>3,581</u>	<u>126,461</u>	<u>8,604</u>	<u>(124,873)</u>	<u>-</u>
<u>9,640</u>	<u>1,459,348</u>	<u>12,161</u>	<u>-</u>	<u>7,938</u>

(Continued)

Worthington City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	TITLE III IMMIGRANT/LEP GRANTS	TITLE I GRANTS	TITLE V GRANTS
ASSETS:			
Cash and Investments	676	82,543	-
Inventory	-	-	-
Receivables, net	-	-	-
Intergovernmental Receivable	32,430	445,041	-
<i>Total Assets</i>	<u>33,106</u>	<u>527,584</u>	<u>-</u>
LIABILITIES:			
Accounts Payable	-	5,420	-
Accrued Liabilities	7,025	107,696	-
Interfund Payable	2,850	754	-
Intergovernmental Payable	4,370	31,766	-
Deferred Revenue	19,855	312,887	-
<i>Total Liabilities</i>	<u>34,100</u>	<u>458,523</u>	<u>-</u>
FUND BALANCES:			
Nonspendable:			
Inventories	-	-	-
Restricted for:			
School Supplies	-	-	-
Non-public Schools	-	-	-
Special Education	-	-	-
Targeted Academic Assistance	-	69,061	-
Other Purposes	-	-	-
Committed to:			
Capital Outlay	-	-	-
Student and Staff Support	-	-	-
Extracurricular Activities	-	-	-
Unassigned	(994)	-	-
<i>Total Fund Balances</i>	<u>(994)</u>	<u>69,061</u>	<u>-</u>
<i>Total Liabilities and Fund Balances</i>	<u>33,106</u>	<u>527,584</u>	<u>-</u>

SPECIAL REVENUE

TITLE IV GRANTS	SPECIAL EDUCATION PRESCHOOL GRANTS	OTHER MISCELLANEOUS FEDERAL GRANTS	TOTAL SPECIAL REVENUE	TOTAL OTHER GOVERNMENTAL
2,729	7,770	42,957	1,851,876	4,617,538
-	-	-	92,591	92,591
-	-	-	2,336	216,620
1,492	6,004	83,236	1,905,469	1,905,469
<u>4,221</u>	<u>13,774</u>	<u>126,193</u>	<u>3,852,272</u>	<u>6,832,218</u>
-	-	2,424	94,577	106,165
-	2,389	11,996	772,884	772,884
-	17	18,184	29,405	29,405
-	1,484	5,223	306,429	306,429
1,492	2,804	45,699	1,413,733	1,628,017
<u>1,492</u>	<u>6,694</u>	<u>83,526</u>	<u>2,617,028</u>	<u>2,842,900</u>
-	-	-	92,591	92,591
-	-	-	238,251	238,251
-	-	-	96,453	96,453
-	7,080	-	133,541	133,541
-	-	-	69,061	69,061
2,729	-	42,667	144,929	144,929
-	-	-	-	2,754,074
-	-	-	346,327	346,327
-	-	-	442,353	442,353
-	-	-	(328,262)	(328,262)
<u>2,729</u>	<u>7,080</u>	<u>42,667</u>	<u>1,235,244</u>	<u>3,989,318</u>
<u>4,221</u>	<u>13,774</u>	<u>126,193</u>	<u>3,852,272</u>	<u>6,832,218</u>

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

	CAPITAL PROJECTS		
	PERMANENT IMPROVEMENT	FOOD SERVICE FUND	OTHER LOCAL SOURCES
REVENUES:			
Intergovernmental	-	1,063,281	-
Investment Income	-	790	73
Tuition and Fees	-	-	-
Co-curricular Activities	-	-	-
Customer Sales and Services	-	2,270,288	-
Other	-	-	276
<i>Total Revenues</i>	<u>-</u>	<u>3,334,359</u>	<u>349</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	556	-	-
Special	-	-	-
Support Services:			
Pupils	1,851	-	-
Instructional Staff	-	-	-
Administration	-	-	-
Business	59,129	-	-
Operation and Maintenance of Plant	58,044	-	-
Central	-	-	-
Food Service Operations	-	3,319,665	-
Community Services	-	-	7,076
Co-curricular Student Activities	-	-	-
Capital Outlay	18,845	1,653	-
<i>Total Expenditures</i>	<u>138,425</u>	<u>3,321,318</u>	<u>7,076</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(138,425)</u>	<u>13,041</u>	<u>(6,727)</u>
OTHER FINANCING SOURCES AND USES:			
Proceeds from Sale of Capital Assets	71,429	-	-
<i>Total Other Financing Sources and Uses</i>	<u>71,429</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(66,996)	13,041	(6,727)
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,821,070	(107,602)	58,942
<i>Fund Balance (Deficit) at End of Year</i>	<u>2,754,074</u>	<u>(94,561)</u>	<u>52,215</u>

SPECIAL REVENUE

UNIFORM SCHOOL SUPPLIES	PUBLIC SCHOOL SUPPORT	GRANTS - LOCAL SOURCES	DISTRICT MANAGED STUDENT ACTIVITIES	AUXILLARY SERVICES
-	-	28,850	-	801,663
-	-	-	-	-
395,021	77,576	-	-	-
-	-	-	764,662	-
-	-	-	4,230	-
-	321,168	1,000	49	-
<u>395,021</u>	<u>398,744</u>	<u>29,850</u>	<u>768,941</u>	<u>801,663</u>
394,342	262,277	13,760	-	-
58	75,947	-	-	-
22,528	14,017	12,802	59,689	-
-	50,598	-	-	-
-	10,353	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	734,600
-	5,348	-	789,155	-
-	30,235	-	11,953	21,268
<u>416,928</u>	<u>448,775</u>	<u>26,562</u>	<u>860,797</u>	<u>755,868</u>
<u>(21,907)</u>	<u>(50,031)</u>	<u>3,288</u>	<u>(91,856)</u>	<u>45,795</u>
-	-	-	-	-
<u>(21,907)</u>	<u>(50,031)</u>	<u>3,288</u>	<u>(91,856)</u>	<u>45,795</u>
260,158	396,358	10,907	534,209	50,658
<u>238,251</u>	<u>346,327</u>	<u>14,195</u>	<u>442,353</u>	<u>96,453</u>

(Continued)

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

	EMIS GRANTS	DATA COMMUNICATION SUPPORT	ALTERNATIVE EDUCATION GRANT
REVENUES:			
Intergovernmental	17,378	45,726	124,625
Investment Income	-	-	-
Tuition and Fees	-	-	-
Co-curricular Activities	-	-	-
Customer Sales and Services	-	-	-
Other	-	-	-
<i>Total Revenues</i>	<u>17,378</u>	<u>45,726</u>	<u>124,625</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	-	-	-
Special	-	-	127,178
Support Services:			
Pupils	-	-	-
Instructional Staff	-	-	-
Administration	-	-	-
Business	-	-	-
Operation and Maintenance of Plant	-	-	-
Central	19,134	89,264	-
Food Service Operations	-	-	-
Community Services	-	-	-
Co-curricular Student Activities	-	-	-
Capital Outlay	-	-	-
<i>Total Expenditures</i>	<u>19,134</u>	<u>89,264</u>	<u>127,178</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,756)</u>	<u>(43,538)</u>	<u>(2,553)</u>
OTHER FINANCING SOURCES AND USES:			
Proceeds from Sale of Capital Assets	-	-	-
<i>Total Other Financing Sources and Uses</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net Change in Fund Balances</i>	(1,756)	(43,538)	(2,553)
<i>Fund Balance (Deficit) at Beginning of Year</i>	22,694	43,538	(12,690)
<i>Fund Balance (Deficit) at End of Year</i>	<u>20,938</u>	<u>-</u>	<u>(15,243)</u>

SPECIAL REVENUE

OTHER STATE GRANTS	SPECIAL EDUCATION PART B IDEA GRANTS	VOCATIONAL EDUCATION GRANTS	FISCAL STABILIZATION	TITLE II D TECHNOLOGY
40,653	2,757,604	54,486	976,511	3,996
-	-	-	-	-
750	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>41,403</u>	<u>2,757,604</u>	<u>54,486</u>	<u>976,511</u>	<u>3,996</u>
10,537	-	-	905,767	-
41,717	2,017,541	-	-	-
-	-	-	-	-
-	193,276	70,439	-	7,900
-	79,706	-	-	-
-	-	-	195,617	-
-	-	-	-	-
-	-	-	-	-
-	64,900	-	-	-
-	-	-	-	-
-	314,902	-	-	-
<u>52,254</u>	<u>2,670,325</u>	<u>70,439</u>	<u>1,101,384</u>	<u>7,900</u>
<u>(10,851)</u>	<u>87,279</u>	<u>(15,953)</u>	<u>(124,873)</u>	<u>(3,904)</u>
-	-	-	-	-
<u>(10,851)</u>	<u>87,279</u>	<u>(15,953)</u>	<u>(124,873)</u>	<u>(3,904)</u>
14,432	39,182	24,557		3,904
<u>3,581</u>	<u>126,461</u>	<u>8,604</u>	<u>(124,873)</u>	<u>-</u>

(Continued)

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

	TITLE III IMMIGRANT/LEP GRANTS	TITLE I GRANTS	TITLE V GRANTS
REVENUES:			
Intergovernmental	68,265	1,333,235	-
Investment Income	-	-	-
Tuition and Fees	-	-	-
Co-curricular Activities	-	-	-
Customer Sales and Services	-	-	-
Other	-	-	-
<i>Total Revenues</i>	<u>68,265</u>	<u>1,333,235</u>	
EXPENDITURES:			
Current:			
Instruction:			
Regular	-	-	44
Special	9,156	855,003	-
Support Services:			
Pupils	-	-	-
Instructional Staff	73,756	291,211	-
Administration	-	-	-
Business	-	-	-
Operation and Maintenance of Plant	-	400	-
Central	-	-	-
Food Service Operations	-	-	-
Community Services	-	13,975	-
Co-curricular Student Activities	-	-	-
Capital Outlay	-	124,030	-
<i>Total Expenditures</i>	<u>82,912</u>	<u>1,284,619</u>	<u>44</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(14,647)</u>	<u>48,616</u>	<u>(44)</u>
OTHER FINANCING SOURCES AND USES:			
Proceeds from Sale of Capital Assets	-	-	-
<i>Total Other Financing Sources and Uses</i>			
<i>Net Change in Fund Balances</i>	(14,647)	48,616	(44)
<i>Fund Balance (Deficit) at Beginning of Year</i>	13,653	20,445	44
<i>Fund Balance (Deficit) at End of Year</i>	<u>(994)</u>	<u>69,061</u>	<u>-</u>

SPECIAL REVENUE

TITLE IV GRANTS	SPECIAL EDUCATION PRESCHOOL GRANTS	OTHER MISCELLANEOUS FEDERAL GRANTS	TOTAL SPECIAL REVENUE	TOTAL NONMAJOR GOVERNMENTAL
25,424	89,511	221,526	7,652,734	7,652,734
-	-	-	863	863
-	-	-	473,347	473,347
-	-	-	764,662	764,662
-	-	-	2,274,518	2,274,518
-	-	46,731	369,224	369,224
<hr/> 25,424	<hr/> 89,511	<hr/> 268,257	<hr/> 11,535,348	<hr/> 11,535,348
-	-	3,911	1,590,638	1,591,194
-	46,282	-	3,172,882	3,172,882
8,142	-	-	117,178	119,029
15,218	24,173	225,226	951,797	951,797
-	-	-	90,059	90,059
-	-	-	195,617	254,746
-	-	-	400	58,444
-	-	-	108,398	108,398
-	-	-	3,319,665	3,319,665
-	-	702	821,253	821,253
-	-	-	794,503	794,503
-	13,494	-	517,535	536,380
<hr/> 23,360	<hr/> 83,949	<hr/> 229,839	<hr/> 11,679,925	<hr/> 11,818,350
<hr/> 2,064	<hr/> 5,562	<hr/> 38,418	<hr/> (144,577)	<hr/> (283,002)
-	-	-	-	71,429
				<hr/> 71,429
2,064	5,562	38,418	(144,577)	(211,573)
665	1,518	4,249	1,379,821	4,200,891
<hr/> 2,729	<hr/> 7,080	<hr/> 42,667	<hr/> 1,235,244	<hr/> 3,989,318

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Permanent Improvement Fund				
Total Revenues and Other Sources	\$71,429	71,429	71,429	\$0
Total Expenditures and Other Uses	<u>2,816,959</u>	<u>168,095</u>	<u>168,095</u>	<u>0</u>
Net Change in Fund Balance	(2,745,530)	(96,666)	(96,666)	0
Fund Balance, July 1	2,760,803	2,760,803	2,760,803	0
Prior Year Encumbrances Appropriated	<u>60,266</u>	<u>60,266</u>	<u>60,266</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$75,539</u></u>	<u><u>\$2,724,403</u></u>	<u><u>\$2,724,403</u></u>	<u><u>\$0</u></u>
Food Service Fund				
Total Revenues and Other Sources	\$3,557,075	3,227,485	3,227,485	\$0
Total Expenditures and Other Uses	<u>3,568,057</u>	<u>3,086,324</u>	<u>3,086,324</u>	<u>0</u>
Net Change in Fund Balance	(10,982)	141,161	141,161	0
Fund Balance, July 1	11,655	11,655	11,655	0
Prior Year Encumbrances Appropriated	<u>10,982</u>	<u>10,982</u>	<u>10,982</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$11,655</u></u>	<u><u>\$163,798</u></u>	<u><u>\$163,798</u></u>	<u><u>\$0</u></u>
Other Local Sources				
Total Revenues and Other Sources	\$6,000	350	350	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>7,076</u>	<u>7,076</u>	<u>0</u>
Net Change in Fund Balance	6,000	(6,726)	(6,726)	0
Fund Balance, July 1	58,943	58,943	58,943	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$64,943</u></u>	<u><u>\$52,217</u></u>	<u><u>\$52,217</u></u>	<u><u>\$0</u></u>

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Uniform School Supplies				
Total Revenues and Other Sources	\$393,463	395,022	395,022	\$0
Total Expenditures and Other Uses	<u>556,490</u>	<u>450,454</u>	<u>450,454</u>	<u>0</u>
Net Change in Fund Balance	(163,027)	(55,432)	(55,432)	0
Fund Balance, July 1	220,686	220,686	220,686	0
Prior Year Encumbrances Appropriated	<u>55,294</u>	<u>55,294</u>	<u>55,294</u>	<u>0</u>
Fund Balance, June 30	<u>\$112,953</u>	<u>\$220,548</u>	<u>\$220,548</u>	<u>\$0</u>
Special Rotary Funds				
Total Revenues and Other Sources	\$242,400	340,540	340,540	\$0
Total Expenditures and Other Uses	<u>1,314,511</u>	<u>227,835</u>	<u>227,835</u>	<u>0</u>
Net Change in Fund Balance	(1,072,111)	112,705	112,705	0
Fund Balance, July 1	1,255,086	1,255,086	1,255,086	0
Prior Year Encumbrances Appropriated	<u>15,771</u>	<u>15,771</u>	<u>15,771</u>	<u>0</u>
Fund Balance, June 30	<u>\$198,746</u>	<u>\$1,383,562</u>	<u>\$1,383,562</u>	<u>\$0</u>
Public School Support				
Total Revenues and Other Sources	\$405,602	484,888	484,888	\$0
Total Expenditures and Other Uses	<u>410,691</u>	<u>605,634</u>	<u>605,634</u>	<u>0</u>
Net Change in Fund Balance	(5,089)	(120,746)	(120,746)	0
Fund Balance, July 1	923,293	923,293	923,293	0
Prior Year Encumbrances Appropriated	<u>50,963</u>	<u>50,963</u>	<u>50,963</u>	<u>0</u>
Fund Balance, June 30	<u>\$969,167</u>	<u>\$853,510</u>	<u>\$853,510</u>	<u>\$0</u>

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Grants - Local Sources				
Total Revenues and Other Sources	\$0	29,850	29,850	\$0
Total Expenditures and Other Uses	<u>11,826</u>	<u>28,260</u>	<u>28,260</u>	<u>0</u>
Net Change in Fund Balance	(11,826)	1,590	1,590	0
Fund Balance, July 1	10,660	10,660	10,660	0
Prior Year Encumbrances Appropriated	<u>1,166</u>	<u>1,166</u>	<u>1,166</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$13,416</u></u>	<u><u>\$13,416</u></u>	<u><u>\$0</u></u>
District-Managed Student Activities				
Total Revenues and Other Sources	\$702,260	768,926	768,926	\$0
Total Expenditures and Other Uses	<u>756,766</u>	<u>954,938</u>	<u>954,938</u>	<u>0</u>
Net Change in Fund Balance	(54,506)	(186,012)	(186,012)	0
Fund Balance, July 1	456,595	456,595	456,595	0
Prior Year Encumbrances Appropriated	<u>98,257</u>	<u>98,257</u>	<u>98,257</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$500,346</u></u>	<u><u>\$368,840</u></u>	<u><u>\$368,840</u></u>	<u><u>\$0</u></u>
Auxiliary Services				
Total Revenues and Other Sources	\$822,000	734,089	734,089	\$0
Total Expenditures and Other Uses	<u>1,003,414</u>	<u>792,505</u>	<u>792,505</u>	<u>0</u>
Net Change in Fund Balance	(181,414)	(58,416)	(58,416)	0
Fund Balance, July 1	68,526	68,526	68,526	0
Prior Year Encumbrances Appropriated	<u>113,754</u>	<u>113,754</u>	<u>113,754</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$866</u></u>	<u><u>\$123,864</u></u>	<u><u>\$123,864</u></u>	<u><u>\$0</u></u>

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Management Information Systems (EMIS)				
Total Revenues and Other Sources	\$0	17,378	17,378	\$0
Total Expenditures and Other Uses	<u>22,694</u>	<u>19,134</u>	<u>19,134</u>	<u>0</u>
Net Change in Fund Balance	(22,694)	(1,756)	(1,756)	0
Fund Balance, July 1	22,694	22,694	22,694	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$20,938</u></u>	<u><u>\$20,938</u></u>	<u><u>\$0</u></u>
Data Communication Support				
Total Revenues and Other Sources	\$0	45,726	45,726	\$0
Total Expenditures and Other Uses	<u>43,539</u>	<u>89,265</u>	<u>89,265</u>	<u>0</u>
Net Change in Fund Balance	(43,539)	(43,539)	(43,539)	0
Fund Balance, July 1	43,539	43,539	43,539	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
Alternative Education Grant				
Total Revenues and Other Sources	\$152,000	124,625	124,625	\$0
Total Expenditures and Other Uses	<u>152,000</u>	<u>129,103</u>	<u>129,103</u>	<u>0</u>
Net Change in Fund Balance	0	(4,478)	(4,478)	0
Fund Balance, July 1	9,513	9,513	9,513	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$9,513</u></u>	<u><u>\$5,035</u></u>	<u><u>\$5,035</u></u>	<u><u>\$0</u></u>

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Other State Grants				
Total Revenues and Other Sources	\$0	43,509	43,509	\$0
Total Expenditures and Other Uses	<u>27,871</u>	<u>65,018</u>	<u>65,018</u>	<u>0</u>
Net Change in Fund Balance	(27,871)	(21,509)	(21,509)	0
Fund Balance, July 1	3,998	3,998	3,998	0
Prior Year Encumbrances Appropriated	<u>23,873</u>	<u>23,873</u>	<u>23,873</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$6,362</u></u>	<u><u>\$6,362</u></u>	<u><u>\$0</u></u>
Special Education Part B - IDEA Grant				
Total Revenues and Other Sources	\$4,014,478	2,781,768	2,781,768	\$0
Total Expenditures and Other Uses	<u>4,051,038</u>	<u>2,736,304</u>	<u>2,736,304</u>	<u>0</u>
Net Change in Fund Balance	(36,560)	45,464	45,464	0
Fund Balance, July 1	30,822	30,822	30,822	0
Prior Year Encumbrances Appropriated	<u>5,738</u>	<u>5,738</u>	<u>5,738</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$82,024</u></u>	<u><u>\$82,024</u></u>	<u><u>\$0</u></u>
Vocational Education Grant				
Total Revenues and Other Sources	\$45,000	54,488	54,488	\$0
Total Expenditures and Other Uses	<u>74,852</u>	<u>84,340</u>	<u>84,340</u>	<u>0</u>
Net Change in Fund Balance	(29,852)	(29,852)	(29,852)	0
Fund Balance, July 1	2,711	2,711	2,711	0
Prior Year Encumbrances Appropriated	<u>27,141</u>	<u>27,141</u>	<u>27,141</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
State Fiscal Stabilization Fund				
Total Revenues and Other Sources	\$0	976,511	976,511	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>976,511</u>	<u>976,511</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
Title II-D Technology Grant				
Total Revenues and Other Sources	\$0	4,354	4,354	\$0
Total Expenditures and Other Uses	<u>3,904</u>	<u>7,899</u>	<u>7,899</u>	<u>0</u>
Net Change in Fund Balance	(3,904)	(3,545)	(3,545)	0
Fund Balance, July 1, as restated	3,904	3,904	3,904	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$359</u></u>	<u><u>\$359</u></u>	<u><u>\$0</u></u>
Title III Immigrant/LEP Grant				
Total Revenues and Other Sources	\$60,471	58,957	58,957	\$0
Total Expenditures and Other Uses	<u>84,974</u>	<u>82,977</u>	<u>82,977</u>	<u>0</u>
Net Change in Fund Balance	(24,503)	(24,020)	(24,020)	0
Fund Balance, July 1	9,918	9,918	9,918	0
Prior Year Encumbrances Appropriated	<u>14,585</u>	<u>14,585</u>	<u>14,585</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$483</u></u>	<u><u>\$483</u></u>	<u><u>\$0</u></u>

Worthington City School District
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Title I Grant				
Total Revenues and Other Sources	\$1,776,320	1,311,487	1,311,487	\$0
Total Expenditures and Other Uses	<u>1,797,016</u>	<u>1,257,764</u>	<u>1,257,764</u>	<u>0</u>
Net Change in Fund Balance	(20,696)	53,723	53,723	0
Fund Balance, July 1	20,150	20,150	20,150	0
Prior Year Encumbrances Appropriated	<u>546</u>	<u>546</u>	<u>546</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$74,419</u></u>	<u><u>\$74,419</u></u>	<u><u>\$0</u></u>
Title V Innovative Education Grant				
Total Revenues and Other Sources	\$0	-	-	\$0
Total Expenditures and Other Uses	<u>44</u>	<u>44</u>	<u>44</u>	<u>0</u>
Net Change in Fund Balance	(44)	(44)	(44)	0
Fund Balance, July 1	44	44	44	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
Title IV Safe Drug Free Schools Grant				
Total Revenues and Other Sources	\$26,916	25,424	25,424	\$0
Total Expenditures and Other Uses	<u>27,582</u>	<u>23,818</u>	<u>23,818</u>	<u>0</u>
Net Change in Fund Balance	(666)	1,606	1,606	0
Fund Balance, July 1	666	666	666	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$2,272</u></u>	<u><u>\$2,272</u></u>	<u><u>\$0</u></u>

Worthington City School District
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Special Education Preschool Grant				
Total Revenues and Other Sources	\$95,097	89,093	89,093	\$0
Total Expenditures and Other Uses	<u>98,135</u>	<u>84,360</u>	<u>84,360</u>	<u>0</u>
Net Change in Fund Balance	(3,038)	4,733	4,733	0
Fund Balance, July 1	3,038	3,038	3,038	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$7,771</u></u>	<u><u>\$7,771</u></u>	<u><u>\$0</u></u>
Other Miscellaneous Federal Grants				
Total Revenues and Other Sources	\$247,126	190,808	190,808	\$0
Total Expenditures and Other Uses	<u>253,211</u>	<u>195,635</u>	<u>195,635</u>	<u>0</u>
Net Change in Fund Balance	(6,085)	(4,827)	(4,827)	0
Fund Balance, July 1	5,495	5,495	5,495	0
Prior Year Encumbrances Appropriated	<u>590</u>	<u>590</u>	<u>590</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$1,258</u></u>	<u><u>\$1,258</u></u>	<u><u>\$0</u></u>

WORTHINGTON CITY SCHOOL DISTRICT INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost-reimbursement basis.

Intra-District Services – A fund provided to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis.

Employee Benefit Insurance – A fund provided to account for money received from other funds as payment for providing workers compensation insurance. Payments are made to a third party administrator for claims payments, claims administration, and stop-loss coverage.

Worthington City School District
Combining Statement of Fund Net Assets
Internal Service Funds
June 30, 2010

	<u>INTRA-DISTRICT SERVICES</u>	<u>EMPLOYEE BENEFIT INSURANCE</u>	<u>TOTAL INTERNAL SERVICE FUNDS</u>
ASSETS:			
Current Assets:			
Cash and Investments	\$ 554,714	714,000	1,268,714
Inventory	51,742	-	51,742
Interfund Receivable		68,808	68,808
<i>Total Current Assets</i>	<u>\$ 606,456</u>	<u>782,808</u>	<u>1,389,264</u>
Noncurrent Assets:			
Depreciable Capital Assets, net	\$ 72,194	-	72,194
<i>Total Noncurrent Assets</i>	<u>\$ 72,194</u>	<u>-</u>	<u>72,194</u>
<i>Total Assets</i>	<u><u>\$ 678,650</u></u>	<u><u>782,808</u></u>	<u><u>1,461,458</u></u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	\$ 12,036	27,486	39,522
Accrued Liabilities	-	123,328	123,328
Intergovernmental Payable	7,605	10,182	17,787
Compensated Absences Payable	3,703	2,225	5,928
<i>Total Liabilities</i>	<u>\$ 23,344</u>	<u>163,221</u>	<u>186,565</u>
NET ASSETS:			
Invested in Capital Assets	\$ 72,194	-	72,194
Unrestricted	583,112	619,587	1,202,699
<i>Total Net Assets</i>	<u><u>\$ 655,306</u></u>	<u><u>619,587</u></u>	<u><u>1,274,893</u></u>

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

	INTRA-DISTRICT SERVICES	EMPLOYEE BENEFIT INSURANCE	TOTAL INTERNAL SERVICE FUNDS
OPERATING REVENUES:			
Charges for Services	\$ 563,672	720,753	1,284,425
<i>Total Operating Revenues</i>	<u>\$ 563,672</u>	<u>720,753</u>	<u>1,284,425</u>
OPERATING EXPENSES:			
Salaries	\$ 98,899	65,757	164,656
Fringe Benefits	48,406	42,700	91,106
Purchased Services	134,783	295,337	430,120
Materials and Supplies	233,192	24,814	258,006
Depreciation	116,747	-	116,747
Other	-	29,916	29,916
<i>Total Operating Expenses</i>	<u>\$ 632,027</u>	<u>458,524</u>	<u>1,090,551</u>
<i>Operating Income (Loss) Before Transfers</i>	<u>\$ (68,355)</u>	<u>262,229</u>	<u>193,874</u>
Transfers In	-	357,358	357,358
<i>Net Change in Net Assets</i>	<u>\$ (68,355)</u>	<u>619,587</u>	<u>551,232</u>
<i>Net Assets at Beginning of Year</i>	<u>\$ 723,661</u>	<u>-</u>	<u>723,661</u>
<i>Net Assets at End of Year</i>	<u><u>\$ 655,306</u></u>	<u><u>619,587</u></u>	<u><u>1,274,893</u></u>

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

	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS		
	INTRA-DISTRICT SERVICES	EMPLOYEE BENEFIT INSURANCE	TOTAL INTERNAL SERVICE
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from charges for services	\$ 563,672	651,945	1,215,617
Cash payments for personal services	(145,650)	(96,050)	(241,700)
Cash payments for purchased services	(131,521)	(144,523)	(276,044)
Cash payments for supplies and materials	(267,466)	(24,814)	(292,280)
Cash payments for other expenses	-	(29,916)	(29,916)
NET CASH PROVIDED BY OPERATING ACTIVITIES	19,035	356,642	375,677
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES			
Transfers In	-	357,358	357,358
NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-	357,358	357,358
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of property, plant, and equipment	(5,300)	-	(5,300)
INCREASE IN CASH AND CASH EQUIVALENTS	13,735	714,000	727,735
CASH AND EQUIVALENTS BEGINNING OF YEAR	540,979	-	540,979
CASH AND EQUIVALENTS END OF YEAR	\$ 554,714	714,000	1,268,714
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ (68,355)	262,229	193,874
Adjustments			
Depreciation	116,747	-	116,747
(Increase) Decrease in Assets:			-
Inventory	(39,592)	-	(39,592)
Interfund Receivable		(68,808)	(68,808)
			-
Increase (Decrease) in Liabilities:			-
Accounts payable	8,578	27,486	36,064
Accrued liabilities	-	123,328	123,328
Intergovernmental payable	330	10,182	10,512
Compensated Absences	1,327	2,225	3,552
Net cash provided by operating activities	\$ 19,035	356,642	375,677

Worthington City School District
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
(Non-GAAP Budgetary Basis)
For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Intra-District Services Fund				
Total Revenues and Other Sources	\$1,250,000	1,222,654	1,222,654	\$0
Total Expenditures and Other Uses	<u>1,590,083</u>	<u>1,271,247</u>	<u>1,271,247</u>	<u>0</u>
Net Change in Fund Balance	(340,083)	(48,593)	(48,593)	0
Fund Balance, July 1	738,299	738,299	738,299	0
Prior Year Encumbrances Appropriated	<u>35,063</u>	<u>35,063</u>	<u>35,063</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$433,279</u></u>	<u><u>\$724,769</u></u>	<u><u>\$724,769</u></u>	<u><u>\$0</u></u>
Employee Benefit Insurance Fund				
Total Revenues and Other Sources	\$0	1,009,303	1,009,303	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>295,303</u>	<u>295,303</u>	<u>0</u>
Net Change in Fund Balance	0	714,000	714,000	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$714,000</u></u>	<u><u>\$714,000</u></u>	<u><u>\$0</u></u>

WORTHINGTON CITY SCHOOL DISTRICT FIDUCIARY FUNDS

Trust funds are used to account for assets held by the district in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Agency funds are used to account for assets held by the district as an agent for individuals, private organizations, other governments, and/or other funds.

Private Purpose Trust – A trust fund used to account for money which has been set aside for scholarship purposes. The income from such funds may be expended in accordance with the related trust agreement, but the principal must remain intact.

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

Worthington City School District
Combining Statements of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2010

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
STUDENT AGENCY FUNDS				
ASSETS:				
Cash and Investments	\$ 222,900	246,716	258,357	211,259
Inventory	-	5,503	-	5,503
Total Assets	<u>\$ 222,900</u>	<u>252,219</u>	<u>258,357</u>	<u>216,762</u>
LIABILITIES:				
Accounts Payable	\$ 5,230	3,181	5,230	3,181
Due to Others	217,670	249,038	253,127	213,581
Total Liabilities	<u>\$ 222,900</u>	<u>252,219</u>	<u>258,357</u>	<u>216,762</u>

Worthington City School District
 Schedule of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual
 (Non-GAAP Budgetary Basis)
 For the fiscal year ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Private Purpose Trust Fund				
Total Revenues and Other Sources	\$6,000	2,352	2,352	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Net Change in Fund Balance	6,000	552	552	0
Fund Balance, July 1	160,773	160,773	160,773	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$166,773</u></u>	<u><u>\$161,325</u></u>	<u><u>\$161,325</u></u>	<u><u>\$0</u></u>

WORTHINGTON CITY SCHOOL DISTRICT

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Statistical Section



Absolute Excellence | Exponential Impact

WORTHINGTON CITY SCHOOL DISTRICT STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	94
Revenue Capacity These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	102
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	108
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place.	114
Operating Information These schedules contain service to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	117

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

Worthington City School District
Net Assets by Component
Last Eight Years
(accrual basis of accounting)

	2003	2004	2005
Governmental Activities:			
Invested in Capital Assets, Net of Related Debt	\$15,338,765	\$22,678,684	\$25,168,139
Restricted for:			
Capital Outlay	0	2,792,513	2,683,230
Debt Service	2,664,172	2,991,327	4,858,924
Other Purposes	5,431,342	2,386,118	2,851,425
Unrestricted (Deficit)	3,259,843	7,536,749	16,957,473
Total Governmental Activities Net Assets	\$26,694,122	\$38,385,391	\$52,519,191

Note - Business-Type Food Service Activities were reclassified to Governmental Activities July 1, 2007
This has been reflected in all years presented.

2006	2007	2008	2009	2010
\$26,082,150	\$30,521,399	\$26,972,017	\$24,026,751	\$21,216,857
3,104,334	2,402,742	3,789,450	4,417,861	1,437,072
2,415,622	3,727,042	3,244,738	5,032,502	2,986,937
2,755,654	3,170,959	3,706,289	3,290,396	2,328,710
22,912,270	40,365,167	39,555,394	39,232,385	51,793,301
\$57,270,030	\$80,187,309	\$77,267,888	\$75,999,895	\$79,762,877

Worthington City School District
Changes in Net Assets
Last Eight Years
(accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
Instruction				
Regular	\$53,565,809	\$55,235,340	\$55,292,157	\$59,004,344
Special	\$8,886,851	\$9,238,641	\$10,052,086	\$10,927,935
Vocational	754,971	820,984	651,839	766,375
Continuing	72,551	12,421	6,707	3,525
Support Services				
Pupils	6,004,897	6,227,846	5,650,850	6,155,193
Instructional Staff	6,796,474	6,714,675	6,970,982	8,716,053
Board of Education	58,479	57,969	57,115	64,937
Administration	7,300,943	6,880,882	8,213,238	8,534,738
Business Operations	3,048,658	2,828,248	2,797,146	3,712,349
Operation and maintenance of plant	9,407,107	9,610,080	9,830,408	10,423,949
Student Transportation	3,720,671	3,439,100	3,410,132	3,786,693
Central Services	2,489,505	1,789,935	2,167,366	2,189,898
Food Service Operations	2,949,126	3,157,516	3,159,484	3,314,368
Community Services	66,290	729,158	1,457,073	1,141,769
Co-curricular Activities	2,509,797	2,486,200	2,577,898	2,661,822
Interest and Fiscal Charges	4,948,779	3,403,043	3,019,567	3,104,298
<i>Total Governmental Activities Expenses</i>	<u>112,580,908</u>	<u>112,632,038</u>	<u>115,314,048</u>	<u>124,508,246</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Instruction				
Regular	534,514	548,429	882,830	1,753,192
Special	910,926	1,130,244	440,398	78,362
Support Services				
Pupils	6,731	99,572	9,040	29,070
Instructional Staff	18,640	29,823	18,936	35,229
Board of Education	0	0	0	0
School Administration	661	2,739	5,015	12,810
Business Operations	0	0	0	0
Operation and maintenance of plant	72,146	5,259	10,021	2,856
Student Transportation	1,011	0	0	0
Central Services	0	0	0	26,944
Food Service Operations	2,464,283	2,470,919	2,419,317	2,515,846
Community services	18,779	34,769	440,398	483,618
Co-curricular student activities	944,750	819,534	817,141	1,062,930
Operating Grants and Contributions	3,250,449	3,635,044	4,608,844	4,489,339
<i>Total Governmental Activities Program Revenues</i>	<u>8,222,890</u>	<u>8,776,332</u>	<u>9,651,940</u>	<u>10,490,196</u>
Net (Expense)/Revenue Governmental Activities	<u>(104,358,018)</u>	<u>(103,855,706)</u>	<u>(105,662,108)</u>	<u>(114,018,050)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purpose	69,706,542	79,203,511	80,964,661	84,289,841
Debt Service	8,545,077	9,730,641	8,617,043	7,522,045
Grants and Entitlements not				
Restricted to Specific Programs	25,515,527	25,332,184	25,306,239	25,318,173
Investment Earnings	417,248	282,440	778,803	1,519,001
Gain (Loss) on Disposal of Capital Assets	(18,210)	860,343	0	0
Miscellaneous	995,079	824,035	1,338,730	434,971
<i>Total Governmental Activities</i>	<u>105,161,263</u>	<u>116,233,154</u>	<u>117,005,476</u>	<u>119,084,031</u>
Change in Net Assets Governmental Activities	<u><u>803,245</u></u>	<u><u>12,377,448</u></u>	<u><u>11,343,368</u></u>	<u><u>5,065,981</u></u>

Note: Food Services Business type activities were reclassified to governmental activities July 1, 2008.

2007	2008	2009	2010
\$57,103,086	\$59,562,061	\$61,356,074	\$61,107,812
\$10,675,916	\$11,073,947	\$12,783,580	\$13,780,924
631,260	420,970	923,941	1,371,730
4,197	2,898	2,508	1,863
5,730,079	5,560,392	6,094,672	6,109,044
6,457,734	7,902,971	9,794,594	10,618,889
65,482	61,322	40,799	63,151
7,988,740	8,932,842	9,308,941	8,830,428
2,918,413	2,822,867	2,552,624	2,678,412
11,269,054	13,520,635	12,866,886	14,045,142
3,576,030	4,108,950	4,102,356	4,363,343
2,134,403	2,794,929	968,993	1,542,723
3,163,385	3,367,182	3,375,873	3,326,175
1,349,892	1,619,136	1,777,357	1,446,962
2,243,313	2,492,442	2,302,894	2,634,317
2,987,142	2,713,715	2,629,246	2,556,578
118,298,126	126,957,259	130,881,338	134,477,493
1,611,781	1,410,475	1,260,967	1,629,706
221,690	241,829	203,255	73,009
76,431	78,671	83,933	89,250
54,555	41,929	131,211	93,998
0	0	0	0
15,436	15,698	14,039	9,863
0	0	0	0
172,945	121,374	37,137	0
14,482	14,631	10,753	75,696
26,649	126,830	48,596	0
2,408,498	2,382,215	2,394,873	2,270,288
595,073	581,472	639,886	626,510
709,500	702,055	681,279	719,966
4,701,492	5,127,705	4,959,306	9,085,628
10,608,532	10,844,884	10,465,235	14,673,914
(107,689,594)	(116,112,375)	(120,416,103)	(119,803,579)
88,230,220	71,709,034	74,893,291	77,937,496
7,737,796	6,272,360	6,853,630	6,313,705
28,010,794	31,643,053	35,560,655	38,083,058
3,505,246	3,135,482	1,427,545	429,863
2,906,772	0	0	0
384,528	433,025	412,989	802,439
130,775,356	113,192,954	119,148,110	123,566,561
23,085,762	(2,919,421)	(1,267,993)	3,762,982

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
General Fund				
Nonspendable	N/A	N/A	N/A	N/A
Committed	N/A	N/A	N/A	N/A
Assigned	N/A	N/A	N/A	N/A
Unassigned	N/A	N/A	N/A	N/A
Reserved	\$20,354,110	\$13,588,887	\$6,797,415	\$16,258,285
Unreserved	<u>(6,295,222)</u>	<u>(7,379,942)</u>	<u>(1,256,932)</u>	<u>(3,046,951)</u>
<i>Total General Fund</i>	14,058,888	6,208,945	5,540,483	13,211,334
All Other Governmental Funds				
Nonspendable	N/A	N/A	N/A	N/A
Restricted for:	N/A	N/A	N/A	N/A
Debt Service	N/A	N/A	N/A	N/A
Capital Outlay	N/A	N/A	N/A	N/A
Other Purposes	N/A	N/A	N/A	N/A
Committed	N/A	N/A	N/A	N/A
Unassigned	N/A	N/A	N/A	N/A
Reserved	8,055,369	1,461,262	718,287	2,316,948
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,360,832	1,056,444	2,020,889	2,351,628
Debt Service Funds	(907,849)	4,016,811	2,664,172	2,406,138
Capital Projects Funds	<u>2,111,103</u>	<u>2,773,841</u>	<u>2,944,044</u>	<u>2,453,096</u>
<i>Total All Other Governmental Funds</i>	<u>10,619,455</u>	<u>9,308,358</u>	<u>8,347,392</u>	<u>9,527,810</u>
<i>Total Governmental Funds</i>	<u>\$24,678,343</u>	<u>\$15,517,303</u>	<u>\$13,887,875</u>	<u>\$22,739,144</u>

Note: Governmental Accounting Standards Board Statement No 54, Fund Balance Reporting, was implemented July 1, 2009. Table reflects that only for Fiscal Year 2010. Prior 9 fiscal years were not reclassified

2005	2006	2007	2008	2009	2010
N/A	N/A	N/A	N/A	N/A	\$ 141,145
N/A	N/A	N/A	N/A	N/A	3,118,000
N/A	N/A	N/A	N/A	N/A	1,166,656
N/A	N/A	N/A	N/A	N/A	48,348,128
\$22,056,097	\$24,672,399	\$32,507,251	\$26,112,712	\$28,482,417	N/A
(4,091,786)	462,617	13,908,425	19,473,743	17,964,189	N/A
17,964,311	25,135,016	46,415,676	45,586,455	46,446,606	52,773,929
N/A	N/A	N/A	N/A	N/A	92,591
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	4,662,945
N/A	N/A	N/A	N/A	N/A	7,233,633
N/A	N/A	N/A	N/A	N/A	682,235
N/A	N/A	N/A	N/A	N/A	3,542,754
N/A	N/A	N/A	N/A	N/A	(328,262)
2,581,443	4,659,920	6,382,482	6,858,875	7,656,365	N/A
2,490,155	2,522,173	2,913,980	3,159,797	2,807,222	N/A
2,525,558	2,229,391	859,705	767,937	2,181,201	N/A
2,326,379	468,552	14,296,085	7,195,983	12,427,171	N/A
9,923,535	9,880,036	24,452,252	17,982,592	25,071,959	15,885,896
<u>\$27,887,846</u>	<u>\$35,015,052</u>	<u>\$70,867,928</u>	<u>\$63,569,047</u>	<u>\$71,518,565</u>	<u>\$68,659,825</u>

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

	2001	2002	2003	2004	2005
Revenues					
Taxes	\$71,965,768	\$65,901,275	\$77,987,633	\$88,092,800	\$88,710,525
Intergovernmental	24,216,287	27,916,170	28,258,669	28,721,618	29,168,852
Investment Income	2,143,211	664,559	407,404	272,874	771,016
Tuition and Fees	799,213	558,197	1,328,902	1,781,998	967,724
Co-Curricular Activities	646,410	748,000	637,009	700,212	732,247
Customer Sales and Services	N/A	N/A	N/A	N/A	N/A
Other Revenues	1,166,550	738,804	1,537,326	1,012,194	1,215,571
Total Revenues	100,937,439	96,527,005	110,156,943	120,581,696	121,565,935
Expenditures					
Current:					
Instruction					
Regular	46,560,834	48,146,419	50,104,265	51,413,278	52,377,093
Special	7,528,202	7,689,408	8,756,288	9,154,521	10,247,277
Vocational	612,100	603,996	748,943	816,251	680,743
Continuing	170,641	80,618	75,825	13,545	6,238
Support Services					
Pupils	5,541,336	5,629,054	5,925,965	6,082,351	5,719,017
Instructional Staff	6,218,486	6,208,049	6,700,625	6,679,333	7,042,871
Board of Education	57,580	45,383	58,447	55,840	57,402
School Administration	6,711,764	7,179,876	7,210,797	6,932,008	7,893,372
Business Operations	2,897,959	3,101,654	3,083,989	2,866,972	2,760,312
Operation and Maintenance of Plant	8,746,596	8,778,621	9,351,420	9,515,496	9,792,370
Student Transportation	3,151,978	3,013,271	3,682,368	4,481,248	3,258,371
Central Services	1,808,353	2,186,939	2,459,893	1,910,485	2,192,266
Food Service Operations	N/A	N/A	N/A	N/A	N/A
Community Services	19,321	12,250	55,950	730,557	1,031,187
Co-Curricular Activities	2,398,536	2,294,699	2,546,701	2,498,870	2,606,752
Capital Outlay	6,966,795	1,782,704	487,521	307,563	208,913
Debt Service					
Principal Retirement	6,603,546	6,703,348	8,364,690	7,603,710	7,443,254
Interest and Fiscal Charges	3,972,257	5,651,651	3,058,419	2,422,611	2,238,067
Total Expenditures	109,966,284	109,107,940	112,672,106	113,484,639	115,555,505
Excess of Revenues Over (Under) Expenditures	(9,028,845)	(12,580,935)	(2,515,163)	7,097,057	6,010,430
Other Financing Sources (Uses)					
Sale of Capital Assets	0	1,629,198	4,463	1,030,915	647,557
Proceeds from Issuance of Debt	600,000	1,790,697	0	650,000	0
Payment to Refund Debt	0	0	0	0	0
Transfers In	1,347,248	2,029,285	684,650	748,773	658,925
Transfers Out	(1,347,248)	(2,029,285)	(684,650)	(675,476)	(658,925)
Total Other Financing Sources (Uses)	600,000	3,419,895	4,463	1,754,212	647,557
Net Change in Fund Balances	(\$8,428,845)	(\$9,161,040)	(\$2,510,700)	\$8,851,269	\$6,657,987

Debt Service as a Percentage of
Noncapital Expenditures 10.27% 11.51% 10.23% 8.97% 8.45%

N/A- Food Service Business-type fund was reclassified to a non-major governmental special revenue fund July 1, 2007

Tables reflect that data for 2007 and 2008 only

2006	2007	2008	2009	2010
\$91,403,124	\$97,284,763	\$78,487,732	\$81,615,258	\$83,553,441
29,355,952	32,940,439	36,635,890	40,631,055	45,826,401
1,498,661	3,505,246	3,135,482	1,427,545	429,863
2,114,383	2,038,376	1,824,288	1,768,799	2,179,882
739,098	740,321	735,661	718,574	764,662
N/A	2,408,498	2,386,864	2,332,991	2,274,518
1,066,501	1,104,373	1,203,391	1,098,554	1,171,663
<u>126,177,719</u>	<u>140,022,016</u>	<u>124,409,308</u>	<u>129,592,776</u>	<u>136,200,430</u>
53,803,453	54,229,169	58,237,720	58,740,574	57,948,216
10,483,359	10,943,872	11,113,300	12,741,514	13,856,077
691,410	696,581	442,449	923,791	1,293,121
3,525	4,197	2,898	2,508	1,863
5,894,507	5,829,160	5,664,885	6,021,619	6,100,288
8,298,448	6,683,103	7,598,462	9,639,782	10,554,071
65,063	65,482	61,378	40,799	63,247
8,213,192	7,997,987	8,925,748	9,167,779	8,936,424
3,663,269	3,010,828	2,834,108	2,535,593	2,669,962
11,624,567	11,057,309	11,294,068	12,577,804	13,133,901
3,404,944	3,807,945	4,354,386	3,677,822	3,908,111
2,229,305	2,252,877	2,993,355	897,063	1,367,924
N/A	3,163,008	3,303,714	3,392,121	3,324,916
1,135,724	1,357,308	1,616,068	1,777,781	1,446,845
2,567,373	2,134,685	2,232,084	2,171,188	2,470,673
208,298	1,194,727	2,756,323	4,495,674	3,351,787
2,910,890	6,383,000	5,659,000	5,790,000	5,850,000
6,194,186	3,093,808	2,813,748	2,779,301	2,495,815
<u>121,391,513</u>	<u>123,905,046</u>	<u>131,903,694</u>	<u>137,372,713</u>	<u>138,773,241</u>
4,786,206	16,116,970	(7,494,386)	(7,779,937)	(2,572,811)
0	2,783,390	71,429	84,169	71,429
2,341,000	15,729,383	4,579,573	21,248,386	0
0	0	(4,455,497)	(5,603,100)	0
998,587	328,911	749,500	942,302	966,144
(998,587)	(328,911)	(749,500)	(942,302)	(1,323,502)
<u>2,341,000</u>	<u>18,512,773</u>	<u>195,505</u>	<u>15,729,455</u>	<u>(285,929)</u>
<u>\$7,127,206</u>	<u>\$34,629,743</u>	<u>(\$7,298,881)</u>	<u>\$7,949,518</u>	<u>(\$2,858,740)</u>
7.61%	7.97%	6.57%	6.45%	6.16%

Worthington City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property (a)		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Public Utility (c)	
			Assessed Value	Estimated Actual Value
2001	1,348,010,980	3,851,459,943	60,284,870	172,242,486
2002	1,361,777,250	3,890,792,143	50,099,860	143,142,457
2003	1,517,928,590	4,336,938,829	51,560,220	147,314,914
2004	1,526,293,780	4,360,839,371	55,641,930	158,976,943
2005	1,531,629,970	4,376,085,629	54,413,770	155,467,914
2006	1,752,251,490	5,006,432,829	53,865,420	153,901,200
2007	1,779,121,070	5,083,203,057	50,757,700	145,022,000
2008	1,783,364,050	5,095,325,857	29,157,310	83,306,600
2009	1,800,730,910	5,144,945,457	29,914,350	85,469,571
2010	1,805,469,380	5,158,483,943	30,224,580	86,355,943

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. HB66 phased out TPP over the next 3 years. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero percent for 2009. Additionally, telephone property was reclassified to General Business and assessed at 10% for 2009, will be 5% for 2010, and eliminated in 2011.

(c) Assumes public utilites are assessed at true value which is 35%.

(d) Tax rates are per \$1000 of assessed value. The rate represents the weighted average of all the effective (assessed rates) applied by property type.

Source: Office of the County Auditor, Franklin County, Ohio

Tangible Personal Property		Total		Weighted Average Total Direct Tax Rate (d)
General Business (b)				
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
182,366,084	\$729,464,336	1,590,661,934	4,753,166,765	43.20
199,935,920	\$799,743,680	1,611,813,030	4,833,678,280	48.84
222,111,873	\$888,447,492	1,791,600,683	5,372,701,235	44.42
196,298,030	\$785,192,120	1,778,233,740	5,305,008,434	44.25
180,456,129	\$721,824,516	1,766,499,869	5,253,378,059	51.35
132,307,380	\$705,639,360	1,938,424,290	5,865,973,389	44.88
86,444,451	\$691,555,608	1,916,323,221	5,919,780,665	44.96
49,073,694	\$785,179,104	1,861,595,054	5,963,811,561	45.05
8,593,327	\$85,933,270	1,839,238,587	5,316,348,299	44.86
4,296,663	\$85,933,260	1,839,990,623	5,330,773,146	48.80

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

Collection Year	Worthington City School District			Franklin County	City of Worthington
	General Fund	Bond Fund	Total Direct		
2001	66.20	6.40	72.6	17.64	3.00
2002	72.49	5.89	78.38	17.64	3.00
2003	72.49	5.39	77.88	17.64	3.00
2004	72.49	5.22	77.71	17.64	3.00
2005	79.34	5.22	84.56	18.44	3.00
2006	79.34	3.89	83.23	18.44	3.00
2007	79.34	3.89	83.23	18.44	5.00
2008	79.34	3.89	83.23	18.49	5.00
2009	79.34	3.80	83.14	18.02	5.00
2010	83.24	3.80	87.04	18.07	5.00
(Res/Agric)	(41.55)	(3.80)	(45.35)	(16.76)	(5.00)
(Comm/Ind)	(55.73)	(3.80)	(59.53)	(17.34)	(5.00)

Source: County Auditor, Franklin County Ohio

Note: The Worthington City School District consists of the following five taxing districts:
 City of Worthington, City of Columbus, Village of Riverlea, Perry Township,
 and Sharon Township

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

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

<u>City of Columbus</u>	<u>Village of Riverlea</u>	<u>Sharon Township</u>	<u>Perry Township</u>	<u>Library</u>
3.14	6.00	19.10	23.80	2.20
3.14	6.00	19.00	23.80	2.20
3.14	6.00	23.50	23.80	2.20
3.14	6.00	23.50	20.40	2.20
3.14	6.00	23.50	18.40	2.20
3.14	6.50	23.50	18.40	4.80
3.14	6.50	23.50	21.20	4.80
3.14	6.50	23.50	21.20	4.80
3.14	6.50	23.50	18.10	4.80
3.14	6.50	23.50	18.10	4.80
(3.14)	(5.60)	(14.76)	(15.71)	(3.39)
(3.14)	(5.36)	(15.83)	(15.60)	(4.48)

Worthington City School District
Principal Taxpayers
 2010 and 2001 Collection Years

Name of Taxpayer	2010 Collection Year		Name of Taxpayer	2001 Collection Year	
	Assessed Value	Percent of Total Assessed Value		Assessed Value	Percent of Total Assessed Value
Public Utilities			Public Utilities		
1 Columbus Southern Power Co	\$25,718,770	1.40%	1 Columbus Souther Power Company	\$24,944,350	1.57%
			2 Ohio Bell Telephone Company	11,719,520	0.74%
			3 New Par	7,978,460	0.50%
			4 Columbia Gas of Ohio Inc	6,622,290	0.42%
Real Estate			Real Estate		
1 Anheuser-Busch Inc.	19,176,160	1.04%	1 Anheuser-Busch, Inc	17,055,150	1.07%
2 EOP - Community Corporate	8,610,000	0.47%	2 ASP Boma LLC	15,996,770	1.01%
3 Eastrich No 167 Corp.	8,434,400	0.46%	3 Eastrich No 167 Corp	8,785,040	0.55%
4 Fieldstone Trace Partnership	7,805,010	0.42%	4 Columbus Retail Inc	8,461,250	0.53%
5 Worthington Meadows	7,665,040	0.42%	5 OTR	8,428,010	0.53%
6 Worthington Industries	6,664,540	0.36%	6 EOP Community Corporate	8,400,000	0.53%
7 General Electric Credit	6,302,490	0.34%	7 Worthington Industries	7,973,450	0.50%
8 Corporate Hill LLC	6,006,040	0.33%	8 Busch Properties	7,343,720	0.46%
9 Braveheart Columbus LLC	5,670,010	0.31%	9 Worthington Meadows	7,035,040	0.44%
10 Schottenstein Stores Corp.	5,486,280	0.30%	10 Fieldstone Trace	6,720,000	0.42%
All Others	1,732,451,883	94.16%			
Total Assessed Valuation	<u>1,839,990,623</u>	<u>100.00%</u>			
Tangible Personal Property			Tangible Personal Property		
1 Sprintcom Inc	3,438,150		1 Anheuser-Busch, Inc	53,876,485	3.39%
2 Ohio Bell Telephone Co	1,950,940		2 General Electric Company	14,547,470	0.91%
3 T Mobile Central LLC	621,820		3 Worthington Steel Co	13,557,520	0.85%
4 New Par	493,900		4 Worthington Foods, Inc	7,377,360	0.46%
5 Time Warner Telecom of Ohio	353,710		5 Liebert North America	7,224,110	0.45%
6 Ameritech Advanced Data Svcs	338,060		6 Mettler Toledo Inc	5,089,240	0.32%
7 First Communications Inc	124,930		7 Jack Maxton Chevrolet	3,947,170	0.25%
8 Cincinnati SMSA Ltd	87,500		8 Abbott Laboratories	2,636,480	0.17%
9 Verizon Global Networks	87,400		9 Worthington Cylinder Corp	2,396,100	0.15%
10 Sprint Communications Co. LLC	33,840		10 Genuine Parts CO NAPA	1,856,530	0.12%
			All Others	\$1,330,690,419	83.66%
			Total Assessed Valuation	<u>\$1,590,661,934</u>	<u>100.00%</u>

Source: Office of the Auditor, Franklin County, Ohio

Note: Assessed Values are for the valuation year of 2009 and 2000 respectively. The personal property values are tax year 2009 as reported by the taxpayers. These are for reference purposes only due to the phase out of the personal property tax.

Worthington City School District
Property Tax Levies and Collections (1)
Last Ten Years

<u>Collection Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections (2)</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2001	77,711,146	76,318,858	98.21	1,856,130	78,174,988	100.60
2002	88,036,586	85,884,488	97.56	3,526,269	89,410,757	101.56
2003	87,483,625	85,329,743	97.54	2,311,928	87,641,671	100.18
2004	86,312,043	84,257,612	97.62	2,387,052	86,644,664	100.39
2005	98,614,998	95,818,681	97.16	2,014,981	97,833,662	99.21
2006	94,496,130	91,666,735	97.01	3,257,108	94,923,843	100.45
2007	92,691,517	89,095,614	96.12	2,520,454	91,616,068	98.84
2008	89,314,387	84,577,616	94.70	1,920,946	86,498,562	96.85
2009	83,937,999	80,542,344	95.95	1,991,007	82,533,351	98.33
2010	N/A	N/A	N/A	N/A	N/A	N/A

Source: Office of the Auditor, Franklin County, Ohio

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

(2) The District does not identify delinquent tax collections by tax year and only pertains to real estate tax, personal property information is unavailable

N/A - Not available at time of publication

Worthington City School District
Ratio of Outstanding Debt By Type

Last Ten Years

Year	Governmental Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	General Obligation Notes	Certificates of Participation			
2001	57,542,478	3,203,018	6,430,000	\$67,175,496	3.42%	\$1,179.03
2002	51,652,478	2,389,670	6,385,000	\$60,427,148	3.07%	\$1,060.59
2003	51,834,787	2,210,000	6,320,000	\$60,364,787	2.98%	\$1,028.59
2004	45,471,420	2,700,000	6,235,000	\$54,406,420	2.67%	\$921.16
2005	39,370,253	2,530,000	6,130,000	\$48,030,253	2.31%	\$797.21
2006	37,246,442	4,371,000	6,000,000	\$47,617,442	2.30%	\$793.85
2007	47,139,645	3,748,000	5,845,000	\$56,732,645	2.85%	\$985.80
2008	41,993,753	3,439,000	5,794,615	\$51,227,368	2.42%	\$837.69
2009	52,424,611	3,114,000	5,593,667	\$61,132,278	2.72%	\$994.15
2010	47,226,993	2,774,000	5,357,719	\$55,358,712	2.39%	\$872.79

Source: Office of the Auditor, Franklin County, Ohio

(a) See Schedule Demographic and Economic Statistics for Personal income and population data

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

Year	(a) Estimated Actual Value	(b) General Obligation Debt	(d) Resources Available to Pay Principal	Net General Bonded Debt	(e) Ratio of Net Bonded Debt to Estimated Actual Value	(e) Net Bonded Debt per Capita
2001	4,753,166,765	67,175,496	3,826,883	63,348,613	1.31%	\$1,111.87
2002	4,833,678,280	60,427,148	4,058,412	56,368,736	1.05%	\$989.36
2003	5,372,701,235	60,364,787	2,634,230	57,730,557	1.09%	\$983.70
2004	5,305,008,434	54,406,420	4,227,822	50,178,598	0.96%	\$849.58
2005	5,253,378,059	51,618,040	4,629,364	46,988,676	0.80%	\$720.37
2006	5,865,973,389	47,617,442	4,086,393	43,531,049	0.74%	\$725.72
2007	5,919,780,665	56,732,645	1,180,105	55,552,540	0.94%	\$965.29
2008	5,963,811,561	51,227,368	1,227,370	49,999,998	0.84%	\$817.62
2009	5,316,348,299	61,132,278	2,858,321	58,273,957	1.10%	\$947.67
2010	5,330,773,146	\$55,358,712	2,565,945	52,792,767	0.99%	\$858.53

Sources:

- (a) County Auditor, Franklin County, Ohio,
- (b) See Schedule Ratios of Outstanding Debt By Type
- (d) Cash balance in the Debt Service Fund for the respective fiscal year
- (e) See Schedule of Demographic and Economic Statistics for population figures

Worthington City School District
*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2010*

	Total Assessed Value of That Subdivision	Assessed Value In Worthington	Net Debt Outstanding (2)	Percentage Applicable to District (1)	Amount Applicable to Worthington CSD
Direct:					
Worthington City School District	\$ 1,839,990,623	1,839,990,623	52,792,767	100.00%	\$ 52,792,767
Overlapping:					
Franklin County	28,096,506,000	1,839,990,623	259,088,000	6.55%	\$ 16,967,216
City of Worthington	570,372,310	570,372,310	7,050,000	100.00%	\$ 7,050,000
City of Columbus	15,627,100,000	1,092,053,633	362,193,000	6.99%	\$ 25,310,786
Total Overlapping			<u>\$628,331,000</u>		<u>\$49,328,002</u>
Total Direct and Overlapping Debt			<u>\$681,123,767</u>		<u>\$102,120,769</u>

Source: Office of the Auditor, Franklin County, Ohio, and Financial Statements for the respective subdivision

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year and the Debt outstanding was at December 31, 2009
- (2) The Net Debt Outstanding is obtained from the respective governmental subdivisions latest financial statements Net Bonded Debt outstanding and reflects only the governmental activities debt outstanding. Overlapping governments with no outstanding debt are not reflected above.

WORTHINGTON CITY SCHOOL DISTRICT

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Worthington City School District
Computation of Legal Debt Margin
Last Ten Years

	2001	2002	2003	2004
Assessed Valuation	<u>\$1,590,661,934</u>	<u>\$1,611,813,030</u>	<u>\$1,791,600,683</u>	<u>\$1,778,233,740</u>
Debt Limit - 9% of Assessed Value (1)	<u>\$143,159,574</u>	<u>\$145,063,173</u>	<u>\$161,244,061</u>	<u>\$160,041,037</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Debt	67,175,496	60,427,148	60,364,787	54,406,420
Less Exempted Debt (2)	(9,633,018)	(8,774,670)	(8,530,000)	(8,935,000)
Less Amount Available in Debt Service	<u>(3,826,883)</u>	<u>(4,058,412)</u>	<u>(2,634,230)</u>	<u>(4,227,822)</u>
Amount of Debt Subject to Limit	<u>53,715,595</u>	<u>47,594,066</u>	<u>49,200,557</u>	<u>41,243,598</u>
Legal Debt Margin	<u>\$89,443,979</u>	<u>\$97,469,107</u>	<u>\$112,043,504</u>	<u>\$118,797,439</u>
Legal Debt Margin as a Percentage of the Debt Limit	62.48%	67.19%	69.49%	74.23%
Unvoted Debt Limit - .10% of Assessed Value	\$1,590,662	\$1,611,813	\$1,791,601	\$1,778,234
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$1,590,662</u>	<u>\$1,611,813</u>	<u>\$1,791,601</u>	<u>\$1,778,234</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Office of the Auditor, Franklin County, Ohio and School District Records

- (1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.
- (2) Certificates of Participation, Energy Conservation Notes, deep discount accretion and unamortized premium /gain are excluded from Debt Margin Calculation in accordance with Ohio Revised Code 133.04

2005	2006	2007	2008	2009	2010
<u>\$1,766,499,869</u>	<u>\$1,938,424,290</u>	<u>\$1,916,323,221</u>	<u>\$1,861,595,054</u>	<u>\$1,839,238,587</u>	<u>\$1,839,990,623</u>
<u>\$158,984,988</u>	<u>\$174,458,186</u>	<u>\$172,469,090</u>	<u>\$167,543,555</u>	<u>\$165,531,473</u>	<u>\$165,599,156</u>
51,618,040	47,617,442	56,732,645	51,227,368	61,132,278	55,358,712
(8,660,000)	(10,371,000)	(8,049,650)	(9,937,368)	(11,193,300)	(10,679,734)
(4,629,364)	(4,086,393)	(1,180,105)	(1,227,370)	(2,858,321)	(2,565,945)
<u>38,328,676</u>	<u>33,160,049</u>	<u>47,502,890</u>	<u>40,062,630</u>	<u>47,080,657</u>	<u>42,113,033</u>
<u>\$120,656,312</u>	<u>\$141,298,137</u>	<u>\$124,966,200</u>	<u>\$127,480,925</u>	<u>\$118,450,816</u>	<u>\$123,486,123</u>
75.89%	80.99%	72.46%	76.09%	71.56%	74.57%
\$1,766,500	\$1,938,424	\$1,916,323	\$1,861,595	\$1,839,239	\$1,839,991
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$1,766,500</u>	<u>\$1,938,424</u>	<u>\$1,916,323</u>	<u>\$1,861,595</u>	<u>\$1,839,239</u>	<u>\$1,839,991</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Worthington City School District
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (1)	Unemployment Rate (3)
2001	56,975	1,965,352,625	\$34,495	3.6%
2002	56,975	1,965,352,625	34,495	5.4%
2003	58,687	2,024,408,065	34,495	6.1%
2004	59,063	2,037,378,185	34,495	5.9%
2005	60,248	2,078,254,760	34,495	5.6%
2006	59,983	2,069,113,585	34,495	4.8%
2007	60,347	1,985,187,250	34,495	5.3%
2008	61,153	2,120,786,040	34,680	5.7%
2009	61,492	2,246,610,220	36,535	9.0%
2010	61,492	2,246,610,220	36,535	9.2%

Sources: (1) Mid Ohio Regional Planning Commission; American Community Survey 2005-2007

(2) Calculated based on Per capita income and population

(3) Ohio Bureau of Employment Services, not available for Worthington CSD. Figures presented are for Franklin County

Note: 2010 figures for population, personal income, and per capita income represent 2009 amounts as 2010 figures were not yet available at the time of this publication

Worthington City School District
Principal Employers

Employer	Nature of Business	June 2010	
		Number of Employees	Rank
Worthington Industries	Steel Industry	1,352	1
Worthington School District	Education	1,171	2
Liebert Corporation	Energy/Power	1,000	3
Anthem Blue Cross	Insurance	993	4
Anheuser Busch	Production Plant	776	5
Huntington Bank	Mortgage/Banking	535	6
Diamond Innovations	Diamond Products	394	7
The Laurels Healthcare	Healthcare	270	8
American Automobile Association	Automotive	261	9
Medvet Medical Center	Animal Care	244	10
Total		<u>5,644</u>	

Source: Chamber of Commerce and Individual employer records.

Note: Above figures are estimates based on Chamber of Commerce information and employer data provided to the district. Actual information as well as information for 9 years prior was not available. Additionally, total employment of the District or City was not available.

Worthington City School District
Total District Employees by Function/Activity All Funds

	Actual					
	2005	2006	2007	2008	2009	2010
Official/ Administrative						
Associate Superintendent	1.00	1.00	1.00	1.00	1.00	0.00
Assistant Principal	6.00	6.00	6.00	5.00	5.00	5.00
Principal	18.00	17.00	17.00	17.00	18.00	18.00
Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Supervising/Managing/Directing	4.00	4.00	4.00	5.00	3.00	3.00
Treasurer	1.00	1.00	1.00	1.00	1.00	1.00
Coordinator	9.50	9.50	6.50	6.50	6.50	7.50
Education Administrative Specialist	3.00	3.00	2.00	2.00	2.00	2.00
Director	1.00	1.00	1.00	1.00	1.00	2.00
Other Official/Administrative	2.00	3.00	3.00	2.50	2.50	2.00
Total Official/Administrative	46.50	46.50	42.50	42.00	41.00	41.50
Professional - Educational						
Curriculum Specialist	0.00	0.00	2.00	2.00	2.00	2.00
Counseling	20.90	20.40	20.40	19.90	20.40	19.40
Librarian/Media	18.00	17.00	16.98	17.00	15.10	16.10
Remedial Specialist	0.00	0.00	14.77	13.67	14.67	15.50
Regular Teaching	484.17	479.97	461.35	471.60	484.65	467.85
Special Education Teaching	91.10	89.46	89.55	94.23	97.95	110.25
Vocation Education Teaching	14.40	14.30	13.50	8.70	3.00	3.00
Education Service Personnel Teacher	58.90	57.17	56.53	56.12	56.05	56.85
Suppl Service Teacher - Special Ed	2.00	2.00	2.00	2.00	2.00	3.50
Teacher Mentor/Evaluator	1.00	1.00	1.00	1.00	1.00	1.00
Other Professional	15.00	15.00	15.50	16.20	17.70	19.80
Total Professional - Educational	705.47	696.30	693.58	702.42	714.52	715.25
Professional - Other						
Accounting/Analyst	3.00	3.00	4.00	4.00	1.00	1.00
Psychologist	10.50	10.00	10.00	11.00	10.00	11.00
Registered Nurse	7.00	7.10	7.10	7.50	7.50	7.50
Physical Therapist	0.60	0.60	1.00	1.00	1.00	1.20
Speech and Language Therapist	11.40	11.70	11.70	11.70	11.70	11.70
Occupational Therapist	5.40	5.60	5.60	5.60	6.60	6.60
Adapted Physical Education Therapist	1.00	1.00	0.40	0.40	0.40	0.40
Planning/Research/Development	0.00	0.00	0.00	0.00	3.00	3.00
Total Professional - Other	38.90	39.00	39.80	41.20	41.20	42.40
Technical						
Computer Operating	4.00	5.00	6.00	6.00	6.00	6.00
Purchasing Agent	1.00	1.00	0.00	0.00	0.00	0.00
Library Technician	3.00	3.00	3.00	2.00	0.00	0.00
Other Technical	13.00	13.00	11.00	11.00	11.00	11.00
Total Technical	21.00	22.00	20.00	19.00	17.00	17.00
Office/Clerical						
Bookkeeping	7.00	7.00	7.00	6.00	5.00	5.00
Clerical	70.35	67.66	63.66	61.91	62.54	61.04
Teaching Aide	101.58	100.94	91.16	87.33	91.70	91.01
Parent Mentor	0.81	0.81	0.56	0.50	0.50	0.50
Other Office/Clerical	2.00	2.00	2.00	2.00	4.00	4.00
Total Office/Clerical	181.74	178.41	164.38	157.74	163.74	161.55
Crafts and Trades						
General Maintenance	14.00	14.00	14.00	14.00	14.00	14.00
Mechanic	4.00	4.00	4.00	4.00	4.00	3.00
Foreman	2.00	2.00	4.00	4.00	4.00	4.00
Other Crafts and Trades	5.00	5.00	5.00	5.00	5.00	5.00
Total Crafts and Trades	25.00	25.00	27.00	27.00	27.00	26.00
Operative						
Vehicle Operator Non Bus	2.00	2.00	2.00	2.00	2.00	2.00
Vehicle Operator Bus	49.16	47.41	46.74	46.57	46.49	49.36
Total Operative	51.16	49.41	48.74	48.57	48.49	51.36
Service Work/Laborer						
Custodian	59.90	59.53	57.53	57.90	56.90	56.90
Food Service	47.34	47.28	46.21	44.34	43.47	43.92
Security	1.01	1.01	1.01	1.01	1.01	0.94
Monitoring	2.00	2.00	2.00	2.00	2.00	2.00
Groundskeeping	7.00	7.00	7.00	7.00	7.00	7.00
Attendant	2.43	0.69	0.69	2.07	3.23	2.94
Other Service Work/Laborer	2.00	2.00	2.00	2.00	2.00	2.00
Total Service Work/Laborer	121.68	119.51	116.44	116.32	115.61	115.70
Total	1,191.45	1,176.13	1,152.44	1,154.25	1,168.56	1,170.76
Function						
Governmental Activities						
Instruction						
Regular	558.07	551.64	550.15	559.59	544.12	533.32
Special	95.10	93.46	91.55	96.23	129.60	134.85
Vocational	15.40	15.30	13.50	8.70	2.50	6.90
Support Services						
Pupils						
Instructional Staff	132.58	130.94	119.14	115.33	133.59	131.00
Administration	106.16	103.47	98.22	95.91	84.00	80.25
Fiscal Services	13.00	13.00	12.00	11.00	12.00	10.00
Business Services	2.00	2.00	0.00	0.00	0.00	0.00
Operation and Maintenance of Plant	94.44	93.23	93.23	94.98	85.15	91.90
Pupil Transportation	55.16	53.41	52.74	52.57	53.97	53.38
Central	11.40	11.50	15.50	14.50	10.79	13.79
Food Service Operations	47.34	47.28	46.21	44.34	46.04	46.42
Extracurricular Activities	3.00	3.00	3.00	3.00	3.00	7.00
Total Governmental Activities	1,191.45	1,176.13	1,152.44	1,154.25	1,168.56	1,170.76

Method: 1.00 for each full-time, 0.50 for each part-time and 0.25 for each seasonal employee

Source: School District Records, EMIS Staff Summary Report, Ohio Department of Education

Note: Staff FTE data was not available by function prior to the year 2005 when USAS was implemented.

Worthington City School District
Operating Indicators by Function/Activity
Last Seven Fiscal Years

<u>Function</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Activities							
Instruction							
Regular and Special							
K-12 Pupil To Regular Teacher Ratio	N/A	N/A	17.2	17.6	16.6	16.7	17.1
Per Pupil Cost based on Expenses as reported in the Statement of Activities	14,197	13,680	13,244	12,459	13,062	11,614	11,671
Support Services							
Pupil							
Enrollment (Students)	9,477	9,567	9,586	9,492	9,553	9,619	9,651
Graduation Rate	95.5%	95.5%	96.8%	96.3%	97.9%	96.6%	97.6%
% of Students with Disabilities	11.0%	11.9%	10.3%	9.7%	9.9%	10.1%	9.3%
% of Limited English Proficient Students	5.2%	5.1%	4.1%	3.8%	3.7%	3.1%	3.2%
Instructional Staff							
IT Work Orders Completed	10,574	7,730	5,877	8,178	5,938	n/a	n/a
Administration							
Student Attendance Rate	95.5%	95.7%	95.7%	95.8%	95.7%	95.8%	95.7%
Fiscal and Business							
Purchase Orders Processed	7,367	7,942	8,689	11,253	15,610	n/a	n/a
Nonpayroll Checks Issued	11,215	12,052	14,946	12,893	13,301	n/a	n/a
Maintenance							
Maintenance Work Orders Completed	2,988	3,717	4,427	5,216	5,589	n/a	n/a
District Square Footage Maintained By Custodians and Maintenance Staff	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562
District Acreage Maintained By Grounds Staff	379	379	379	379	379	379	379
Transportation							
Average Students Transported Daily	4,620	4,517	4,800	4,800	5,233	n/a	n/a
Average Daily Bus Fleet Mileage	4,846	4,866	4,756	4,756	4,756	4,756	4,756
Number of Busses in Fleet	81	80	85	92	86	85	85
Co-Curricular Activities							
High School Varsity Teams	58	58	58	58	58	58	58
Food Service							
Meals Served to Students	584,693	542,830	541,049	490,081	468,987	491,305	482,524
% of Total Meals That Were Free Meals	32.9%	29.3%	27.4%	26.3%	21.9%	17.7%	13.8%
% of Total Meals That Were Reduced Meals	8.0%	8.8%	8.4%	9.1%	6.9%	6.5%	6.5%

Sources: Ohio Department of Education Local Report Card and School District Records

Note: Operating Indicators before 2004 not presented because the District had not implemented GASB 34.

Worthington City School District
Educational Operating Indicators
Last Ten School Years

	Worthington									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
3rd Grade Achievement Tests										
(Tests Initiated March, 2005)										
Reading	90.3%	87.7%	89.9%	90.5%	86.0%	88.9%	n/a	n/a	n/a	n/a
Mathematics	84.6%	87.8%	90.4%	91.9%	85.0%	87.9%	n/a	n/a	n/a	n/a
4th Grade Proficiency/Achievement Tests										
(Tests Initiated March 1995)										
Reading	90.7%	92.7%	91.0%	90.9%	89.3%	90.7%	86.6%	83.0%	76.4%	76.3%
Mathematics	85.8%	89.5%	88.5%	87.4%	89.3%	82.3%	83.6%	78.2%	79.6%	73.9%
5th Grade Achievement Tests										
(Test Initiated March 2005)										
Reading	87.7%	86.1%	85.0%	90.9%	89.8%	90.4%	n/a	n/a	n/a	n/a
Mathematics	82.7%	77.6%	72.7%	77.0%	83.3%	n/a	n/a	n/a	n/a	n/a
Science	84.6%	84.5%	79.2%	84.6%	n/a	n/a	n/a	n/a	n/a	n/a
6th Grade Proficiency/Achievement Tests										
(Tests Initiated March 1996)										
Reading	93.8%	91.3%	90.1%	93.1%	95.4%	84.2%	84.3%	83.5%	77.0%	75.9%
Mathematics	87.4%	84.9%	87.2%	91.6%	84.6%	83.0%	86.0%	79.3%	82.3%	80.7%
7th Grade Achievement Tests										
(Tests Initiated March 2005)										
Reading	91.9%	87.9%	90.1%	89.3%	88.9%	n/a	n/a	n/a	n/a	n/a
Mathematics	82.2%	87.9%	84.4%	84.4%	82.4%	84.1%	n/a	n/a	n/a	n/a
8th Grade Achievement Tests										
(Tests Initiated March 2005)										
Reading	90.3%	87.0%	87.7%	90.5%	92.1%	90.0%	n/a	n/a	n/a	n/a
Mathematics	79.7%	86.8%	84.7%	86.2%	87.1%	83.7%	n/a	n/a	n/a	n/a
Science	76.1%	79.6%	77.9%	81.2%	n/a	n/a	n/a	n/a	n/a	n/a
10th Grade Ohio Graduation Test (OGT)										
(Tests Initiated March 2005)										
Reading	91.4%	94.0%	94.1%	95.5%	96.5%	96.5%	n/a	n/a	n/a	n/a
Mathematics	91.4%	92.9%	93.7%	93.1%	95.0%	93.4%	n/a	n/a	n/a	n/a
Writing	91.1%	95.5%	93.5%	96.0%	94.7%	94.8%	n/a	n/a	n/a	n/a
Science	87.0%	90.3%	91.9%	89.0%	91.0%	90.9%	n/a	n/a	n/a	n/a
Social Studies	90.2%	93.4%	92.5%	89.2%	92.4%	92.5%	n/a	n/a	n/a	n/a
11th Grade Ohio Graduation Test (OGT)										
Reading	97.1%	97.1%	96.8%	98.2%	97.5%	n/a	n/a	n/a	n/a	n/a
Mathematics	96.2%	96.3%	95.0%	97.2%	96.8%	n/a	n/a	n/a	n/a	n/a
Writing	97.7%	96.8%	97.2%	98.4%	96.8%	n/a	n/a	n/a	n/a	n/a
Science	94.7%	94.6%	93.5%	95.9%	94.3%	n/a	n/a	n/a	n/a	n/a
Social Studies	96.3%	95.7%	94.8%	97.2%	95.6%	n/a	n/a	n/a	n/a	n/a
ACT Scores (Average)										
Worthington	24.6	24.4	24.4	24.6	24.2	24.0	23.9	23.5	24.0	23.7
National	21.0	21.1	21.1	21.2	21.1	20.9	20.8	20.1	20.1	21.0
SAT Scores (Average)										
Reading (Verbal)										
Worthington	552	547	551	562	553	547	538	540	541	548
National	N/A	501	502	502	503	508	504	504	504	505
Mathematics										
Worthington	588	587	592	587	592	580	567	576	575	575
National	N/A	515	515	515	518	518	516	516	516	514
Writing (initiated 2006)										
Worthington	533	532	532	549	535	n/a	n/a	n/a	n/a	n/a
National	N/A	493	494	494	497	n/a	n/a	n/a	n/a	n/a

Source: School District Records and the Ohio Department of Education Local Report Card
n/a - Not yet available at the time of this publication

Worthington City School District
Capital Assets By Function/Class
Last Five Fiscal Years

	2010	2009	2008	2007	2006	2005
Governmental Activities						
Regular Instruction						
Land and Improvements	16,837,155	16,837,155	16,790,686	16,283,450	16,605,883	16,576,552
Buildings	104,428,169	104,490,758	104,533,535	104,533,535	104,341,480	104,341,480
Furniture and Equipment	11,591,271	11,769,843	11,556,907	11,210,080	11,112,436	11,287,054
Special Instruction						
Land and Improvements	1,279	1,279	1,279	1,279	1,279	1,279
Furniture and Equipment	180,511	15,420	15,420	6,107	1,371	-
Pupil Support						
Furniture and Equipment	43,357	43,357	43,357	44,555	47,827	47,827
Instructional Staff Support						
Furniture and Equipment	789,000	650,228	610,722	1,045,662	1,047,229	1,047,229
Administrative Support						
Furniture and Equipment	693,618	709,894	712,316	683,775	612,247	598,299
Fiscal Services Support						
Furniture and Equipment	75,359	75,359	61,359	56,541	45,825	45,825
Business Services Support						
Furniture and Equipment	33,636	34,801	34,801	34,801	34,801	33,706
Operation and Maint of Plant						
Land and Improvements	200,884	200,884	225,810	225,810	189,260	161,106
Buildings	6,436,648	4,881,682	3,794,149	3,168,627	2,147,525	804,348
Furniture and Equipment	2,237,797	1,867,228	771,382	706,663	654,744	565,438
Vehicles	129,332	129,332	28,897	26,468	-	-
Pupil Transportation						
Land and Improvements	245,281	245,281	245,281	245,281	245,281	245,281
Buildings	683,175	683,175	683,175	683,175	683,175	683,175
Furniture and Equipment	96,665	94,765	94,765	82,817	79,265	79,265
Vehicles	5,488,619	5,357,572	5,352,448	5,123,525	4,753,879	4,691,172
Central Support						
Furniture and Equipment	744,017	744,017	720,253	425,149	277,661	205,065
Extracurricular Activities						
Land and Improvements	3,206,239	3,185,958	2,354,637	2,644,468	2,644,468	2,644,468
Buildings	462,784	462,784	466,647	466,647	466,647	466,647
Furniture and Equipment	237,751	207,017	163,895	99,507	102,932	90,147
Vehicles						
Food Service Operations						
Furniture and Equipment	1,199,325	1,185,087	1,192,521	1,211,717	1,209,951	1,205,414
Community Services						
Furniture and Equipment	16,298	1,749	-	-	-	-
Total Governmental Activities	156,058,170	153,874,625	150,454,242	149,009,639	147,305,166	145,820,777

Source: School District records through the State Equipment Inventory System

Note: The District began to utilize the system in 2005, so records are only available since then

Worthington City School District
School Building Information

	Original Construction	Addition Dates	Area (Sq. Ft.)	Acreage		Student Capacity
<u>Elementary Schools</u>						
Bluffsview	1991		59,461	12.12		500
Brookside	1964	1967 1988	52,072	12.42		500
Colonial Hills	1955	1988	43,600	12.53		500
Evening Street	1963	1988	49,927	2.50	(3)	500
Granby	1988		59,004	1.57		500
Liberty	1981		53,297	25.57	(1)	500
Slate Hill	1991		59,461	16.28		500
Sutter Park	1986		57,642	25.57	(1)	500
Wilson Hill	1962	1968 1988	62,600	15.00		600
Worthington Estates	1966	1988	66,338	12.00		600
Worthington Hills	1970	1999	53,006	12.02		500
Worthington Park	1988		59,004	18.26		500
<u>Middle Schools</u>						
Kilbourne	1938	1965 1995	83,536	5.00		500
McCord	1986		74,518	38.38		500
Perry	1970	1988	67,738	33.48	(5)	500
Worthingway	1966		65,587	14.94		500
<u>High Schools</u>						
Thomas Worthington	1951	1992 1994	283,964	81.50	(2)	1500
Worthington Kilbourne	1991		272,000	55.09		1500
Linworth Alternative Campus	1918	1992	16,400	4.46	(4)	250
<u>Miscellaneous Buildings</u>						
Thomas Worthington HS Fieldhouse	1968		6,500	81.50	(2)	N/A
Thomas Worthington Outdoor Bldg	1969		2,880	81.50	(2)	N/A
Kingsmill Transportation Building	1988		10,100	3.58		N/A
Plant Operations Building	1970		4,980	4.46	(4)	N/A
Receiving Center	1970		4,980	4.46	(4)	N/A
Landscape Maintenance Building	1963		10,400	2.50	(3)	N/A
Perry Bus Garage	1988		22,500	33.48	(5)	N/A
Worthington Education Center	1979	2001	66,787	6.99		N/A

- (1) Liberty and Sutter Park are on the same parcel
(2) Included on the same parcel for Thomas Worthington High School
(3) Landscape Building located on Evening Street parcel
(4) Receiving Center and Plant Operations buildings located on Linworth Alternative parcel
(5) Perry Bus garage located on Perry School parcel

Source: School District Records

Worthington City School District
Teacher Data
June 30, 2010

Degree	Salary Range	Number of Teachers	Percentage of Total
Bachelor's Degree	\$39,011-76,407	202.08	28.25%
Master's Degree	42,522-92,187	513.17	71.75%
Total		715.25	100%

Years of Experience in the District	Number of Teachers	Percentage of Total
0-5	140.99	19.71%
6-10	94.02	13.15%
11 and over	480.24	67.14%
Total	715.25	100.00%

Source: EMIS Report Demo Job Certified 2010
 Note: Full time equivalent teaching staff



Mary Taylor, CPA
Auditor of State

WORTHINGTON CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
NOVEMBER 30, 2010**