

West Geauga Local School District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

Prepared By:
Michele Tullai, Treasurer and
Treasurer's Office Staff



Dave Yost • Auditor of State

Board of Education
West Geauga Local School District
8615 Cedar Road
Chesterland, OH 44026-3576

We have reviewed the *Independent Auditor's Report* of the West Geauga Local School District, Geauga County, prepared by Ciuni & Panichi, Inc., for the audit period July 1, 2012 through June 30, 2013. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The West Geauga Local School District is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

January 3, 2014

INTRODUCTORY SECTION



West Geauga Local School District
Geauga County, Ohio
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Administrative Offices
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Chesterland, Ohio 44026
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December 9, 2013

Board of Education Members
West Geauga Local School District

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all school districts file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2013.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the School District has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the School District

The West Geauga School District is one of 610 school districts in the State of Ohio and one of seven school districts in Geauga County. The District provides education to 2,238 students in grades kindergarten through twelve. The District covers approximately 47 square miles and is located in western Geauga County. It includes all of Chester and Russell townships and portions of surrounding townships (Munson, South Russell and Hunting Valley). The School District operates two elementary schools (K-5), one middle school (6-8) and one high school (9-12). Westwood was constructed in 1959 with additions in 1960 and 1996 and Lindsey was constructed in 1965 with additions in 1969 and 1996. West Geauga Middle School was constructed in 1962 with additions in 1963, 1964 and 1996. West Geauga High School was constructed in 1954 with additions in 1956, 1958, 1961, 1966, 1969 and 1996.

Chester and Russell townships are picturesque semi-rural residential communities with most of the residential areas zoned at three to five acre minimums in Russell Township and one to three acre minimums in Chester Township. Housing types range from modest homes selling for \$150,000 to multi-million dollar homes. West Geauga Local School District residents also enjoy the presence of West Geauga Commons, a recreational park located in Russell Township. The School District includes small commercial districts located at the intersection of State Routes 306 and 87 in Russell Township and around the intersection of State Routes 306 and 322 in Chester Township.

Organization of the School District

The School District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the West Geauga Board of Education, consisting of five members elected at large for staggered four-year terms.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education, as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide education services mandated by state and/or federal agencies.

Reporting Entity

West Geauga Local Schools has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, organizations and agencies that make up West Geauga Local Schools.

Excluded from the reporting entity because they are fiscally independent of the School District are West Geauga Athletic Boosters, West Geauga Band Boosters, West Geauga Parent Teacher Organizations and the West Geauga Educational Foundation.

The School District is associated with four jointly governed organizations and one insurance purchasing pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, the West Geauga Joint Recreation Council and the Ohio School Boards Association Workers' Compensation Group Rating Plan.

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

Economic Condition and Future Outlook

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increases result in an approximately equal value decrease in millage. As a result, West Geauga Local Schools, as well as school districts throughout Ohio, must place operating funding issues on the ballot at regular intervals (usually every three to four years) to keep pace with inflation and mandated programming and services. With the current economic conditions, property valuations declined in many Counties in Ohio. Geauga County had a reappraisal in calendar year 2011 resulting in a decrease of 5% in total property valuation in the West Geauga School District.

West Geauga Local Schools will continue to keep a tight watch on funds and will do so with little revenue growth from year to year. Circumstances will necessitate continuing to manage our financial resources in a prudent and conservative manner coupled with a combination of cost reductions and the possibility of additional levies to create revenue growth. The last new operating levy was passed in May 2005. The District enacted expense reductions and revenue increases as follows: 2010-2011: \$445,000, 2011-2012: \$890,000, 2012-2013: \$385,000. Savings for 2013-2014 are expected at \$130,000 due to reductions and retirements, including additions made in key areas to bolster the educational experience of students. Additionally, with the decline of our own student population, the District has been able to exercise open enrollment as a revenue source for the past several years.

Financial Information and Relevant Financial Policies

Long-Term Financial Planning

The challenge for West Geauga Local Schools to educate children on a stringent budget is getting even more difficult for our School District. The School District currently has two emergency levies. Funds are being used to maintain current programs in the School District. Of the operating funds, the School District received approximately 66% of its revenue from local taxes, 23% from the state, 3% from the federal government and 8% from other sources.

In November 2012, the community voted to approve a 2.75 mill, five year permanent improvement levy to primarily repair/replace the roofs on all school buildings with the goal of providing a safe and secure environment for our students and staff. A carefully designed plan will allow the District to manage the approximately \$1.7 million dollars that will be collected each year. Any unused funds will be used for significant capital improvements such as: new water well, bus replacements, security upgrades, technology upgrades and district-wide repairs and renovations. The first replacement is the roof at Westwood elementary. That project was started in early June 2013 to be completed in August 2013.

Financial Policy

Pursuant to statute, the state prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with the financial report for the 1983 fiscal year.

Internal Accounting and Budgetary Control

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

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

Prior to the beginning of each fiscal year, the board of education adopts an appropriations measure for that fiscal year. By statute, permanent appropriations must be adopted upon receipt from the county auditor of an amended certificate of estimated resources based on final assessed values and tax rates.

Annual appropriations may not exceed the Geauga County Budget Commission's official estimate of resources. The county auditor must certify that the board of education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the appropriate administrator and the superintendent and must be certified by the treasurer. Necessary funds are then encumbered, and purchase orders are released to vendors. Those requests, which exceed the available appropriation, are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports, which detail fiscal year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date.

Each account administrator is provided with monthly reports showing the status of the budget accounts for which he/she is responsible. In addition, an online inquiry system is available at each administrative cost center.

The basis of accounting and the various funds utilized by West Geauga Local Schools are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

Major Initiatives and Accomplishments

The School District received an overall rating of "Excellent with Distinction" on the August 2012 Local Report Card issued by the Ohio Department of Education by scoring 26 out of 26 state indicators, a performance index of 107.2, Adequate Yearly Progress was met and the Value-Added Measure was rated above. This is the twelfth straight year the District has achieved the status of Excellent. At this time we are awaiting the release of the 2013 report card.

Community

The Board of Education chose Mr. Geoff Palmer to lead the District as Superintendent effective August 1, 2012. Later that month, a Board retreat was held and an educational goal for the District was set. **"Top 5 in 5"** – to become one of the top 5% of schools in Ohio within five years. Another goal is to improve communication with all members of our community. In February 2013, a State of the Schools address was held at the High School, and is available on the District website. In an effort to gather community input into the direction of the District, an invitation was made to staff and the community to be a part of the committee creating a long range plan to guide the District. This was accomplished and the plan approved by the Board of Education in July 2013. In the spring of 2013, "The West Word", a District newsletter was published and sent to all residents. The plan is to continue publishing newsletters a few times each year. Mr. Palmer has become a well recognized member of the community who tirelessly stays involved in all aspects of West Geauga Schools and the community.

The mission of the West Geauga Local Schools is to help students reach their academic and career potential and pursue high ethical standards. To achieve this, we blend traditional practices with proven educational innovations, including technology, in an effort to achieve and maintain a standard of excellence.

The primary focus of West Geauga Local Schools continues to be on educational programming. The School District's programming serves our students, parents and community in an effort to continuously improve. This process involves assessing current programs, identifying areas in which to improve, developing options, selecting the best options, gathering measurable data and analyzing the results. Both the high school and middle school are fully accredited by the North Central Association of Colleges and Secondary Schools. Approximately 90% of West Geauga High School graduates elect to continue their education; most pursue four-year degrees. West Geauga High School is one of only 14 high schools that have been nominated by the state of Ohio for the 2013 National Blue Ribbon School award. West Geauga Middle School has continued to encourage the OLWEUS anti-bullying program that started last school year and continues to operate under the theme "Our House: All Accepted, All Welcome!". Both the High School and Middle

School have begun using Chrome Book Technology in their curriculum. Lindsey and Westwood Elementary Schools continue to do well on the Ohio Achievement Assessments in grades 3-5. Both buildings have received iPads for many of their classrooms purchased primarily through grants and donations. The entire K-12 program is rated highly by parents, community and surrounding districts for its rigor in English, science and mathematics. Evidence of the success of the West Geauga program can be seen in the awards and plaudits students and faculty receive.

Other Information

National Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The School District was awarded the Certificate of Achievement for the fiscal year 2012 report. We believe that our current report conforms to the award requirements, and we are submitting it to GFOA for consideration.

Additional Information

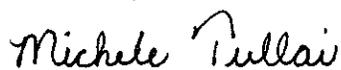
For a more in depth discussion of the financial condition of the West Geauga Local School District, please refer to the Management's Discussion and Analysis and the Notes to the Basic Financial Statement of the Comprehensive Annual Financial Report.

Acknowledgements

The publication of this report significantly enhances the School District's accountability to the residents of the West Geauga Local School District. The preparation of this report would not have been possible without the work and support of Rea and Associates, Inc. In addition, the staff of the treasurer's office, various administrators and staff members of the School District, the Geauga County Auditor's Office staff and other outside agencies made possible the fair presentation of statistical data.

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

Respectfully submitted,



Michele Tullai
West Geauga Local School District Treasurer

*West Geauga Local School District
Geauga County, Ohio
Principal Officials
June 30, 2013*

Board of Education

Dr. William Beers	President
Ms. Sally G. Gillmore	Vice President
Mr. Ben Kotowski	Member
Ms. Jackie Dottore	Member
Mr. Michael Kilroy	Member

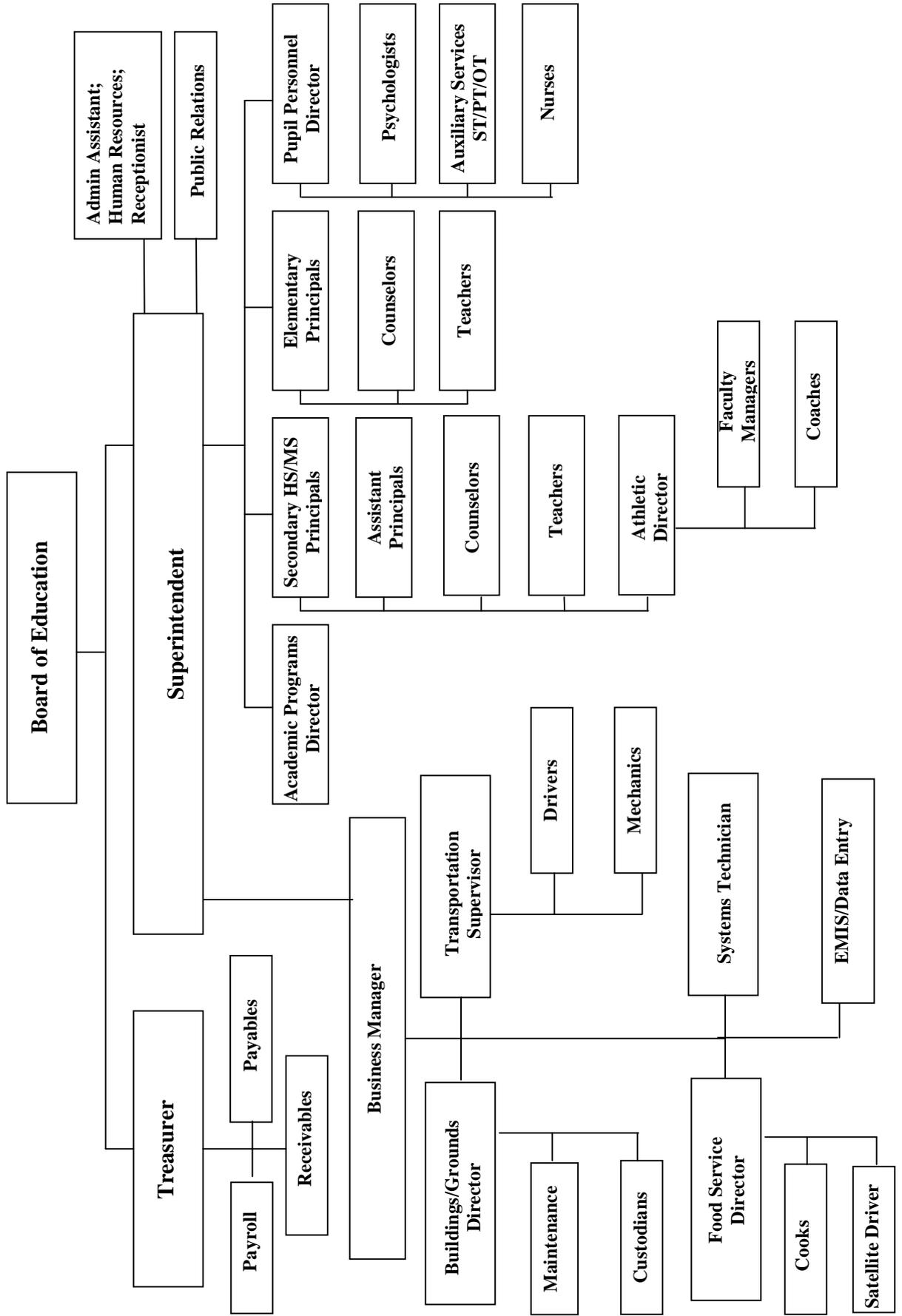
Treasurer

Ms. Michele Tullai

Superintendent

Mr. Geoff Palmer

West Geauga Local School District





Government Finance Officers Association

**Certificate of
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**West Geauga Local School
District, Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

Board of Education
West Geauga Local School District
Chesterland, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District (the "District"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 District as of June 30, 2013, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Board of Education
West Geauga Local School District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2013 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Cini & Panichi, Inc.

Cleveland, Ohio
December 9, 2013

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

The discussion and analysis of the West Geauga Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2013 are as follows:

- Net position increased \$3,071,087, which represents a 15 percent increase from 2012.
- Capital assets decreased \$411,736 during fiscal year 2013.
- During the year, outstanding debt decreased from \$3,095,077 to \$1,070,000 due to principal payments made by the School District

Using this Comprehensive Annual Financial Report

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

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the West Geauga Local School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2013?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, Governmental Activities include the School District's programs and services, including instruction, support services, extracurricular activities and non instructional services, i.e., food service operations.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 14. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, debt service fund and permanent improvement fund.

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

Reporting the School District's Fiduciary Responsibilities

The School District acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in agency funds. The School District's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities on page 19. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2013 compared to 2012:

Table 1
Net Position

	Governmental Activities	
	2013	2012
Assets		
Current and Other Assets	\$ 30,009,324	\$ 25,966,848
Capital Assets	15,934,667	16,346,403
<i>Total Assets</i>	<u>45,943,991</u>	<u>42,313,251</u>
Liabilities		
Other Liabilities	19,695,465	17,154,293
Long-Term Liabilities	2,906,307	4,887,826
<i>Total Liabilities</i>	<u>22,601,772</u>	<u>22,042,119</u>
Net Position		
Net Investment in Capital Assets	14,864,667	13,251,326
Restricted	1,227,166	1,387,178
Unrestricted	7,250,386	5,632,628
<i>Total Net Position</i>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>

At year end, capital assets represented 35 percent of total assets. Capital assets include, land, land improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets was \$14,864,667 at June 30, 2013. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$1,227,166 or 5 percent, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position of \$7,250,386 may be used to meet the government's ongoing obligations to students and creditors.

Current and other assets increased \$4,042,476 from fiscal year 2012. Most of that is due to increases in cash and property tax receivable of over \$1,340,000 and \$2,700,000, respectively. The School District renewed the emergency levy and the passed a permanent improvement levy. These levies also contributed to the \$2,541,172 increase in other liabilities through deferred property tax revenue. Long term liabilities showed a decrease of \$1,981,519 from fiscal year 2012 through principal payments on long term obligations.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Table 2 shows the changes in net position for fiscal year 2013 and 2012.

Table 2
Changes in Net Position

	Governmental Activities	
	2013	2012
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$ 2,608,606	\$ 2,509,579
Operating Grants	1,365,685	1,623,130
<i>Total Program Revenues</i>	<u>3,974,291</u>	<u>4,132,709</u>
<i>General Revenues:</i>		
Property Taxes	19,504,570	20,203,814
Grants and Entitlements Not Restricted	6,579,325	6,663,911
Other	90,270	130,306
<i>Total General Revenues</i>	<u>26,174,165</u>	<u>26,998,031</u>
<i>Total Revenues</i>	<u>30,148,456</u>	<u>31,130,740</u>
Program Expenses		
<i>Instruction:</i>		
Regular	10,677,700	11,306,827
Special	3,822,518	3,873,958
Vocational	347,411	332,260
Student Intervention Services	54,238	64,113
Other	495,618	406,071
<i>Support Services:</i>		
Pupils	1,779,194	1,923,647
Instructional Staff	889,090	942,218
Board of Education	64,690	127,610
Administration	1,821,255	1,789,418
Fiscal	619,927	850,572
Business	302,471	324,808
Operation and Maintenance of Plant	2,370,163	2,415,953
Pupil Transportation	1,959,575	2,045,889
Central	23,062	16,349
<i>Operation of Non-Instructional Services:</i>		
Food Service Operations	398,563	494,548
Community Services	552,263	457,134
Other	0	400
Extracurricular Activities	806,416	922,831
Interest and Fiscal Charges	93,215	203,746
<i>Total Expenses</i>	<u>27,077,369</u>	<u>28,498,352</u>
<i>Increase in Net Position</i>	3,071,087	2,632,388
<i>Net Position at Beginning of Year</i>	<u>20,271,132</u>	<u>17,638,744</u>
<i>Net Position at End of Year</i>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Operating grants decreased \$257,445 through the elimination of or decreases in federal grant receipts in fiscal year 2013. The emergency levy expired and was not renewed until March 2012 which mainly accounts for the \$699,244 decrease in property tax revenues. Revenues in total decreased \$982,284, or 3 percent under fiscal year 2012.

Interest revenue in fiscal year 2013 amounted to \$63,891. The School District invests funds locally to obtain the best rates available as compared with STAR Ohio.

Expenses decreased proportionately with revenues. Fiscal year 2013 expenses decreased \$1,420,983, or 5 percent from fiscal year 2012 through the cost cutting efforts of the School District.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	Total Cost of Service		Net Cost of Service	
	2013	2012	2013	2012
Instruction:				
Regular	\$ 10,677,700	\$ 11,306,827	\$ 9,115,887	\$ 9,813,055
Special	3,822,518	3,873,958	3,060,088	3,164,583
Vocational	347,411	332,260	347,411	332,260
Student Intervention Services	54,238	64,113	54,238	60,546
Other	495,618	406,071	495,618	406,071
Support Services:				
Pupils	1,779,194	1,923,647	1,421,372	1,502,200
Instructional Staff	889,090	942,218	788,448	812,042
Board of Education	64,690	127,610	64,690	127,610
Administration	1,821,255	1,789,418	1,781,810	1,676,743
Fiscal	619,927	850,572	611,645	843,686
Business	302,471	324,808	302,471	318,868
Operation and Maintenance of Plant	2,370,163	2,415,953	2,367,267	2,415,953
Pupil Transportation	1,959,575	2,045,889	1,923,728	1,988,555
Central	23,062	16,349	15,862	9,149
Operation of Non-Instructional Services:				
Food Service Operations	398,563	494,548	47,374	84,251
Community Services	552,263	457,134	68,304	(14,892)
Other	0	400	0	400
Extracurricular Activities	806,416	922,831	543,650	620,817
Interest and Fiscal Charges	93,215	203,746	93,215	203,746
Total Expenses	\$ 27,077,369	\$ 28,498,352	\$ 23,103,078	\$ 24,365,643

West Geauga Local School District
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The dependence upon general revenues for governmental activities is apparent. Over 85 percent of governmental activities are supported through taxes and other general revenues; such revenues are 87 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

The percentage of net cost of service remained fairly consistent in fiscal year 2013, with the exception of community services expenses due to an increase in auxiliary costs.

Governmental Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$30,213,443 and expenditures of \$28,674,390 for fiscal year 2013. The net change in fund balances for the fiscal year was an increase of \$1,548,913 for all governmental funds with the most significant increase in the general fund.

The general fund's net change in fund balance for fiscal year 2013 was an increase of \$1,671,938 mainly due to a decrease in expenditures of \$1,187,483 from the prior year. In fiscal year 2012, the general fund paid final expenditures for expired grants making expenditures higher than normal. In fiscal year 2013, revenues decreased \$498,237 from fiscal year 2012. Tuition revenues increased \$163,172 while tax revenue decreased over \$600,000 due to the timing and accounting treatment of property taxes available as an advance. See Note 7 for further discussion.

The fund balance of the debt service fund decreased by \$964,730 from fiscal year 2012 due to the expiration of a debt service levy.

The fund balance of the permanent improvement fund increased by \$868,692 from fiscal year 2012. The passage of the permanent improvement levy contributed to this increase.

General Fund Budgeting Highlights

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

During the course of fiscal year 2013, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management

For the general fund, actual budget basis revenue was lower than the final budget basis revenue by \$21,446 and final budget basis revenue was \$127,281 higher than original budgeted revenue. There is no individually significant line item accounting for these differences.

Final appropriations of \$24,805,427 were \$170,024 higher than the actual expenditures of \$24,635,403, as cost savings were recognized throughout the year. Original appropriations are \$819,988 higher than final appropriations. There is no individually significant line item accounting for the difference in expenditure estimates.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2013, the School District had \$15,934,667 invested in capital assets. Table 4 shows fiscal year 2013 balances compared with 2012.

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

	Governmental Activities	
	2013	2012
Land	\$ 366,380	\$ 366,380
Land Improvements	954,407	856,341
Buildings and Improvements	11,959,049	12,512,870
Furniture and Equipment	1,683,323	1,536,657
Vehicles	971,508	1,074,155
<i>Totals</i>	<u>\$ 15,934,667</u>	<u>\$ 16,346,403</u>

The \$411,736 decrease in capital assets was attributable to current depreciation and disposals exceeding additional purchases. See Note 9 for more information about the capital assets of the School District.

Debt

At June 30, 2013, the School District had \$1,070,000 in debt outstanding. See Note 14 for additional details. Table 5 summarizes bonds outstanding.

(Table 5)
Outstanding Debt at Year End

	Governmental Activities	
	2013	2012
2001 School Improvement Refunding Bonds	\$ 0	\$ 910,000
2004 School Improvement Refunding Bonds	0	725,000
2005 Various Purpose Improvement Bonds	1,070,000	1,235,000
Lease Purchase Agreements	0	225,077
<i>Total</i>	<u>\$ 1,070,000</u>	<u>\$ 3,095,077</u>

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Restrictions and Other Limitations

The first challenge is for management to ensure resources can be preserved as long as possible. Operating and capital budgets are being utilized by management to manage financial resources effectively.

The second challenge facing most School Districts is based on resources received from the federal and state governments. Due to revenue shortfalls at the State level, the School District experienced revenue loss related to the discontinuation of State utilized federal stimulus dollars and the loss of tangible personal property tax reimbursement. These revenue losses accounted for a decrease in funding of \$859,000 in the previous fiscal year. Furthermore, tangible personal property reimbursement from the State has been completely discontinued for the West Geauga School District causing a loss of \$1.2 million over the six year period in which it was expected. The State foundation formula has been determined for fiscal years 2014 and 2015. West Geauga schools are considered a suburban School District and are to receive the same foundation allocation as in fiscal year 2013. The total expected is \$3.4 million of which \$1.975 million is due to the "guarantee". The "guarantee" is an amount of money added to the formula to keep Districts "whole". The Governor has verbalized that the guarantee is not financially sustainable and the funding formula/guarantee beyond fiscal year 2015 is questionable.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Michele Tullai, Treasurer of West Geauga Local School District, 8615 Cedar Road, Chesterland, Ohio 44026 or call (440) 729-5900.

West Geauga Local School District
Geauga County, Ohio
Statement of Net Position
June 30, 2013

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 9,952,681
Receivables:	
Accounts	5,099
Intergovernmental	248,890
Property Taxes	19,802,654
Nondepreciable Capital Assets	366,380
Depreciable Capital Assets (Net)	15,568,287
<i>Total Assets</i>	45,943,991
Liabilities	
Accounts Payable	96,508
Accrued Wages and Benefits	2,100,335
Contracts Payable	225,015
Intergovernmental Payable	538,948
Matured Compensated Absences Payable	10,240
Accrued Interest Payable	4,367
Unearned Revenue	16,720,052
Long Term Liabilities:	
Due Within One Year	352,767
Due In More Than One Year	2,553,540
<i>Total Liabilities</i>	22,601,772
Net Position	
Net Investment in Capital Assets	14,864,667
Restricted For:	
Capital Outlay	933,006
Debt Service	52,380
Extracurricular Activities	79,531
Auxiliary Services	5,878
Other Purposes	156,371
Unrestricted	7,250,386
<i>Total Net Position</i>	\$ 23,342,219

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 10,677,700	\$ 1,476,021	\$ 85,792	\$ (9,115,887)
Special	3,822,518	582,794	179,636	(3,060,088)
Vocational	347,411	0	0	(347,411)
Student Intervention Services	54,238	0	0	(54,238)
Other	495,618	0	0	(495,618)
Support Services:				
Pupils	1,779,194	0	357,822	(1,421,372)
Instructional Staff	889,090	0	100,642	(788,448)
Board of Education	64,690	0	0	(64,690)
Administration	1,821,255	0	39,445	(1,781,810)
Fiscal	619,927	8,282	0	(611,645)
Business	302,471	0	0	(302,471)
Operation and Maintenance of Plant	2,370,163	0	2,896	(2,367,267)
Pupil Transportation	1,959,575	35,847	0	(1,923,728)
Central	23,062	0	7,200	(15,862)
Operation of Non-Instructional Services:				
Food Service Operations	398,563	258,986	92,203	(47,374)
Community Services	552,263	0	483,959	(68,304)
Extracurricular Activities	806,416	246,676	16,090	(543,650)
Debt Service:				
Interest and Fiscal Charges	93,215	0	0	(93,215)
Total	\$ 27,077,369	\$ 2,608,606	\$ 1,365,685	(23,103,078)

General Revenues

Property Taxes Levied for:

General Purposes	17,139,804
Debt Service	1,030,208
Capital Outlay	1,334,558
Grants and Entitlements Not Restricted to Specific Programs	6,579,325
Investment Earnings	63,355
Miscellaneous	26,915

Total General Revenues 26,174,165

Change in Net Position 3,071,087

Net Position Beginning of Year 20,271,132

Net Position End of Year \$ 23,342,219

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Debt Service Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 8,588,569	\$ 24,015	\$ 1,091,568	\$ 248,529	\$ 9,952,681
Accounts	5,099	0	0	0	5,099
Interfund	15,000	0	0	0	15,000
Intergovernmental	135,120	0	0	113,770	248,890
Property Taxes	17,547,985	214,925	2,039,744	0	19,802,654
<i>Total Assets</i>	<u>\$ 26,291,773</u>	<u>\$ 238,940</u>	<u>\$ 3,131,312</u>	<u>\$ 362,299</u>	<u>\$ 30,024,324</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 62,113	\$ 0	\$ 2,868	\$ 31,527	\$ 96,508
Accrued Wages and Benefits	2,031,442	0	0	68,893	2,100,335
Contracts Payable	0	0	225,015	0	225,015
Intergovernmental Payable	513,567	0	0	25,381	538,948
Matured Compensated Absences Payable	10,240	0	0	0	10,240
Interfund Payable	0	0	0	15,000	15,000
Deferred Revenue	15,321,002	186,560	1,778,182	57,799	17,343,543
<i>Total Liabilities</i>	<u>17,938,364</u>	<u>186,560</u>	<u>2,006,065</u>	<u>198,600</u>	<u>20,329,589</u>
Fund Balances					
Restricted	0	52,380	889,604	184,957	1,126,941
Committed	0	0	235,643	0	235,643
Assigned	789,734	0	0	0	789,734
Unassigned (Deficit)	7,563,675	0	0	(21,258)	7,542,417
<i>Total Fund Balances</i>	<u>8,353,409</u>	<u>52,380</u>	<u>1,125,247</u>	<u>163,699</u>	<u>9,694,735</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 26,291,773</u>	<u>\$ 238,940</u>	<u>\$ 3,131,312</u>	<u>\$ 362,299</u>	<u>\$ 30,024,324</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2013

Total Governmental Fund Balances		\$ 9,694,735
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		15,934,667
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	\$ 540,448	
Tuition	25,244	
Intergovernmental	57,799	623,491
In the statement of net position, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported.		(4,367)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	1,070,000	
Compensated Absences	1,836,307	(2,906,307)
<i>Net Position of Governmental Activities</i>		\$ 23,342,219

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2013

	General Fund	Debt Service Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Local Taxes	\$ 17,158,039	\$ 1,062,449	\$ 1,284,997	\$ 0	\$ 19,505,485
Intergovernmental	6,256,284	121,327	201,714	1,302,966	7,882,291
Investment Income	63,355	0	0	536	63,891
Tuition and Fees	2,036,527	0	0	0	2,036,527
Extracurricular Activities	85,064	0	0	197,022	282,086
Rentals	8,282	0	0	0	8,282
Charges for Services	20,062	0	0	258,985	279,047
Contributions and Donations	107,857	0	0	20,192	128,049
Miscellaneous	27,267	0	0	518	27,785
<i>Total Revenues</i>	<u>25,762,737</u>	<u>1,183,776</u>	<u>1,486,711</u>	<u>1,780,219</u>	<u>30,213,443</u>
Expenditures					
Current:					
Instruction:					
Regular	10,177,801	0	0	58,836	10,236,637
Special	3,610,517	0	0	178,802	3,789,319
Vocational	347,411	0	0	0	347,411
Student Intervention Services	53,619	0	0	0	53,619
Other	495,618	0	0	0	495,618
Support Services:					
Pupils	1,401,522	0	0	369,994	1,771,516
Instructional Staff	808,288	0	4,492	39,060	851,840
Board of Education	54,147	0	0	0	54,147
Administration	1,743,041	0	0	40,748	1,783,789
Fiscal	578,568	12,837	25,759	0	617,164
Business	295,461	0	0	0	295,461
Operation and Maintenance of Plant	2,026,378	0	154,627	18,889	2,199,894
Pupil Transportation	1,820,031	0	0	0	1,820,031
Central	15,610	0	0	7,200	22,810
Extracurricular Activities	536,642	0	0	237,179	773,821
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	373,597	373,597
Community Services	3,127	0	0	527,901	531,028
Capital Outlay	87,878	0	433,141	0	521,019
Debt Service:					
Principal Retirement	0	2,025,077	0	0	2,025,077
Interest and Fiscal Charges	0	110,592	0	0	110,592
<i>Total Expenditures</i>	<u>24,055,659</u>	<u>2,148,506</u>	<u>618,019</u>	<u>1,852,206</u>	<u>28,674,390</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,707,078</u>	<u>(964,730)</u>	<u>868,692</u>	<u>(71,987)</u>	<u>1,539,053</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	9,860	0	0	0	9,860
Transfers In	0	0	0	45,000	45,000
Transfers Out	(45,000)	0	0	0	(45,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(35,140)</u>	<u>0</u>	<u>0</u>	<u>45,000</u>	<u>9,860</u>
<i>Net Change in Fund Balance</i>	1,671,938	(964,730)	868,692	(26,987)	1,548,913
<i>Fund Balances Beginning of Year</i>	<u>6,681,471</u>	<u>1,017,110</u>	<u>256,555</u>	<u>190,686</u>	<u>8,145,822</u>
<i>Fund Balances End of Year</i>	<u>\$ 8,353,409</u>	<u>\$ 52,380</u>	<u>\$ 1,125,247</u>	<u>\$ 163,699</u>	<u>\$ 9,694,735</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2013*

Net Change in Fund Balances - Total Governmental Funds	\$	1,548,913
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital Asset Additions	\$ 493,919	
Current Year Depreciation	<u>(853,844)</u>	(359,925)
 Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(51,811)
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	25,672	
Charges for Services	(24,794)	
Intergovernmental	<u>(65,865)</u>	(64,987)
 Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		2,025,077
 In the statement of activities, interest is accrued on outstanding bonds, and bond premium and bond issuance costs and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable		17,378
 Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		<u>(43,558)</u>
 <i>Change in Net Position of Governmental Activities</i>	 \$	 <u><u>3,071,087</u></u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	\$ 16,977,021	\$ 17,103,859	\$ 17,103,859	\$ 0
Intergovernmental	6,294,406	6,272,618	6,256,284	(16,334)
Investment Income	63,408	63,188	63,024	(164)
Tuition and Fees	1,830,871	1,824,520	1,819,782	(4,738)
Extracurricular Activities	45,848	45,689	45,570	(119)
Rentals	7,456	7,411	7,411	0
Charges for Services	20,184	20,114	20,062	(52)
Contributions and Donations	9,792	9,733	9,733	0
Miscellaneous	14,889	14,838	14,799	(39)
<i>Total Revenues</i>	<u>25,263,875</u>	<u>25,361,970</u>	<u>25,340,524</u>	<u>(21,446)</u>
Expenditures				
Current:				
Instruction:				
Regular	10,539,357	10,123,139	10,083,751	39,388
Special	3,941,985	3,826,294	3,757,043	69,251
Vocational	327,109	349,200	347,411	1,789
Student Intervention Services	52,322	54,212	54,212	0
Other	598,552	614,891	608,092	6,799
Support Services:				
Pupils	1,495,624	1,438,914	1,438,293	621
Instructional Staff	772,184	753,122	753,055	67
Board of Education	41,249	60,596	58,427	2,169
Administration	1,805,684	1,769,628	1,756,609	13,019
Fiscal	626,357	673,854	673,041	813
Business	299,336	300,340	298,680	1,660
Operation and Maintenance of Plant	2,348,502	2,209,367	2,190,756	18,611
Pupil Transportation	2,074,160	1,928,551	1,913,197	15,354
Central	11,260	16,093	15,610	483
Extracurricular Activities	568,707	539,348	539,348	0
Capital Outlay	123,027	87,878	87,878	0
<i>Total Expenditures</i>	<u>25,625,415</u>	<u>24,745,427</u>	<u>24,575,403</u>	<u>170,024</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(361,540)</u>	<u>616,543</u>	<u>765,121</u>	<u>148,578</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	9,860	9,860	0
Advances In	0	19,326	19,326	0
Advances Out	0	(15,000)	(15,000)	0
Transfers Out	0	(45,000)	(45,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(30,814)</u>	<u>(30,814)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(361,540)</u>	<u>585,729</u>	<u>734,307</u>	<u>148,578</u>
<i>Fund Balance Beginning of Year</i>	6,136,361	6,136,361	6,136,361	0
Prior Year Encumbrances Appropriated	856,499	856,499	856,499	0
<i>Fund Balance End of Year</i>	<u>\$ 6,631,320</u>	<u>\$ 7,578,589</u>	<u>\$ 7,727,167</u>	<u>\$ 148,578</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2013

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 54,644</u>
<i>Total Assets</i>	<u><u>\$ 54,644</u></u>
Liabilities	
Due to Students	<u>\$ 54,644</u>
<i>Total Liabilities</i>	<u><u>\$ 54,644</u></u>

See accompanying notes to the basic financial statements.

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West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 1 - Description of The School District

The West Geauga Local School District (the "School District") operates under a locally elected five member Board form of government and provides educational services as authorized by State or Federal agencies. The Board controls the School District's four instructional facilities.

The School District is located in Geauga County, including all of Chesterland and Russell Townships and portions of Munson, South Russell, and Hunting Valley, Ohio. The School District operates two elementary schools (K-5), one middle school (6-8), and one high school (9-12).

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

Reporting Entity

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

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

The School District participates in three jointly governed organizations. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the West Geauga Joint Recreation Council. These organizations are presented in Note 15 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The most significant of the School District's accounting policies are described below.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

A. Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The internal activities within "activity" types are eliminated to avoid "doubling up" revenues and expenses.

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

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

Agency fund do not report a measurement focus as they do not report operations.

B. Fund Accounting

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

General Fund The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt Service Fund The debt service fund is used to account for the accumulation of property tax revenues for, and the payment of, school improvement general obligation bond, or principal, interest and related costs.

Permanent Improvement Fund The permanent improvement fund accounts for property taxes levied to be used for various capital improvements within the School District.

The other governmental funds of the School District account for grants and other resources to which the School District is bound to observe constraints imposed upon the use of the resources.

Proprietary Fund Type Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The School District has no proprietary funds.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency fund accounts for student activities.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

D. Basis of Accounting

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

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

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

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

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

Grants and entitlements received before the eligibility requirements are met are recorded as deferred revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations, have been recorded as deferred revenue on the balance sheet and unearned revenue on the statement of net position. This amount is reported as unearned revenue on the statement of net position, however excludes delinquent amounts earned as of year end.

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported on the statement of activities as an expense with a like amount reported within the “operating grants and contributions” program revenue account.

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

E. Budgetary Data

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2013.

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

F. Cash and Investments

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

During fiscal year 2013, investments were limited to STAR Ohio, (the State Treasurer's Investment Pool).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2013. Certificates of deposit and repurchase agreements are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2013 amounted to \$63,355, which includes \$8,907 assigned from other School District funds.

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as "equity in pooled cash and equivalents". Investments with an original maturity of more than three months that are not made from the pool are reported as "investments".

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets may include amounts required by statute to be set-aside for the acquisition and construction of capital improvements. See Note 18 for additional information regarding the set aside.

H. Capital Assets

General capital assets are those assets resulting from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements.

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Description	Governmental Activities Estimated Lives
Land	N/A
Construction in Progress	N/A
Land Improvements	7 - 20 Years
Buildings and Improvements	10 - 100 Years
Furniture and Equipment	5 - 20 Years
Vehicles	5 - 15 Years

I. Interfund Balances

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

J. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

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

In governmental funds, the liability for unpaid compensated absences is the unused reimbursable leave still outstanding following an employee's resignation or retirement. These amounts are recorded in the account “matured compensated absences” in the fund from which the employees who have accumulated leave are paid.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

K. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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

L. Net position

Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2013, there was no net position restricted by enabling legislation.

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

M. Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”, the School 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 classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education. The School District Board of Education has by resolution authorized the treasurer to assign fund balance. The School District Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

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

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

N. Interfund Activity

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

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

O. Estimates

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

P. Changes in Accounting Principles

For the fiscal year ended June 30, 2013, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements," GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34," GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," and GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position."

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the School District.

GASB Statement No. 61 improves guidance for including, presenting and disclosing information about component units and equity interest transactions of a financial reporting entity. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the School District.

GASB Statement No. 62 incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the School District.

GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. It also amends the net asset reporting requirements in GASB Statement No. 34 by incorporating deferred outflows and inflows into the definitions and renaming the residual measure as net position, rather than net assets. The School District's financial statements have been updated to reflect the implementation of this standard.

Note 3 – Fund Balance

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

	General Fund	Debt Service Fund	Permanent Improvement Fund	Other Governmental Funds	Total
Restricted for:					
Special Trusts	\$ 0	\$ 0	\$ 0	\$ 61,891	\$ 61,891
Education Foundation	0	0	0	2,904	2,904
Athletics and Music	0	0	0	79,531	79,531
Auxiliary Services	0	0	0	5,878	5,878
State Grants	0	0	0	18	18
Federal Grants	0	0	0	33,763	33,763
Capital Improvements	0	0	889,604	972	890,576
Debt Service Payments	0	52,380	0	0	52,380
Total Restricted	0	52,380	889,604	184,957	1,126,941
Committed to:					
Permanent Improvements	0	0	235,643	0	235,643
Total Committed	0	0	235,643	0	235,643
Assigned for:					
Uniform School Supplies	64,210	0	0	0	64,210
Adult Education	12	0	0	0	12
Public School Support	18,264	0	0	0	18,264
Other Local Grants	19,686	0	0	0	19,686
Rotary	19,326	0	0	0	19,326
Encumbrances:					
Instruction	387,043	0	0	0	387,043
Student Support	279,072	0	0	0	279,072
Operation of Non-Instructional	522	0	0	0	522
Extracurricular	1,599	0	0	0	1,599
Total Assigned	789,734	0	0	0	789,734
Unassigned (Deficit)	7,563,675	0	0	(21,258)	7,542,417
Total Fund Balance	<u>\$ 8,353,409</u>	<u>\$ 52,380</u>	<u>\$ 1,125,247</u>	<u>\$ 163,699</u>	<u>\$ 9,694,735</u>

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 4 - Accountability

Fund balances at June 30, 2013 included the following individual fund deficits:

	Fund Balance
Nonmajor Governmental Funds:	
Food Service	\$ 19,774
Classroom Reduction	1,484

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

Note 5 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement on a fund type basis for the general fund.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Net Change in Fund Balance

GAAP Basis	\$	1,671,938
Net Adjustment for Revenue Accruals		(44,724)
Advance In		19,326
Advance Out		(15,000)
Net Adjustment for Expenditure Accruals		(181,245)
Funds Budgeted Elsewhere **		14,764
Adjustment for Encumbrances		<u>(730,752)</u>
 Budget Basis	 \$	 <u><u>734,307</u></u>

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 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 uniform supplies fund, the adult education fund, the rotary fund, the public school support fund and the other grants fund.

Note 6 - Deposits and Investments

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

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

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

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

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

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

Custodial credit risk for deposits is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of School District cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of

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the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Custodial credit risk for an investment is the risk that in the event of failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. These securities, held by the counterparty and not in the School District's name, must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$9,997,587 and the bank balance was \$10,161,758. Of the bank balance:

1. \$500,000 of the bank balance was covered by depository insurance; and
2. \$9,661,758 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Investments: Investments are reported at fair value. As of June 30, 2013, the School District had the following investments:

Standard & Poors Rating	Investment	Fair Value	Investment Maturity (in months) 0 - 12	% Total Investments
AAA	STAR Ohio	\$ 9,738	\$ 9,738	100.00%

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The School District's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the School District.

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STAROhio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAROhio as of June 30, 2013, is 57.5 days and carries a rating of AAAM by Standard and Poor's.

Credit Risk: The School District's investments at June 30, 2013 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

Concentration of Credit Risk: The School District places no limit on the amount the School District may invest in any one issuer. 100 percent of the School District's investments are in STAR Ohio as listed above. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2013 represents collections of calendar year 2012 taxes. Real property taxes received in calendar year 2013 were levied after April 1, 2012, on the assessed value listed as of January 1, 2012, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2013 represents collections of calendar year 2012 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 became a lien December 31, 2011, were levied after April 1, 2012 and are collected in 2013 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property was eliminated in calendar year 2010. The tax was phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the School District due to the phasing out of the tax. In calendar years 2006-2010, the School District was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements are being phased out. On June 30, 2011, House Bill No. 153 was signed into law, which further reduced the amounts of these reimbursements. As of fiscal year 2013, the School District was completely phased out and will no longer receive any reimbursements.

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The School District receives property taxes from Geauga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2013, are available to finance fiscal year 2013 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2013, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed personal property tax and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2013 was \$2,252,277 in the general fund, \$28,365 in the debt service fund, and \$261,562 in the permanent improvement capital projects fund.

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

The assessed values upon which the fiscal year 2013 taxes were collected are:

	2012 Second Half Collections		2013 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 608,760,220	97.05%	\$607,686,610	96.77%
Public Utility	18,522,470	2.95%	20,295,250	3.23%
	<u>\$ 627,282,690</u>	<u>100.00%</u>	<u>\$ 627,981,860</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	\$ 55.84		\$ 55.70	

Note 8 - Receivables

Receivables at June 30, 2013, consisted of taxes, interfund and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Intergovernmental receivables consisted of \$57,466 in excess costs receivable, \$18,529 in SERS refund receivable, \$62,111 in workers' compensation rebate and refund and \$110,784 in grants receivable.

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Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance 6/30/12	Additions	Reductions	Transfers	Balance 6/30/13
Governmental Activities					
<i>Capital Assets, not being depreciated:</i>					
Land	\$ 366,380	\$ 0	\$ 0	\$ 0	\$ 366,380
<i>Capital Assets, being depreciated:</i>					
Land Improvements	2,931,997	29,199	0	156,785	3,117,981
Buildings and Improvements	20,099,512	43,872	(4,383)	(294,154)	19,844,847
Furniture and Equipment	5,291,212	352,048	(249,850)	137,369	5,530,779
Vehicles	2,327,178	68,800	(197,576)	0	2,198,402
Total Capital Assets, being depreciated	30,649,899	493,919	(451,809)	0	30,692,009
Less Accumulated Depreciation:					
Land Improvements	(2,075,656)	(87,918)	0	0	(2,163,574)
Buildings and Improvements	(7,586,642)	(301,396)	1,096	1,144	(7,885,798)
Furniture and Equipment	(3,754,555)	(300,633)	208,876	(1,144)	(3,847,456)
Vehicles	(1,253,023)	(163,897)	190,026	0	(1,226,894)
Total Accumulated Depreciation	(14,669,876)	(853,844)	399,998	0	(15,123,722)
Total Capital Assets being depreciated, net	15,980,023	(359,925)	(51,811)	0	15,568,287
Governmental Activities Capital Assets, Net	<u>\$ 16,346,403</u>	<u>\$ (359,925)</u>	<u>\$ (51,811)</u>	<u>\$ 0</u>	<u>\$ 15,934,667</u>

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Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 413,930
Special	21,567
Support Services:	
Pupil	1,054
Instructional Staff	38,176
Board of Education	10,543
Administration	8,503
Fiscal	3,161
Business	4,105
Operation and Maintenance of Plant	137,160
Pupil Transportaion	135,167
Central Services	252
Food Service Operations	27,145
Community Services	20,987
Extracurricular Activities	32,094
Total Depreciation	\$ 853,844

Note 10 - Risk Management

A. Property and Liability

The School 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. Professional liability insurance is provided by a major carrier and has limits of \$3,000,000 for each occurrence and \$4,000,000 general aggregate, including employee benefit liability limits, qualified school groups, and employers' liability.

Property and fleet insurance is provided by a major carrier. Property insurance includes boiler and machinery coverage as well as commercial inland marine coverage with a blanket limit of \$60,952,808 with a \$2,500 deductible. Fleet insurance has a limit of \$3,000,000 with a \$100 deductible for comprehensive and \$250 for collision coverage.

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

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B. Medical

The School District has elected to contract with a major carrier to provide medical benefits for employees through a fully insured program. The maintenance of these benefits is accounted for in the general fund.

C. Workers' Compensation

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The rate has dropped dramatically from 2.35% in 2007 to .699% in calendar year 2012.

Note 11 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty two days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers and most administrators do not earn vacation time.

All certified and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made to classified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 286 days. Classified employees are paid within 120 days of the retirement date. Upon retirement, payment is made to certified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 315 days. Certified employees have the choice of their payout in one or two payments. The first payment will be within 120 days of the last day of employment and the second payment will be in the following year. Upon retirement, payment is made to administrators for a scheduled percentage based upon their years of West Geauga service.

B. Early Retirement Incentive

The West Geauga Local School District Board of Education approved an Early Retirement Incentive program in fiscal year 1998 for certified employees. The Retirement Incentive is based upon first-time retirement eligibility under STRS and notification of retirement in writing by March 15. The retirement incentive is paid in two installments in August of each year following the effective retirement date and, for those employees, the severance is paid in three installments in January of each year following the effective retirement date.

Classified employees also receive a retirement incentive that is paid in January of the year following the date of retirement as long as the employees meet the criteria for retirement and notifies the Board on or before June 30. The payments are made from the general fund.

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Note 12 - Pension Plans

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio (“SERS”), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. 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 rate is 14 percent of annual covered payroll. A portion of the School District’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2013, 13.05 percent and .05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District’s required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2013, 2012 and 2011 were \$471,651, \$537,578 and \$403,800, respectively; 67 percent has been contributed for fiscal year 2013 and 100 percent for the fiscal years 2012 and 2011. \$157,971 represents the unpaid contribution for fiscal year 2013, and is recorded as a liability within the respective funds.

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 publicly-available, stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371, by calling (888) 227-7877, or by visiting the STRS Ohio website 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.

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

A DB or Combined Plan member with five or more years of 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 dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For fiscal year 2013, 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. 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 employer contributions. 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, 2013, 2012 and 2011 were \$1,465,888, \$1,411,995 and \$1,415,455, respectively; 83 percent has been contributed for fiscal year 2013 and 100 percent for the fiscal years 2012 and 2011. Contributions to the DC and Combined Plans for fiscal year 2013 were \$58,650 made by the School District and \$41,893 made by the plan members. \$242,276 represents the unpaid contribution for fiscal year 2013, and is recorded as a liability within the respective funds.

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 have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2013, three members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

Note 13 - Postemployment 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, Medicare Advantage and traditional indemnity plans. A prescription drug plan is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 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 monthly premium for calendar year 2013 was \$104.90 for most participants, but could

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be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2013, .16 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2013, the actuarially determined amount was \$20,525.

Active members do not contribute to the postemployment benefit plans. The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. 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 (including surcharge) for the fiscal years ended June 30, 2013, 2012, and 2011 were \$54,090, \$76,211, and \$108,027, respectively; 67 percent has been contributed for fiscal year 2013 and 100 percent for fiscal years 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2013, the actuarially required allocation was 0.74 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011 were \$24,930, \$31,872, and \$27,723, respectively; 67 percent has been contributed for fiscal year 2013 and 100 percent for fiscal years 2012 and 2011.

B. State Teachers Retirement System

Plan Description - The School District contributes to the cost sharing, multiple-employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the financial report of STRS. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting www.strsoh.org or by requesting a copy by calling toll-free (888) 227-7877.

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Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For 2013, 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, 2013, 2012, and 2011 were \$104,7706, \$113,849, and \$108,881, respectively; 83 percent has been contributed for fiscal year 2013 and 100 percent for fiscal years 2012 and 2011.

Note 14 - Long - Term Obligations

The changes in the School District's long-term obligations during the year consist of the following:

	Outstanding 6/30/12	Additions	Reductions	Outstanding 6/30/13	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
2001 School Improvement Refunding Bonds \$4,360,000 at 4.9% - 8.25%	\$ 910,000	\$ 0	\$ 910,000	\$ 0	\$ 0
2004 School Improvement Refunding Bonds \$8,425,000 at 3.5% - 3.95%	725,000	0	725,000	0	0
2005 Various Improvement Bonds \$2,275,000 at 3.0% - 5.25%	1,235,000	0	165,000	1,070,000	170,000
Total General Obligation Bonds	2,870,000	0	1,800,000	1,070,000	170,000
Lease Purchase Agreements:					
Bleachers	72,025	0	72,025	0	0
Roof	153,052	0	153,052	0	0
Total Lease Purchase Agreements	225,077	0	225,077	0	0
Compensated Absences	1,792,749	70,534	26,976	1,836,307	182,767
Total Governmental Activities Long-Term Liabilities	\$ 4,887,826	\$ 70,534	\$ 2,052,053	\$ 2,906,307	\$ 352,767

2001 Refunding Bonds

In fiscal year 2001, the School District issued \$4,360,000 in refunding bonds with interest rates varying from 4.90% - 8.25%. The bonds matured in December 2012.

2004 Refunding Bonds

In fiscal year 2005, the School District refunded School Improvement Bonds which were originally issued in 1994 at rates of 3.80% - 8.10% and matured in 2012. The refunding bonds were issued in October 2004 in the amount of \$8,425,000 at rates of 3.50% - 3.95%. The bonds matured in December 2012.

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2005 Various Purpose Improvement Bonds

In fiscal year 2005, the School District issued \$2,275,000 in various purpose improvement bonds. A portion of the bond proceeds paid off the various purpose improvement notes issued in fiscal year 2004. The monies will be used as part of the House Bill 264 energy conservation project at the School District. The bonds mature in December 2019.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid, which is primarily the general fund.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2013 are as follows:

Fiscal Year Ending June 30,	Serial Bonds	
	Principal	Interest
2013	\$ 170,000	\$ 44,925
2014	180,000	37,450
2015	130,000	29,700
2016	140,000	22,950
2017	145,000	15,825
2018 - 2020	305,000	12,300
Total	\$ 1,070,000	\$ 163,150

Note 15 - Jointly Governed Organizations

A. Lake Geauga Computer Association

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its eighteen member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$88,344 to LGCA during fiscal year 2013. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

B. Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among school districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose

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term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2013, the School District paid \$54,125 to the Council. Financial information can be obtained by contacting Dr. David Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

C. West Geauga Joint Recreation Council

The West Geauga Joint Recreation Council (the “Council”) is a jointly governed organization. The School District appoints one member of the six-member board. The purpose of the Council is to further athletic and recreational opportunities. The School District has not contributed to the Council in fiscal year 2012. The School District’s degree of control is limited to its representation on the board. The Council’s continued existence is not dependent on the School District’s continued participation. To obtain financial information, write to West Geauga Joint Recreational Board, P.O. Box 384, Chesterland, Ohio 44026.

Note 16 – Contingencies and Significant Commitments

A. Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2013, if applicable, cannot be determined at this time.

B. Litigation

The School District is not party to any claims or lawsuits that would, in the School District’s opinion, have a material effect of the basic financial statements.

C. Contractual Commitment

As of June 30, 2013, the School District had a contractual commitment as follows:

	Contractual Commitment	Expended	Balance 6/30/2013
Roof Replacement	\$ 447,700	\$ 215,004	\$ 232,696

This is a replacement, therefore, the expenditures have been recorded as repair and maintenance.

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D. Encumbrance Commitments

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

Fund	Amount
General Fund	\$ 668,236
Permanent Improvement Fund	278,685
Other Governmental Funds	24,325
	\$ 971,246

Note 17 - Interfund

A. Transfers

Transfers made during fiscal year 2013 were as follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 0	\$ 45,000
Nonmajor Governmental Funds	45,000	0
Total	\$ 45,000	\$ 45,000

These transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

B. Interfund Receivables/Payables

Interfund balances at June 30, 2013 consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$ 15,000	\$ 0
Nonmajor Governmental Funds	0	15,000
Total	\$ 15,000	\$ 15,000

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

The general fund advanced monies to nonmajor governmental funds to cover expenditures until expected revenues were received. All interfund loans will be repaid in fiscal year 2014 with monies to be received from reimbursable expenditures incurred during fiscal year 2013.

Note 18 - Set-Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for 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 the year end set-aside amounts for capital improvement. Disclosure of this information is required by State statute.

	Capital Improvement Reserve
Set Aside Restricted Balance June 30, 2012	\$ 0
Current Year Set-Aside Requirement	379,319
Current Year Qualifying Expenditures	(873,810)
Total	\$ (494,491)
Balance Carried Forward to Fiscal Year 2014	\$ 0
Set Aside Balance June 30, 2013	\$ 0

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

*Combining Statements for
Nonmajor Governmental Funds
and
Individual Fund Schedules for
Governmental Funds*



West Geauga Local School District
Geauga County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, the uniform school supplies, adult education, rotary, public school support and other grants special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Food Service Fund To account for all revenues and expenditures related to the provision of food services, including breakfast and lunch, for the School District students and staff.

Special Trust Fund This fund accounts for monies from local donations for the purpose of scholarships for students.

Education Foundation Fund This fund accounts for local monies received for specific grant requests made by staff members to the Educational Foundation.

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

Auxiliary Services Fund This fund accounts for State monies used to provide services and materials for pupils attending non-public schools within the School District.

Data Communication Fund This fund accounts for State monies appropriated for Ohio Educational Computer Network Connections.

Miscellaneous State Grants Fund This fund accounts for other State Grants which are not required to be accounted for in a separate fund.

Race to the Top Fund To account for federal funds received as part of a competitive process authorized under the American Recovery and Reinvestment Act of 2009 and designed to encourage and reward districts that are creating the foundations for education innovation and reform designed to significantly improve student achievement.

Title VI-B Fund This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

West Geauga Local School District
Geauga County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

Title III Limited English Proficiency Fund To account for funds used to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must incorporate the cultural heritage of these children and of other children in American society. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

Title I Fund To account for federal funds for services provided to meet special educational needs of educationally deprived children.

Classroom Reduction Fund This fund accounts for Federal monies to hire additional classroom teachers in grades 1-3, so that the number of students per teacher will be reduced.

Uniform School Supplies Fund To account for the purchase and sale of school supplies as adopted by the Board of Education for resale to students of the School District.

Adult Education Fund This fund accounts for transactions made in connection with adult education classes.

Rotary Fund This fund accounts for monies from local sources which provides for field trips for the students.

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

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

West Geauga Local School District
Geauga County, Ohio
Combining Statements – Nonmajor Funds

Nonmajor Capital Project Fund

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

SchoolNet Fund To account for State monies to be used to provide wiring to all classrooms that supports the transmission of voice, video and data, and to provide a computer workstation and related technology for every classroom.

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Nonmajor Special Revenue Funds	Schoolnet Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 247,557	\$ 972	\$ 248,529
Intergovernmental Receivable	113,770	0	113,770
<i>Total Assets</i>	<u>\$ 361,327</u>	<u>\$ 972</u>	<u>\$ 362,299</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 31,527	\$ 0	\$ 31,527
Accrued Wages and Benefits	68,893	0	68,893
Intergovernmental Payable	25,381	0	25,381
Interfund Payable	15,000	0	15,000
Deferred Revenue	57,799	0	57,799
<i>Total Liabilities</i>	<u>198,600</u>	<u>0</u>	<u>198,600</u>
Fund Balances (Deficit)			
Restricted	183,985	972	184,957
Unassigned (Deficit)	(21,258)	0	(21,258)
<i>Total Fund Balances</i>	<u>162,727</u>	<u>972</u>	<u>163,699</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 361,327</u>	<u>\$ 972</u>	<u>\$ 362,299</u>

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2013

	Nonmajor Special Revenue Funds	Schoolnet Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 1,302,966	\$ 0	\$ 1,302,966
Investment Income	536	0	536
Extracurricular Activities	197,022	0	197,022
Charges for Services	258,985	0	258,985
Contributions and Donations	20,192	0	20,192
Miscellaneous	518	0	518
<i>Total Revenues</i>	<u>1,780,219</u>	<u>0</u>	<u>1,780,219</u>
Expenditures:			
Current:			
Instruction:			
Regular	58,836	0	58,836
Special	178,802	0	178,802
Support Services:			
Pupils	369,994	0	369,994
Instructional Staff	39,060	0	39,060
Administration	40,748	0	40,748
Operation and Maintenance of Plant	18,889	0	18,889
Central	7,200	0	7,200
Extracurricular Activities	237,179	0	237,179
Operation of Non-Instructional Services:			
Food Service Operations	373,597	0	373,597
Community Services	527,901	0	527,901
<i>Total Expenditures</i>	<u>1,852,206</u>	<u>0</u>	<u>1,852,206</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(71,987)	0	(71,987)
Other Financing Sources (Uses):			
Transfers In	45,000	0	45,000
<i>Net Change in Fund Balance</i>	(26,987)	0	(26,987)
<i>Fund Balance at Beginning of Year</i>	<u>189,714</u>	<u>972</u>	<u>190,686</u>
<i>Fund Balance at End of Year</i>	<u>\$ 162,727</u>	<u>\$ 972</u>	<u>\$ 163,699</u>

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 7,955	\$ 61,891	\$ 2,904	\$ 82,032
Intergovernmental Receivable	1,751	0	0	22
<i>Total Assets</i>	<u>\$ 9,706</u>	<u>\$ 61,891</u>	<u>\$ 2,904</u>	<u>\$ 82,054</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 2,486
Accrued Wages and Benefits	19,051	0	0	0
Intergovernmental Payable	10,429	0	0	37
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>29,480</u>	<u>0</u>	<u>0</u>	<u>2,523</u>
Fund Balances (Deficit)				
Restricted	0	61,891	2,904	79,531
Unassigned (Deficit)	(19,774)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(19,774)</u>	<u>61,891</u>	<u>2,904</u>	<u>79,531</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 9,706</u>	<u>\$ 61,891</u>	<u>\$ 2,904</u>	<u>\$ 82,054</u>

(continued)

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Race to the Top Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 21,562	\$ 0	\$ 18	\$ 15,618
Intergovernmental Receivable	50	0	0	33,855
<i>Total Assets</i>	<u>\$ 21,612</u>	<u>\$ 0</u>	<u>\$ 18</u>	<u>\$ 49,473</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 15,467	\$ 0	\$ 0	\$ 12,055
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	267	0	0	1,178
Interfund Payable	0	0	0	15,000
Deferred Revenue	0	0	0	19,657
<i>Total Liabilities</i>	<u>15,734</u>	<u>0</u>	<u>0</u>	<u>47,890</u>
Fund Balances (Deficit)				
Restricted	5,878	0	18	1,583
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>5,878</u>	<u>0</u>	<u>18</u>	<u>1,583</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 21,612</u>	<u>\$ 0</u>	<u>\$ 18</u>	<u>\$ 49,473</u>

(continued)

West Geauga Local School District
Gauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Title VI-B Fund	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Total Nonmajor Special Revenue Funds
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 33,648	\$ 5,423	\$ 11,445	\$ 5,061	\$ 247,557
Intergovernmental Receivable	55,655	0	22,433	4	113,770
<i>Total Assets</i>	<u>\$ 89,303</u>	<u>\$ 5,423</u>	<u>\$ 33,878</u>	<u>\$ 5,065</u>	<u>\$ 361,327</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	\$ 1,299	\$ 0	\$ 220	\$ 0	\$ 31,527
Accrued Wages and Benefits	31,073	0	12,318	6,451	68,893
Intergovernmental Payable	10,603	0	2,773	94	25,381
Interfund Payable	0	0	0	0	15,000
Deferred Revenue	24,483	0	13,655	4	57,799
<i>Total Liabilities</i>	<u>67,458</u>	<u>0</u>	<u>28,966</u>	<u>6,549</u>	<u>198,600</u>
Fund Balances (Deficit)					
Restricted	21,845	5,423	4,912	0	183,985
Unassigned (Deficit)	0	0	0	(1,484)	(21,258)
<i>Total Fund Balances (Deficit)</i>	<u>21,845</u>	<u>5,423</u>	<u>4,912</u>	<u>(1,484)</u>	<u>162,727</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 89,303</u>	<u>\$ 5,423</u>	<u>\$ 33,878</u>	<u>\$ 5,065</u>	<u>\$ 361,327</u>

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
Revenues:				
Intergovernmental	\$ 92,204	\$ 0	\$ 0	\$ 0
Investment Income	0	259	0	0
Extracurricular Activities	0	0	0	197,022
Charges for Services	258,985	0	0	0
Contributions and Donations	0	1,080	4,087	15,025
Miscellaneous	0	0	0	518
<i>Total Revenues</i>	<u>351,189</u>	<u>1,339</u>	<u>4,087</u>	<u>212,565</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	2,977	0
Special	0	0	0	0
Support Services:				
Pupils	0	352	0	0
Instructional Staff	0	2,500	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	18,889	0	0	0
Central	0	0	0	0
Extracurricular Activities	0	0	0	237,179
Operation of Non-Instructional Services:				
Food Service Operations	373,597	0	0	0
Community Services	0	4,500	0	0
<i>Total Expenditures</i>	<u>392,486</u>	<u>7,352</u>	<u>2,977</u>	<u>237,179</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(41,297)	(6,013)	1,110	(24,614)
Other Financing Sources (Uses):				
Transfers In	45,000	0	0	0
<i>Net Change in Fund Balance</i>	3,703	(6,013)	1,110	(24,614)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(23,477)</u>	<u>67,904</u>	<u>1,794</u>	<u>104,145</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (19,774)</u>	<u>\$ 61,891</u>	<u>\$ 2,904</u>	<u>\$ 79,531</u>

(continued)

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Race to the Top Fund
Revenues:				
Intergovernmental	\$ 459,209	\$ 7,200	\$ 0	\$ 30,437
Investment Income	277	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>459,486</u>	<u>7,200</u>	<u>0</u>	<u>30,437</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	13,566
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	2,532	14,059
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	7,200	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	502,527	0	0	0
<i>Total Expenditures</i>	<u>502,527</u>	<u>7,200</u>	<u>2,532</u>	<u>27,625</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(43,041)	0	(2,532)	2,812
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	(43,041)	0	(2,532)	2,812
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>48,919</u>	<u>0</u>	<u>2,550</u>	<u>(1,229)</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,878</u>	<u>\$ 0</u>	<u>\$ 18</u>	<u>\$ 1,583</u>

(continued)

West Geauga Local School District
Gauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2013

	Title VI-B Fund	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Total Nonmajor Special Revenue Funds
Revenues:					
Intergovernmental	\$ 526,765	\$ 3,632	\$ 134,245	\$ 49,274	\$ 1,302,966
Investment Income	0	0	0	0	536
Extracurricular Activities	0	0	0	0	197,022
Charges for Services	0	0	0	0	258,985
Contributions and Donations	0	0	0	0	20,192
Miscellaneous	0	0	0	0	518
<i>Total Revenues</i>	<u>526,765</u>	<u>3,632</u>	<u>134,245</u>	<u>49,274</u>	<u>1,780,219</u>
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	42,293	58,836
Special	60,493	0	118,309	0	178,802
Support Services:					
Pupils	369,642	0	0	0	369,994
Instructional Staff	2,386	7,725	4,823	5,035	39,060
Administration	40,748	0	0	0	40,748
Operation and Maintenance of Plant	0	0	0	0	18,889
Central	0	0	0	0	7,200
Extracurricular Activities	0	0	0	0	237,179
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	373,597
Community Services	19,759	0	1,115	0	527,901
<i>Total Expenditures</i>	<u>493,028</u>	<u>7,725</u>	<u>124,247</u>	<u>47,328</u>	<u>1,852,206</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	33,737	(4,093)	9,998	1,946	(71,987)
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	45,000
<i>Net Change in Fund Balance</i>	33,737	(4,093)	9,998	1,946	(26,987)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(11,892)</u>	<u>9,516</u>	<u>(5,086)</u>	<u>(3,430)</u>	<u>189,714</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 21,845</u>	<u>\$ 5,423</u>	<u>\$ 4,912</u>	<u>\$ (1,484)</u>	<u>\$ 162,727</u>



GOVERNMENTAL FUNDS

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

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
Revenues:			
Taxes	\$ 17,103,859	\$ 17,103,859	\$ 0
Intergovernmental	6,272,574	6,256,284	(16,290)
Investment Income	63,188	63,024	(164)
Tuition and Fees	1,824,520	1,819,782	(4,738)
Extracurricular	45,689	45,570	(119)
Rentals	7,430	7,411	(19)
Gifts and Donations	9,758	9,733	(25)
Charges for Services	20,114	20,062	(52)
Miscellaneous	14,838	14,799	(39)
<i>Total Revenues</i>	<u>25,361,970</u>	<u>25,340,524</u>	<u>(21,446)</u>
Expenditures:			
Current:			
Instruction:			
Regular	10,123,139	10,083,751	39,388
Special	3,826,294	3,757,043	69,251
Vocational	349,200	347,411	1,789
Student Intervention Services	54,212	54,212	0
Other	614,891	608,092	6,799
Support Services:			
Pupils	1,438,914	1,438,293	621
Instructional Staff	753,122	753,055	67
Board of Education	60,596	58,427	2,169
Administration	1,769,628	1,756,609	13,019
Fiscal	673,854	673,041	813
Business	300,340	298,680	1,660
Operation and Maintenance of Plant	2,209,367	2,190,756	18,611
Pupil Transportation	1,928,551	1,913,197	15,354
Central	16,093	15,610	483
Extracurricular	539,348	539,348	0
Capital Outlay	87,878	87,878	0
<i>Total Expenditures</i>	<u>24,745,427</u>	<u>24,575,403</u>	<u>170,024</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>616,543</u>	<u>765,121</u>	<u>148,578</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Assets	9,860	9,860	0
Advances In	19,326	19,326	0
Advances Out	(15,000)	(15,000)	0
Transfers In	(45,000)	(45,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(30,814)</u>	<u>(30,814)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	585,729	734,307	148,578
<i>Fund Balance at Beginning of Year</i>	6,136,361	6,136,361	0
Prior Year Encumbrances Appropriated	856,499	856,499	0
<i>Fund Balance at End of Year</i>	<u>\$ 7,578,589</u>	<u>\$ 7,727,167</u>	<u>\$ 148,578</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Taxes	\$ 1,175,584	\$ 1,175,584	\$ 0
Intergovernmental	121,327	121,327	0
<i>Total Revenues</i>	<u>1,296,911</u>	<u>1,296,911</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	12,837	12,837	0
Debt Service:			
Principal Retirement	2,025,076	2,025,076	0
Interest and Fiscal Charges	110,593	110,593	0
<i>Total Debt Service</i>	<u>2,135,669</u>	<u>2,135,669</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,148,506</u>	<u>2,148,506</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(851,595)	(851,595)	0
<i>Fund Balance at Beginning of Year</i>	<u>875,610</u>	<u>875,610</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 24,015</u>	<u>\$ 24,015</u>	<u>\$ 0</u>

West Geauga Local School District
Gauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Projects Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 1,059,856	\$ 1,059,856	\$ 0
Intergovernmental	201,714	201,714	0
<i>Total Revenues</i>	<u>1,261,570</u>	<u>1,261,570</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff	28,200	4,492	23,708
Fiscal	25,759	25,759	0
Operation and Maintenance of Plant	246,690	187,067	59,623
Pupil Transportation	30,000	0	30,000
Capital Outlay	774,455	720,780	53,675
<i>Total Expenditures</i>	<u>1,105,104</u>	<u>938,098</u>	<u>167,006</u>
<i>Net Change in Fund Balance</i>	156,466	323,472	167,006
<i>Fund Balance at Beginning of Year</i>	123,821	123,821	0
Prior Year Encumbrances Appropriated	137,708	137,708	0
<i>Fund Balance at End of Year</i>	<u>\$ 417,995</u>	<u>\$ 585,001</u>	<u>\$ 167,006</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenses, and
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 82,952	\$ 83,433	\$ 481
Charges for Services	257,492	258,985	1,493
<i>Total Revenues</i>	340,444	342,418	1,974
Expenditures:			
Current:			
Support Services			
Operation and Maintenance of Plant	19,039	19,024	15
Operation of Non-Instructional Services:			
Food Service Operations	369,073	368,197	876
<i>Total Expenditures</i>	388,112	387,221	891
<i>Excess of Revenues Over (Under) Expenses</i>	(47,668)	(44,803)	2,865
Other Financing Sources (Uses):			
Transfers In	45,000	45,000	0
<i>Net Change in Fund Balance</i>	(2,668)	197	2,865
<i>Fund Balance at Beginning of Year</i>	1,888	1,888	0
Prior Year Encumbrances Appropriated	1,276	1,276	0
<i>Fund Balance at End of Year</i>	\$ 496	\$ 3,361	\$ 2,865

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
Revenues:			
Investment Income	\$ 245	\$ 259	\$ 14
Gifts and Donations	1,023	1,080	57
<i>Total Revenues</i>	<u>1,268</u>	<u>1,339</u>	<u>71</u>
Expenditures:			
Current:			
Support Services:			
Pupils	1,076	352	724
Instructional Staff	2,500	2,500	0
Total Support Services	<u>3,576</u>	<u>2,852</u>	<u>724</u>
Operation of Non-Instructional Services:			
Community Services	4,550	4,550	0
<i>Total Expenditures</i>	<u>8,126</u>	<u>7,402</u>	<u>724</u>
<i>Net Change in Fund Balance</i>	(6,858)	(6,063)	795
<i>Fund Balance at Beginning of Year</i>	<u>67,904</u>	<u>67,904</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 61,046</u>	<u>\$ 61,841</u>	<u>\$ 795</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Education Foundation Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
Revenues:			
Gifts and Donations	\$ 4,087	\$ 4,087	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	4,477	4,477	0
<i>Net Change in Fund Balance</i>	(390)	(390)	0
<i>Fund Balance at Beginning of Year</i>	1,794	1,794	0
<i>Fund Balance at End of Year</i>	\$ 1,404	\$ 1,404	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
District Managed Activities Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 184,642	\$ 197,022	\$ 12,380
Gifts and Donations	26,164	15,025	(11,139)
Miscellaneous	200	518	318
<i>Total Revenues</i>	<u>211,006</u>	<u>212,565</u>	<u>1,559</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>287,091</u>	<u>250,116</u>	<u>36,975</u>
<i>Net Change in Fund Balance</i>	(76,085)	(37,551)	38,534
<i>Fund Balance at Beginning of Year</i>	107,318	107,318	0
Prior Year Encumbrances Appropriated	<u>8,361</u>	<u>8,361</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 39,594</u>	<u>\$ 78,128</u>	<u>\$ 38,534</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 459,131	\$ 459,209	\$ 78
Investment Income	277	277	0
<i>Total Revenues</i>	<u>459,408</u>	<u>459,486</u>	<u>78</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services	<u>552,015</u>	<u>550,702</u>	<u>1,313</u>
<i>Net Change in Fund Balance</i>	(92,607)	(91,216)	1,391
<i>Fund Balance at Beginning of Year</i>	41,631	41,631	0
Prior Year Encumbrances Appropriated	<u>51,050</u>	<u>51,050</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 74</u>	<u>\$ 1,465</u>	<u>\$ 1,391</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 7,200	\$ 7,200	\$ 0
Expenditures:			
Current:			
Support Services:			
Central	7,200	7,200	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$ 0	\$ 0	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:	\$ 0	\$ 0	\$ 0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	2,532	2,532	0
<i>Net Change in Fund Balance</i>	(2,532)	(2,532)	0
<i>Fund Balance at Beginning of Year</i>	2,550	2,550	0
<i>Fund Balance at End of Year</i>	\$ 18	\$ 18	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Race to the Top Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 32,472	\$ 32,472	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	15,299	14,240	1,059
Support Services:			
Instructional Staff	14,782	14,538	244
<i>Total Expenditures</i>	30,081	28,778	1,303
<i>Excess of Revenues Over (Under) Expenditures</i>	2,391	3,694	1,303
Other Financing Sources (Uses):			
Advances In	15,000	15,000	0
Advances Out	(15,241)	(15,241)	0
<i>Total Other Financing Sources (Uses)</i>	(241)	(241)	0
<i>Net Change in Fund Balance</i>	2,150	3,453	1,303
<i>Fund Balance at Beginning of Year</i>	109	109	0
<i>Fund Balance at End of Year</i>	\$ 2,259	\$ 3,562	\$ 1,303

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 496,044	\$ 496,044	\$ 0
Expenditures:			
Current:			
Instruction:			
Special	64,836	61,025	3,811
Support Services:			
Pupils	383,999	371,277	12,722
Instructional Staff	3,940	3,716	224
Administration	42,302	41,232	1,070
Operation of Non-Instructional Services:			
Community Services	19,759	19,759	0
<i>Total Expenditures</i>	514,836	497,009	17,827
<i>Net Change in Fund Balance</i>	(18,792)	(965)	17,827
<i>Fund Balance at Beginning of Year</i>	21,470	21,470	0
Prior Year Encumbrances Appropriated	5,110	5,110	0
<i>Fund Balance at End of Year</i>	\$ 7,788	\$ 25,615	\$ 17,827

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title III Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 3,632	\$ 3,632	\$ 0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	13,148	7,725	5,423
<i>Net Change in Fund Balance</i>	(9,516)	(4,093)	5,423
<i>Fund Balance at Beginning of Year</i>	9,516	9,516	0
<i>Fund Balance at End of Year</i>	\$ 0	\$ 5,423	\$ 5,423

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 125,467	\$ 125,467	\$ 0
Expenditures:			
Current:			
Instruction:			
Special	119,653	115,013	4,640
Support Services:			
Instructional Staff	7,524	5,628	1,896
Operation of Non-Instructional Services:			
Community Services	1,131	1,115	16
<i>Total Expenditures</i>	<u>128,308</u>	<u>121,756</u>	<u>6,552</u>
<i>Net Change in Fund Balance</i>	(2,841)	3,711	6,552
<i>Fund Balance at Beginning of Year</i>	<u>6,709</u>	<u>6,709</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 3,868</u>	<u>\$ 10,420</u>	<u>\$ 6,552</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Classroom Reduction Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 49,274	\$ 49,274	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	45,277	42,466	2,811
Support Services:			
Instructional Staff	7,285	7,285	0
<i>Total Expenditures</i>	<u>52,562</u>	<u>49,751</u>	<u>2,811</u>
<i>Net Change in Fund Balance</i>	(3,288)	(477)	2,811
<i>Fund Balance at Beginning of Year</i>	<u>3,288</u>	<u>3,288</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 0</u>	<u>\$ 2,811</u>	<u>\$ 2,811</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform Supplies Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
Revenues:			
Tuition and Fees	\$ 215,127	\$ 215,721	\$ 594
Expenditures:			
Current:			
Instruction:			
Regular	240,715	227,693	13,022
<i>Net Change in Fund Balance</i>	(25,588)	(11,972)	13,616
<i>Fund Balance at Beginning of Year</i>	69,280	69,280	0
Prior Year Encumbrances Appropriated	3,930	3,930	0
<i>Fund Balance at End of Year</i>	\$ 47,622	\$ 61,238	\$ 13,616

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 12	\$ 12	\$ 0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance at End of Year</i>	\$ 12	\$ 12	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2013

	Final	Actual	Variance
Revenues:			
Tuition and Fees	\$ 6,799	\$ 14,430	\$ 7,631
Extracurricular	24,874	34,934	10,060
Gifts and Donations	3,896	1,264	(2,632)
<i>Total Revenues</i>	<u>35,569</u>	<u>50,628</u>	<u>15,059</u>
Expenditures:			
Current:			
Instruction:			
Regular	46,248	44,538	1,710
Support Services:			
Administration	4,907	4,907	0
Central	1,465	1,465	0
<i>Total Expenditures</i>	<u>52,620</u>	<u>50,910</u>	<u>1,710</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(17,051)</u>	<u>(282)</u>	<u>16,769</u>
Other Financing Sources (Uses):			
Advances Out	(4,085)	(4,085)	0
<i>Net Change in Fund Balance</i>	(21,136)	(4,367)	16,769
<i>Fund Balance at Beginning of Year</i>	<u>23,663</u>	<u>23,663</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 2,527</u>	<u>\$ 19,296</u>	<u>\$ 16,769</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 352	\$ 475	\$ 123
Gifts and Donations	14,700	16,710	2,010
Miscellaneous	11,590	10,633	(957)
<i>Total Revenues</i>	<u>26,642</u>	<u>27,818</u>	<u>1,176</u>
Expenditures:			
Current:			
Instruction:			
Regular	28,813	27,244	1,569
Support Services:			
Administration	10,875	9,887	988
Pupil Transportation	510	346	164
<i>Total Expenditures</i>	<u>40,198</u>	<u>37,477</u>	<u>2,721</u>
<i>Net Change in Fund Balance</i>	(13,556)	(9,659)	3,897
<i>Fund Balance at Beginning of Year</i>	24,159	24,159	0
Prior Year Encumbrances Appropriated	<u>3,763</u>	<u>3,763</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 14,366</u>	<u>\$ 18,263</u>	<u>\$ 3,897</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 77,450	\$ 80,150	\$ 2,700
Miscellaneous	200	200	0
<i>Total Revenues</i>	<u>77,650</u>	<u>80,350</u>	<u>2,700</u>
Expenditures:			
Current:			
Instruction:			
Regular	2,000	1,768	232
Support Services:			
Instructional Staff	71,554	71,554	0
Operation and Maintenance of Plant	2,898	2,898	0
Operation of Non-Instructional Services:			
Community Services	4,500	3,597	903
Extracurricular	3,260	1,065	2,195
<i>Total Expenditures</i>	<u>84,212</u>	<u>80,882</u>	<u>3,330</u>
<i>Net Change in Fund Balance</i>	(6,562)	(532)	6,030
<i>Fund Balance at Beginning of Year</i>	18,009	18,009	0
Prior Year Encumbrances Appropriated	<u>2,207</u>	<u>2,207</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 13,654</u>	<u>\$ 19,684</u>	<u>\$ 6,030</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues:	\$ 0	\$ 0	\$ 0
Expenditures:	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance at Beginning of Year</i>	972	972	0
<i>Fund Balance at End of Year</i>	\$ 972	\$ 972	\$ 0

West Geauga Local School District
Gauga County, Ohio
Combining Statements – Agency Fund

Agency Fund

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following is the School District's agency fund:

Student Activities Fund - This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.

West Geauga Local School District
Gauga County, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2013

	Beginning Balance 7/1/12	Additions	Deductions	Ending Balance 6/30/13
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 60,736	\$ 92,807	\$ 98,899	\$ 54,644
Liabilities				
Due to Students	\$ 60,736	\$ 92,807	\$ 98,899	\$ 54,644

STATISTICAL SECTION



Statistical Section

This part of the West Geauga Local 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 School District's overall financial health.

Contents

Page(s)

Financial Trends

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

S-2 - S-13

Revenue Capacity

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

S-14 - S-19

Debt Capacity

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

S-20 - S-25

Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.

S-26 - S-27

Operating Information

These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

S-28 - S-35

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

NOTE:

With the implementation of GASB No. 54 for fiscal year 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

West Geauga Local School District
Geauga County, Ohio
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 14,864,667	\$ 13,251,326	\$ 11,425,167	\$ 8,359,303
Restricted	1,227,166	1,387,178	2,209,131	2,295,568
Unrestricted	<u>7,250,386</u>	<u>5,632,628</u>	<u>4,004,346</u>	<u>2,605,747</u>
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>	<u>\$ 17,638,644</u>	<u>\$ 13,260,618</u>
Business-Type Activities:				
Net Investment in Capital Assets	N/A	N/A	N/A	\$ 1,200,169
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>(26,444)</u>
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 1,173,725</u>
Primary Government:				
Net Investment in Capital Assets	\$ 14,864,667	\$ 13,251,326	\$ 11,425,167	\$ 9,559,472
Restricted	1,227,166	1,387,178	2,209,131	2,295,568
Unrestricted	<u>7,250,386</u>	<u>5,632,628</u>	<u>4,004,346</u>	<u>2,579,303</u>
<i>Total Primary Government</i>				
<i>Net Position</i>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>	<u>\$ 17,638,644</u>	<u>\$ 14,434,343</u>

2009	2008	2007	2006	2005	2004
\$ 5,900,292	\$ 3,745,774	\$ 2,092,443	\$ 1,837,934	\$ 705,718	\$ 1,660,293
2,348,020	2,744,398	2,878,517	3,811,634	3,759,648	1,540,885
2,743,598	1,928,583	1,418,626	(3,674,775)	15,172	(2,657,113)
<u>\$ 10,991,910</u>	<u>\$ 8,418,755</u>	<u>\$ 6,389,586</u>	<u>\$ 1,974,793</u>	<u>\$ 4,480,538</u>	<u>\$ 544,065</u>
\$ 1,204,409	\$ 1,228,371	\$ 1,252,455	\$ 1,277,136	\$ 1,302,145	\$ 595,066
78,433	153,221	150,458	116,534	(16,188)	(27,424)
<u>\$ 1,282,842</u>	<u>\$ 1,381,592</u>	<u>\$ 1,402,913</u>	<u>\$ 1,393,670</u>	<u>\$ 1,285,957</u>	<u>\$ 567,642</u>
\$ 7,104,701	\$ 4,974,145	\$ 3,344,898	\$ 3,115,070	\$ 2,007,863	\$ 2,255,359
2,348,020	2,744,398	2,878,517	3,811,634	3,759,648	1,540,885
2,822,031	2,081,804	1,569,084	(3,558,241)	(1,016)	(2,684,537)
<u>\$ 12,274,752</u>	<u>\$ 9,800,347</u>	<u>\$ 7,792,499</u>	<u>\$ 3,368,463</u>	<u>\$ 5,766,495</u>	<u>\$ 1,111,707</u>

West Geauga Local School District
Geauga County, Ohio
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 10,677,700	\$ 11,306,827	\$ 11,011,297	\$ 10,066,334
Special Instruction	3,822,518	3,873,958	3,493,129	3,538,688
Vocational Instruction	347,411	332,260	309,061	289,587
Student Intervention Services	54,238	64,113	42,900	24,156
Other Instruction	495,618	406,071	502,297	505,827
Pupil Support	1,779,194	1,923,647	1,974,773	2,008,819
Instructional Staff Support	889,090	942,218	833,666	833,338
Board of Education	64,690	127,610	56,094	70,832
Administration	1,821,255	1,789,418	1,797,465	1,886,260
Fiscal	619,927	850,572	686,250	674,803
Business	302,471	324,808	323,354	356,402
Operation and Maintenance of Plant	2,370,163	2,415,953	2,245,054	2,270,317
Pupil Transportation	1,959,575	2,045,889	2,066,693	2,007,110
Central	23,062	16,349	80,608	82,197
Food Service Operations	398,563	494,548	678,763	0
Community Services	552,263	457,134	461,489	455,226
Enterprise Operations	0	400	1,001	1,257
Extracurricular Activities	806,416	922,831	928,726	960,079
Capital Outlay	0	0	0	0
Interest and Fiscal Charges	93,215	203,746	280,273	405,754
Total Governmental Activities Expenses	27,077,369	28,498,352	27,772,893	26,436,986
Business-Type Activities:				
Food Service	N/A	N/A	N/A	764,410
Uniform School Supplies	N/A	N/A	N/A	259,829
Adult Education	N/A	N/A	N/A	0
Total Business-Type Activities Expenses	N/A	N/A	N/A	1,024,239
Total Primary Government Expenses	\$ 27,077,369	\$ 28,498,352	\$ 27,772,893	\$ 27,461,225
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 1,476,021	\$ 1,359,364	\$ 948,008	\$ 766,165
Special Instruction	582,794	553,016	509,556	212,462
Other Instruction	0	0	0	0
Pupil Support	0	0	0	0
Instructional Staff Support	0	0	2,126	0
Board of Education	0	0	0	0
Administration	0	0	13,394	0
Fiscal	8,282	6,886	0	0
Operation and Maintenance of Plant	0	0	10,264	5,702
Pupil Transportation	35,847	24,667	7,028	8,282
Central	0	0	1,455	0
Food Service Operations	258,986	285,356	297,398	0
Community Services	0	0	5,043	0
Extracurricular Activities	246,676	280,290	336,726	366,967
Operating Grants and Contributions:				
Regular Instruction	85,792	134,408	90,843	71,549
Special Instruction	179,636	156,359	435,538	569,738
Vocational Instruction	0	0	0	0
Student Intervention Services	0	3,567	19,997	16,256
Other Instruction	0	0	190,527	133,592
Pupil Support	357,822	421,447	546,963	305,580
Instructional Staff Support	100,642	130,176	178,321	186,537

	2009	2008	2007	2006	2005	2004
\$	10,694,447	\$ 10,540,611	\$ 10,353,894	\$ 11,284,889	\$ 10,173,341	\$ 9,791,785
	3,077,259	2,528,956	2,679,904	2,505,389	2,288,866	2,185,290
	214,889	201,165	180,952	185,821	390,495	342,768
	15,000	0	0	0	0	0
	425,899	411,484	375,634	391,716	322,298	546,664
	2,264,365	2,143,840	1,919,449	1,790,903	1,700,703	1,813,446
	804,471	830,321	784,377	870,190	814,183	803,286
	68,921	60,464	48,817	44,858	51,367	64,333
	1,840,520	1,770,671	1,835,968	1,640,485	1,612,665	1,667,237
	585,951	636,471	779,457	735,376	590,209	578,176
	332,112	201,183	187,079	190,818	169,750	163,048
	2,544,297	2,715,582	2,426,892	1,757,726	2,819,479	2,089,865
	2,048,743	1,914,042	1,919,444	1,782,371	1,761,637	1,740,675
	83,631	85,407	91,810	67,306	78,217	95,619
	0	0	0	0	0	0
	524,520	479,862	516,393	472,983	441,421	526,011
	100	0	0	0	0	0
	897,337	838,562	779,025	765,699	735,399	766,421
	0	0	0	977,742	44,011	0
	518,186	620,617	630,801	673,506	812,376	1,005,459
	<u>26,940,648</u>	<u>25,979,238</u>	<u>25,509,896</u>	<u>26,137,778</u>	<u>24,806,417</u>	<u>24,180,083</u>
	710,305	688,011	666,096	647,620	681,896	505,037
	271,611	249,160	242,615	115,780	179,733	164,637
	0	0	0	0	0	2
	<u>981,916</u>	<u>937,171</u>	<u>908,711</u>	<u>763,400</u>	<u>861,629</u>	<u>669,676</u>
\$	<u>27,922,564</u>	<u>\$ 26,916,409</u>	<u>\$ 26,418,607</u>	<u>\$ 26,901,178</u>	<u>\$ 25,668,046</u>	<u>\$ 24,849,759</u>

\$	642,853	\$ 429,548	\$ 276,947	\$ 81,152	\$ 342,736	\$ 152,457
	156,787	0	0	0	8,343	9,987
	0	0	0	5,035	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	12,422
	7,501	10,325	7,227	9,904	0	0
	0	0	0	0	0	0
	6,291	8,371	7,696	0	0	0
	12,084	8,090	12,654	9,412	11,777	5,238
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	16,383	3,401
	338,371	313,654	274,319	392,610	311,563	314,563
	99,134	219,384	202,659	31,367	48,126	80,831
	147,990	151,317	58,104	640,076	532,114	314,372
	20,615	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	421,047	486,236	413,498	0	0	0
	14,374	20,407	17,415	56,364	71,304	62,625

West Geauga Local School District
Geauga County, Ohio
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010
Administration	39,445	0	47,808	21,954
Fiscal	0	112,675	0	0
Business	0	5,940	0	0
Operation and Maintenance of Plant	2,896	0	0	0
Pupil Transportation	0	32,667	0	0
Central	7,200	7,200	9,100	9,145
Food Service Operations	92,203	124,941	133,017	0
Community Services	483,959	472,026	409,968	416,932
Enterprise Operations	0	0	0	0
Extracurricular Activities	16,090	21,724	59,601	36,760
Capital Grants and Contributions:				
Operation and Maintenance of Plant	0	0	19,270	1,450
Pupil Transportation	0	0	0	0
Community Services	0	0	0	5,120
Total Governmental Activities Program Revenues	3,974,291	4,132,709	4,271,951	3,134,191
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	\$ 379,598
Uniform School Supplies	N/A	N/A	N/A	229,868
Community Education	N/A	N/A	N/A	0
Windsor Educational	N/A	N/A	N/A	0
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	90,590
Total Business-Type Activities Program Revenues	N/A	N/A	N/A	700,056
Total Primary Government Program Revenues	3,974,291	4,132,709	4,271,951	3,834,247
Net (Expense) Revenue:				
Governmental Activities	(23,103,078)	(24,365,643)	(23,500,942)	(23,302,795)
Business-Type Activities	N/A	N/A	N/A	(324,183)
Total Primary Government Net Expense	\$ (23,103,078)	\$ (24,365,643)	\$ (23,500,942)	\$ (23,626,978)
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 17,139,804	\$ 17,773,567	\$ 12,081,806	\$ 11,452,809
Debt Service	1,030,208	2,126,810	2,195,812	2,413,096
Capital Projects	1,334,558	303,437	5,561,466	4,980,626
Grants and Entitlements not Restricted to Specific Programs	6,579,325	6,663,911	6,742,781	6,790,611
Investment Earnings	63,355	81,413	89,044	118,459
Miscellaneous	26,915	48,893	34,434	23,654
Capital Contributions	0	0	0	7,314
Transfers	0	0	0	(215,066)
Total Governmental Activities	26,174,165	26,998,031	26,705,343	25,571,503
Business-Type Activities:				
Investment Earnings	N/A	N/A	N/A	\$ 0
Miscellaneous	N/A	N/A	N/A	0
Transfers	N/A	N/A	N/A	215,066
Total Business-Type Activities	N/A	N/A	N/A	215,066
Total Primary Government	\$ 26,174,165	\$ 26,998,031	\$ 26,705,343	\$ 25,786,569
Change in Net Position				
Governmental Activities	\$ 3,071,087	\$ 2,632,388	\$ 3,204,401	\$ 2,268,708
Business-Type Activities	N/A	N/A	N/A	(109,117)
Total Primary Government	\$ 3,071,087	\$ 2,632,388	\$ 3,204,401	\$ 2,159,591

	2009	2008	2007	2006	2005	2004
	62,613	60,333	65,699	0	0	0
	0	0	0	8,469	7,982	9,308
	0	0	0	0	0	0
	6,188	80,122	0	425,558	431,366	435,454
	0	0	0	0	0	0
	12,000	12,000	12,000	12,000	12,000	12,000
	0	0	0	0	0	0
	470,048	463,219	446,464	0	0	0
	800	0	0	0	0	0
	39,136	22,699	11,467	0	0	0
	0	0	0	0	0	0
	23,466	13,050	26,427	0	0	0
	0	0	0	0	0	0
	<u>2,481,298</u>	<u>2,298,755</u>	<u>1,832,576</u>	<u>1,671,947</u>	<u>1,793,694</u>	<u>1,412,658</u>
\$	384,312	\$ 389,662	\$ 410,561	\$ 419,854	\$ 420,539	\$ 409,201
	249,259	231,307	235,142	210,483	169,299	171,497
	0	0	0	0	0	2,000
	0	0	0	0	0	0
	<u>79,026</u>	<u>65,566</u>	<u>65,453</u>	<u>60,776</u>	<u>43,189</u>	<u>34,111</u>
	<u>712,597</u>	<u>686,535</u>	<u>711,156</u>	<u>691,113</u>	<u>633,027</u>	<u>616,809</u>
	<u>3,193,895</u>	<u>2,985,290</u>	<u>2,543,732</u>	<u>2,363,060</u>	<u>2,426,721</u>	<u>2,029,467</u>
	(24,459,350)	(23,680,483)	(23,677,320)	(24,465,831)	(23,012,723)	(22,767,425)
	(269,319)	(250,636)	(197,555)	(72,287)	(228,602)	(52,867)
\$	<u>(24,728,669)</u>	<u>(23,931,119)</u>	<u>(23,874,875)</u>	<u>(24,538,118)</u>	<u>(23,241,325)</u>	<u>(22,820,292)</u>
\$	16,814,672	\$ 15,513,341	\$ 17,873,911	\$ 12,786,535	\$ 17,665,219	\$ 12,369,741
	2,807,697	2,750,325	2,978,363	1,783,847	3,156,687	3,516,457
	285,059	300,056	303,448	294,544	649,873	556,237
	7,049,554	6,853,798	6,597,341	6,652,326	6,381,823	6,356,770
	237,115	508,802	443,321	293,555	117,274	42,538
	8,977	12,645	102,527	329,279	86,891	114,817
	0	0	0	0	0	0
	(170,569)	(229,315)	(206,798)	(180,000)	(170,000)	0
	<u>27,032,505</u>	<u>25,709,652</u>	<u>28,092,113</u>	<u>21,960,086</u>	<u>27,887,767</u>	<u>22,956,560</u>
	0	0	0	0	0	33
	0	0	0	0	19,029	0
	<u>170,569</u>	<u>229,315</u>	<u>206,798</u>	<u>180,000</u>	<u>170,000</u>	<u>0</u>
	<u>170,569</u>	<u>229,315</u>	<u>206,798</u>	<u>180,000</u>	<u>189,029</u>	<u>33</u>
\$	<u>27,203,074</u>	<u>25,938,967</u>	<u>28,298,911</u>	<u>22,140,086</u>	<u>28,076,796</u>	<u>22,956,593</u>
\$	2,573,155	\$ 2,029,169	\$ 4,414,793	\$ (2,505,745)	\$ 4,875,044	\$ 189,135
	(98,750)	(21,321)	9,243	107,713	(39,573)	(52,834)
\$	<u>2,474,405</u>	<u>2,007,848</u>	<u>4,424,036</u>	<u>(2,398,032)</u>	<u>4,835,471</u>	<u>136,301</u>

West Geauga Local School District
Geauga County, Ohio
Program Revenues by Function/Program
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2012	2011	2010
Governmental Activities				
Instruction:				
Regular	\$ 1,561,813	\$ 1,493,772	\$ 1,038,851	\$ 837,714
Special	762,430	709,375	945,094	782,200
Vocational	0	0	0	0
Student Intervention Services	0	3,567	19,997	16,256
Other	0	0	190,527	133,592
Support Services:				
Pupil	357,822	421,447	546,963	305,580
Instructional	100,642	130,176	180,447	186,537
Board of Education	0	0	0	0
Administration	39,445	112,675	61,202	21,954
Fiscal	8,282	6,886	0	0
Business	0	5,940	0	0
Operation and Maintenance of Plant	2,896	0	29,534	7,152
Pupil Transportation	35,847	57,334	7,028	8,282
Central	7,200	7,200	10,555	9,145
Food Service Operations	351,189	410,297	430,415	0
Community Services	483,959	472,026	415,011	422,052
Enterprise Operations	0	0	0	0
Extracurricular Activities	262,766	302,014	396,327	403,727
<i>Total Governmental Activities</i>	<u>3,974,291</u>	<u>4,132,709</u>	<u>4,271,951</u>	<u>3,134,191</u>
Business-Type Activities				
Food Service	N/A	N/A	N/A	470,188
Uniform School Supplies	N/A	N/A	N/A	229,868
Adult Education	N/A	N/A	N/A	0
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>700,056</u>
<i>Total Primary Government</i>	<u>\$ 3,974,291</u>	<u>\$ 4,132,709</u>	<u>\$ 4,271,951</u>	<u>\$ 3,834,247</u>

	2009	2008	2007	2006	2005	2004
\$	741,987	\$ 648,932	\$ 479,606	\$ 112,519	\$ 390,862	\$ 233,288
	304,777	151,317	58,104	640,076	540,457	324,359
	20,615	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	5,035	0	0
	421,047	486,236	413,498	0	0	0
	14,374	20,407	17,415	56,364	71,304	62,625
	0	0	0	0	0	12,422
	70,114	70,658	72,926	9,904	0	0
	0	0	0	8,469	7,982	9,308
	0	0	0	0	0	0
	12,479	88,493	7,696	425,558	431,366	435,454
	35,550	21,140	39,081	9,412	11,777	5,238
	12,000	12,000	12,000	12,000	12,000	12,000
	0	0	0	0	0	0
	470,048	463,219	446,464	0	16,383	3,401
	800	0	0	0	0	0
	377,507	336,353	285,786	392,610	311,563	314,563
	<u>2,481,298</u>	<u>2,298,755</u>	<u>1,832,576</u>	<u>1,671,947</u>	<u>1,793,694</u>	<u>1,412,658</u>
	633,571	455,228	476,014	480,630	463,728	443,312
	79,026	231,307	235,142	210,483	169,299	171,497
	0	0	0	0	0	2,000
	<u>712,597</u>	<u>686,535</u>	<u>711,156</u>	<u>691,113</u>	<u>633,027</u>	<u>616,809</u>
\$	<u>3,193,895</u>	<u>\$ 2,985,290</u>	<u>\$ 2,543,732</u>	<u>\$ 2,363,060</u>	<u>\$ 2,426,721</u>	<u>\$ 2,029,467</u>

West Geauga Local School District
Geauga County, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund				
Reserved	N/A	N/A	N/A	\$ 2,612,539
Unreserved	N/A	N/A	N/A	1,653,481
Nonspendable	\$ 0	\$ 0	\$ 30,390	N/A
Restricted	0	0	783,137	N/A
Committed	0	0	0	N/A
Assigned	789,734	1,305,498	3,506,373	N/A
Unassigned	7,563,675	5,375,973	1,485,144	N/A
<i>Total General Fund</i>	<u>8,353,409</u>	<u>6,681,471</u>	<u>5,805,044</u>	<u>4,266,020</u>
All Other Governmental Funds				
Reserved	N/A	N/A	N/A	371,341
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	268,934
Debt Service Funds	N/A	N/A	N/A	1,053,366
Capital Projects Funds	N/A	N/A	N/A	41,241
Permanent Funds	N/A	N/A	N/A	0
Nonspendable	0	0	11,213	N/A
Restricted	1,126,941	1,252,910	1,405,669	N/A
Committed	235,643	256,555	249,724	N/A
Assigned	0	0	0	N/A
Unassigned (Deficit)	(21,258)	(45,114)	(124,848)	N/A
<i>Total All Other Governmental Funds</i>	<u>1,341,326</u>	<u>1,464,351</u>	<u>1,541,758</u>	<u>1,734,882</u>
<i>Total Governmental Funds</i>	<u>\$ 9,694,735</u>	<u>\$ 8,145,822</u>	<u>\$ 7,346,802</u>	<u>\$ 6,000,902</u>

	2009	2008	2007	2006	2005	2004
\$	2,864,189	\$ 2,803,465	\$ 3,603,609	\$ 2,598,257	\$ 5,608,433	\$ 1,542,114
	1,969,909	1,979,817	1,296,585	578,955	(325,413)	(1,454,105)
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	4,834,098	4,783,282	4,900,194	3,177,212	5,283,020	88,009
	301,107	307,426	622,410	3,666,748	3,575,172	897,784
	223,732	290,162	152,776	186,942	124,912	185,918
	1,394,564	1,450,719	1,503,541	0	0	0
	72,744	484,082	655,543	186,230	223,008	114,002
	0	0	0	0	0	0
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	1,992,147	2,532,389	2,934,270	4,039,920	3,923,092	1,197,704
\$	6,826,245	\$ 7,315,671	\$ 7,834,464	\$ 7,217,132	\$ 9,206,112	\$ 1,285,713

West Geauga Local School District
Geauga County, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (1)
(Modified Accrual Basis of Accounting)

	2013	2012	2011	2010
Revenues:				
Property and Other Local Taxes	\$ 19,505,485	\$ 20,220,677	\$ 19,825,970	\$ 18,889,263
Intergovernmental	7,882,291	7,992,179	8,778,508	8,471,553
Investment Earnings	63,891	82,212	89,996	119,598
Tuition and Fees	2,036,527	1,873,355	1,411,363	750,821
Transportation Fees	0	0	0	0
Extracurricular Activities	282,086	330,765	407,287	512,437
Rentals	8,282	6,886	10,264	5,702
Charges for Services	279,047	301,358	319,525	13,746
Contributions and Donations	128,049	170,424	102,492	77,474
Miscellaneous	27,785	49,219	47,004	43,924
<i>Total Revenues</i>	<u>30,213,443</u>	<u>31,027,075</u>	<u>30,992,409</u>	<u>28,884,518</u>
Expenditures:				
Current:				
Instruction:				
Regular	10,236,637	10,855,577	10,512,559	9,542,008
Special	3,789,319	3,840,509	3,466,303	3,507,252
Vocational	347,411	332,260	309,061	289,587
Student Intervention Services	53,619	62,115	42,900	24,156
Other	495,618	406,750	501,618	505,827
Support Services:				
Pupils	1,771,516	1,909,158	1,993,589	2,004,415
Instructional Staff	851,840	1,064,845	810,116	806,586
Board of Education	54,147	117,067	45,551	60,289
Administration	1,783,789	1,771,424	1,797,065	1,854,627
Fiscal	617,164	846,987	694,901	661,796
Business	295,461	324,547	317,122	348,028
Operation and Maintenance of Plant	2,199,894	2,408,034	2,160,890	2,168,602
Pupil Transportation	1,820,031	1,986,343	1,947,501	1,862,795
Central	22,810	16,097	84,487	77,592
Extracurricular Activities	773,821	888,648	894,287	926,430
Operation of Non-Instructional Services:				
Food Service Operations	373,597	470,048	656,787	0
Community Services	531,028	439,968	442,267	414,139
Enterprise Operations	521,019	400	1,001	1,257
Capital Outlay	0	59,681	552,606	1,329,590
Debt Service:				
Principal Retirement	2,025,077	2,219,776	2,124,948	2,688,069
Interest and Fiscal Charges	110,592	220,416	294,843	421,750
Refund of Prior Year Receipts	0	0	0	0
<i>Total Expenditures</i>	<u>28,674,390</u>	<u>30,240,650</u>	<u>29,650,402</u>	<u>29,494,795</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	1,539,053	786,425	1,342,007	(610,277)
Other Financing Sources (Uses):				
Issuance of Bonds	0	0	0	0
Issuance of Lease Purchase Agreement	0	0	0	0
Issuance of Notes	0	0	0	0
Proceeds from Sale of Capital Assets	9,860	12,595	0	0
Transfers In	45,000	154,000	225,056	2,387
Transfers Out	(45,000)	(154,000)	(225,056)	(217,453)
<i>Total Financing Sources and (Uses)</i>	<u>9,860</u>	<u>12,595</u>	<u>0</u>	<u>(215,066)</u>
<i>Net Change in Fund Balance</i>	<u>\$ 1,548,913</u>	<u>\$ 799,020</u>	<u>\$ 1,342,007</u>	<u>\$ (825,343)</u>
Debt Service as a Percentage of Noncapital Expenditures	7.58%	8.22%	8.32%	11.04%

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

	2009	2008	2007	2006	2005	2004
\$	19,593,926	\$ 18,622,281	\$ 21,079,961	\$ 14,841,150	\$ 21,457,011	\$ 16,412,828
	8,273,526	8,163,764	7,853,819	7,749,341	7,484,715	7,298,979
	240,153	513,410	451,737	293,555	117,274	42,538
	639,967	296,717	143,728	109,702	48,474	9,987
	0	0	0	0	11,777	5,238
	482,883	433,306	395,267	373,647	395,234	402,083
	6,291	8,533	7,536	0	0	0
	16,310	17,438	16,393	0	21,095	18,204
	121,684	181,553	61,962	0	0	0
	28,217	26,352	43,735	430,568	278,930	125,993
	29,402,957	28,263,354	30,054,138	23,797,963	29,814,510	24,315,850
	10,237,068	10,112,374	9,926,219	9,810,466	9,660,731	9,224,754
	3,054,767	2,488,878	2,662,670	2,540,051	2,290,299	2,148,161
	214,889	201,165	180,952	196,594	374,643	336,620
	15,000	0	0	0	0	0
	425,899	411,484	375,634	391,716	322,298	546,664
	2,260,011	2,111,677	1,900,344	1,817,375	1,721,167	1,771,572
	786,011	795,902	748,915	857,253	818,954	782,377
	58,378	49,921	38,274	34,315	31,984	40,868
	1,843,252	1,776,370	1,910,087	1,711,426	1,643,107	1,633,792
	582,198	630,507	774,986	744,869	585,373	570,535
	327,419	199,100	189,169	191,854	167,507	162,249
	2,416,580	2,641,474	2,477,775	2,206,736	3,088,188	2,203,188
	1,894,539	1,754,442	1,794,955	1,888,445	1,665,844	1,697,636
	77,600	76,574	80,327	56,040	64,649	81,448
	865,225	805,064	751,647	748,321	747,934	760,813
	0	0	0	0	0	0
	478,797	405,634	441,561	425,148	502,142	575,105
	100	0	0	0	0	0
	1,097,567	958,172	1,813,796	977,742	44,011	0
	2,554,119	2,500,580	2,432,431	1,520,000	9,735,000	1,215,000
	532,395	633,514	730,266	754,886	777,563	884,484
	0	0	0	9,706	716	4,110
	29,721,814	28,552,832	29,230,008	26,882,943	34,242,110	24,639,376
	(318,857)	(289,478)	824,130	(3,084,980)	(4,427,600)	(323,526)
	0	0	0	0	10,700,000	0
	0	0	0	1,375,000	0	0
	0	0	0	0	2,350,000	0
	0	0	0	0	0	0
	0	207,459	215,783	591	18,466	2,340,308
	(170,569)	(436,774)	(422,581)	(180,591)	(188,466)	(2,340,308)
	(170,569)	(229,315)	(206,798)	1,195,000	12,880,000	0
\$	(489,426)	\$ (518,793)	\$ 617,332	\$ (1,889,980)	\$ 8,452,400	\$ (323,526)
	10.78%	11.36%	11.54%	8.78%	30.74%	8.52%

West Geauga Local School District
Geauga County, Ohio
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years

Collection Year	Real Property (1)		Public Utility (2)		Tangible Personal Property (3)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2013	\$ 607,686,610	\$ 1,736,247,457	\$ 20,295,250	\$ 23,062,784	\$ 0	\$ 0
2012	608,760,220	1,739,314,914	18,522,470	21,048,261	0	0
2011	646,667,530	1,847,621,514	18,047,880	20,508,955	0	0
2010	647,578,970	1,850,225,629	17,645,940	20,052,205	0	0
2009	648,413,770	1,852,610,771	16,380,570	18,614,284	0	0
2008	645,288,850	1,843,682,429	15,485,390	17,597,034	2,321,190	3,713,904
2007	640,836,780	1,830,962,229	17,516,110	19,904,670	2,478,680	20,234,122
2006	639,887,180	1,828,249,086	16,065,980	18,257,340	5,184,420	27,650,240
2005	573,741,140	1,639,260,400	17,117,120	19,451,273	6,360,100	25,440,400
2004	566,927,270	1,619,792,200	17,311,410	19,672,057	8,610,270	34,441,080

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each appraisal.

The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment. General business inventory tangible personal property tax was phased out beginning 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was in 2010).

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, the 2 1/2% and the homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Geauga County Auditor. Data is presented on calendar year basis because that is the manner in which the information is maintained by the County Auditor.

Total				
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$	627,981,860	\$ 1,759,310,241	35.69%	55.70
	627,282,690	1,760,363,175	35.63%	55.84
	664,715,410	1,868,130,469	35.58%	55.84
	665,224,910	1,870,277,834	35.57%	54.68
	664,794,340	1,871,225,055	35.53%	55.50
	663,095,430	1,864,993,367	35.55%	55.50
	660,831,570	1,871,101,021	35.32%	55.70
	661,137,580	1,867,244,106	35.41%	55.70
	597,218,360	1,684,152,073	35.46%	53.25
	592,848,950	1,673,905,337	35.42%	53.45

West Geauga Local School District
Geauga County, Ohio
Property Tax Rates - All Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Collection Years

Year	Direct Rates				Overlapping Rates				Total Levy
	Operating Millage	Permanent Improvement Millage	Debt Service Millage	Total School District	Recreation District	Russell Township	Library	Geauga County Levy	
2013	\$ 51.95	\$ 3.75	\$ 0	\$ 55.70	\$ 0.20	\$ 22.85	\$ 2.00	\$ 15.10	\$ 95.85
2012	51.95	1.00	2.89	55.84	0.20	22.85	2.00	15.10	95.99
2011	51.41	1.00	3.41	55.82	0.20	22.85	2.00	15.10	95.97
2010	51.39	1.00	2.29	54.68	0.20	22.85	1.00	15.10	93.83
2009	51.50	1.00	3.00	55.50	0.20	22.85	1.00	15.10	94.65
2008	51.50	1.00	3.00	55.50	0.20	22.10	1.00	15.10	93.90
2007	51.60	1.00	3.10	55.70	0.20	22.10	1.00	15.10	94.10
2006	51.60	1.00	3.10	55.70	0.20	21.09	1.00	15.10	93.09
2005	48.70	1.00	3.55	53.25	0.20	21.09	1.00	15.10	90.64
2004	48.90	1.00	3.55	53.45	0.20	21.09	1.00	15.10	90.84

Source: Geauga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

West Geauga Local School District
Geauga County, Ohio
Property Tax Levies and Collections, Real, Public Utility Tax and Tangible Personal Property (1)
Last Ten Collection Years

Year (2)	Total Tax Levy	Delinquent Levy (3)	Total Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection (4)	Percent of Total Tax Collections to Tax Levy
2012	\$ 22,275,922	\$ 1,161,093	\$ 23,437,015	\$ 21,705,731	97.44%	\$ 639,365	\$ 22,345,096	100.31%
2011	22,833,880	920,694	23,754,574	22,273,893	97.55%	509,552	22,783,445	99.78%
2010	22,038,272	1,930,908	23,969,180	21,400,605	97.11%	621,893	22,022,498	99.93%
2009	22,545,996	533,122	23,079,118	21,922,546	97.23%	541,041	22,463,587	99.63%
2008	22,648,059	590,588	23,238,647	21,724,249	95.92%	522,292	22,246,541	98.23%
2007	22,928,324	794,327	23,722,651	22,153,206	96.62%	201,715	22,354,921	97.50%
2006	22,969,920	684,742	23,654,662	21,989,239	95.73%	487,531	22,476,770	97.85%
2005	19,069,597	733,130	19,802,727	18,578,759	97.43%	543,808	19,122,567	100.28%
2004	18,987,484	737,347	19,724,831	18,518,737	97.53%	504,130	19,022,867	100.19%
2003	16,700,725	514,487	17,215,212	16,262,840	97.38%	293,960	16,556,800	99.14%

Source: Geauga County Auditor.

Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditors.

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2012 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.
- (4) This amount includes penalties and interest. The amounts are not easily accessible to the County to report separately.

West Geauga Local School District
Geauga County, Ohio
Principal Taxpayers
Real Estate Tax
December 31, 2012 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2012		
Lucia S. Nash	\$ 1,852,700	0.30%
Petronzio Management	1,617,790	0.27%
Consolidated Investment	1,510,820	0.25%
West Geauga Plaza	1,320,620	0.22%
Angelo and Anna Cianci	1,249,140	0.21%
Michael and Rosa Albino	1,145,110	0.19%
Euthrophia Farm LTD	1,031,360	0.17%
Gary Waxman	973,770	0.16%
David Miller	934,430	0.15%
Armand and Maria DiNardo, Trustees	881,760	0.15%
Totals	<u>\$ 12,517,500</u>	<u>2.06%</u>
Total Assessed Valuation	<u>\$ 607,686,610</u>	
December 31, 2003		
Petronzio Management	\$ 1,619,600	0.29%
Consolidated Investment	1,532,360	0.27%
West Geauga Plaza	1,383,450	0.24%
TGUJ Ltd	1,312,320	0.23%
Lucia S. Nash	1,291,510	0.23%
Gary Waxman	904,540	0.16%
Christopher H. Muzzin	892,500	0.16%
Angelo and Anna Cianci	835,110	0.15%
Robert J. Vadas	831,260	0.15%
John R. Fairfield	775,190	0.14%
Totals	<u>\$ 11,377,840</u>	<u>2.01%</u>
Total Assessed Valuation	<u>\$ 566,927,270</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2013 collection year for 2012 and the 2004 collection year for 2003.

West Geauga Local School District
Geauga County, Ohio
Principal Taxpayers
Public Utility Property Tax
December 31, 2012 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2012		
Cleveland Electric Illuminating Company	\$ 14,862,350	73.23%
American Transmission Systems, Inc.	3,378,950	16.65%
Dominion East Ohio Gas Company	2,034,940	10.03%
Orwell Natural Gas Co, Inc.	19,010	0.09%
Totals	<u>\$ 5,432,900</u>	<u>26.77%</u>
Total Assessed Valuation	<u>\$ 20,295,250</u>	
December 31, 2003		
Cleveland Electric Illuminating Company	\$ 10,724,670	61.95%
American Transmission Systems, Inc.	2,493,310	14.40%
Ohio Bell Telephone	2,072,290	11.97%
Western Reserve Telephone Company	982,520	5.68%
Dominion East Ohio Gas Company	739,610	4.27%
Totals	<u>\$ 17,012,400</u>	<u>98.27%</u>
Total Assessed Valuation	<u>\$ 17,311,410</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2013 collection year for 2012 and the 2004 collection year for 2003.

West Geauga Local School District
Geauga County, Ohio
Computation of Legal Debt Margin
June 30, 2013

	2013	2012	2011	2010
Assessed Valuation (2)	<u>\$ 607,686,610</u>	<u>\$ 608,760,220</u>	<u>\$ 646,667,530</u>	<u>\$ 647,578,970</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 54,691,795	\$ 54,788,420	\$ 58,200,078	\$ 58,282,107
Outstanding debt:				
General Obligation Bonds	1,070,000	2,870,000	4,875,000	6,795,000
Energy Conservation Bonds	0	0	0	0
Less Amount Available in Debt Service Fund	<u>(52,380)</u>	<u>(1,017,110)</u>	<u>(1,159,526)</u>	<u>(1,181,443)</u>
Total	<u>1,017,620</u>	<u>1,852,890</u>	<u>3,715,474</u>	<u>5,613,557</u>
Exemptions:				
Energy Conservation Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Debt Limit:	<u>1,017,620</u>	<u>1,852,890</u>	<u>3,715,474</u>	<u>5,613,557</u>
Overall Debt Margin	<u>\$ 53,674,175</u>	<u>\$ 52,935,530</u>	<u>\$ 54,484,604</u>	<u>\$ 52,668,550</u>
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 607,687	\$ 608,760	\$ 646,668	\$ 647,579
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$ 607,687</u>	<u>\$ 608,760</u>	<u>\$ 646,668</u>	<u>\$ 647,579</u>
Additional Limit for Unvoted Energy Conservation Conservation Bonds:				
Debt Limit - .9% of Assessed Valuation	\$ 5,469,179	\$ 5,478,842	\$ 5,820,008	\$ 5,828,211
Energy Conservation Bonds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Additional Unvoted Debt Margin	<u>\$ 5,469,179</u>	<u>\$ 5,478,842</u>	<u>\$ 5,820,008</u>	<u>\$ 5,828,211</u>

Sources: Geauga County Auditor and School District Financial Records.

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

(2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

2009	2008	2007	2006	2005	2004
<u>\$ 648,413,770</u>	<u>\$ 645,288,850</u>	<u>\$ 640,836,780</u>	<u>\$ 639,887,180</u>	<u>\$ 597,218,360</u>	<u>\$ 592,848,950</u>
\$ 58,357,239	\$ 58,075,997	\$ 57,675,310	\$ 57,589,846	\$ 53,749,652	\$ 53,356,406
8,700,000	10,480,000	12,215,000	13,890,000	15,410,000	14,365,000
0	0	0	0	0	80,000
(1,659,364)	(1,706,882)	(1,901,724)	(1,850,260)	(2,128,389)	(793,947)
<u>7,040,636</u>	<u>8,773,118</u>	<u>10,313,276</u>	<u>12,039,740</u>	<u>13,281,611</u>	<u>13,651,053</u>
0	0	0	0	0	80,000
<u>7,040,636</u>	<u>8,773,118</u>	<u>10,313,276</u>	<u>12,039,740</u>	<u>13,281,611</u>	<u>13,571,053</u>
<u>\$ 51,316,603</u>	<u>\$ 49,302,879</u>	<u>\$ 47,362,034</u>	<u>\$ 45,550,106</u>	<u>\$ 40,468,041</u>	<u>\$ 39,785,353</u>
\$ 648,414	\$ 645,289	\$ 640,837	\$ 639,887	\$ 597,218	\$ 592,849
0	0	0	0	0	0
<u>\$ 648,414</u>	<u>\$ 645,289</u>	<u>\$ 640,837</u>	<u>\$ 639,887</u>	<u>\$ 597,218</u>	<u>\$ 592,849</u>
\$ 5,835,724	\$ 5,807,600	\$ 5,767,531	\$ 5,758,985	\$ 5,374,965	\$ 5,335,641
0	0	0	0	0	80,000
<u>\$ 5,835,724</u>	<u>\$ 5,807,600</u>	<u>\$ 5,767,531</u>	<u>\$ 5,758,985</u>	<u>\$ 5,374,965</u>	<u>\$ 5,255,641</u>

West Geauga Local School District
Geauga County, Ohio
Computation of Direct & Overlapping General Obligation Bonded Debt
as of June 30, 2013

	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Application to School District
Direct:			
West Geauga Local School District	\$ 1,070,000	100.00%	\$ 1,070,000
Overlapping:			
Geauga County	8,698,468	21.01%	1,827,548
Hunting Valley Village	5,250,000	11.58%	607,950
Chester Township	0	100.00%	0
Munson Township	0	11.00%	0
Russell Township	1,727,782	95.38%	1,647,958
Geauga County Library District	0	22.74%	0
Geauga County Park District	0	21.01%	0
Geauga-Trumbull Jt. Solid Waste	550,000	10.08%	55,440
West Geauga Recreation District	0	100.00%	0
Total Overlapping	16,226,250		4,138,896
Total	\$ 17,296,250		\$ 5,208,896

Source: Ohio Municipal Advisory Council.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2012 collection year.

West Geauga Local School District
Geauga County, Ohio
*Ratio of Net General Obligation Bonded Debt
to Assessed Value and Bonded Debt per Capita
Last Ten Fiscal Years*

Fiscal Year	Net General Obligation Bonded Debt (1)	Assessed Value (2)	Population (3)	Ratio of Net Bonded Debt to Assessed Value	Net Debt Bonded Debt Per Capita
2013	\$ 1,070,000	\$ 607,686,610	15,970	0.18%	\$ 67.00
2012	1,852,890	608,760,220	15,944	0.30%	116.21
2011	3,715,474	646,667,530	16,841	0.57%	220.62
2010	5,613,557	647,578,970	16,841	0.87%	333.33
2009	7,040,636	648,413,770	16,841	1.09%	418.07
2008	8,773,118	645,288,850	16,841	1.36%	520.94
2007	10,313,276	640,836,780	16,841	1.61%	612.39
2006	12,039,740	639,887,180	16,841	1.88%	714.91
2005	13,281,611	597,218,360	16,841	2.22%	788.65
2004	13,651,053	592,848,950	16,841	2.30%	810.58

Source:

- (1) School District Records. Also, See page S-20 - S-21 for the amount of resources restricted by an outside party for the repayment of debt.
- (2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized to exclude tangible personal property as well as railroad and telephone tangible property.
- (3) U.S. Census of Population.

West Geauga Local School District
Geauga County, Ohio
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Energy Conservation Bonds	Tax Anticipation Notes	Lease Purchase Agreements	Total Primary Government	West Geauga LSD Area Personal Income (1)
2013	\$ 1,070,000	\$ 0	\$ 0	\$ 0	\$ 1,070,000	\$ 813,160,460
2012	2,870,000	0	0	225,077	3,095,077	762,601,520
2011	4,875,000	0	0	439,853	5,314,853	N/A
2010	6,795,000	0	0	644,801	7,439,801	N/A
2009	8,700,000	0	587,500	840,370	10,127,870	656,994,691
2008	10,480,000	0	1,175,000	1,026,989	12,681,989	781,455,959
2007	12,215,000	0	1,762,500	1,205,069	15,182,569	877,303,040
2006	13,890,000	0	2,350,000	1,375,000	17,615,000	858,790,671
2005	15,410,000	0	2,350,000	0	17,760,000	788,046,215
2004	14,365,000	80,000	0	0	14,445,000	724,004,791

Source: School District Records

(1) Personal income calculated on S-27

N/A - Information not available.

Percentage of Personal Income		Net Debt Per Capita
0.13%	\$	67
0.41%		194
N/A		316
N/A		442
1.54%		601
1.62%		753
1.73%		902
2.05%		1,046
2.25%		1,055
2.00%		858

West Geauga Local School District
Geauga County, Ohio
Principal Employers
2012 and 2003

		2012(1)		
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment
Kraftmaid Cabinetry Inc./Masco Corp.	Manufacturer	1,078		2.19%
Geauga County	Government	1,006		2.04%
University Hospital Health Systems	Hospital/Health Care	875		1.77%
WalMart	Retailer	766		1.55%
Giant Eagle	Retailer	607		1.23%
Great Lakes Cheese	Cheese Packager	590		1.20%
Chardon Local School District	School District	590		1.20%
Kenston Local School District	School District	515		1.04%
Dillen Products	Manufacturer	358		0.73%
West Geauga Local School District	School District	310		0.63%
		6,695		13.58%
Total County Civilian Workforce		49,300		
		2003		
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment
Six Flags, Inc.	Amusement Park (2)	2,243		4.43%
Kraftmaid, Inc.	Manufacturer	2,155		4.26%
Geauga County	Government	1,106		2.19%
Duramax, Inc.	Manufacturer	760		1.50%
University Hospital Health System	Hospital/Health Care	713		1.41%
Great Lakes Cheese	Cheese Packager	493		0.97%
Chardon Local School District	School District	436		0.88%
Kenston Local School District	School District	358		0.73%
West Geauga Local School District	School District	300		0.61%
Kinetico, Inc.	Manufacturer	240		0.47%
		8,804		17.45%
Total County Civilian Workforce		50,600		

Source: Geauga County Auditor

Principal employers listed are the largest employers within the County. The top employers within the School District are not available.

(1) 2013 information is not yet available.

(2) Includes seasonal employees.

West Geauga Local School District
Geauga County, Ohio
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Geauga County Population (1)	Geauga County Personal Income Per Capita (2)	West Geauga LSD Area Population	West Geauga LSD Area Personal Income (3)	West Geauga LSD Enrollment (4)	Unemployment Rate (5)
2013	93,680	\$ 50,918	15,970	\$ 813,160,460	2,238	6.0%
2012	93,228	47,830	15,944	762,601,520	2,262	5.7%
2011	95,676	N/A	11,617	N/A	2,278	6.6%
2010	95,676	N/A	11,514	N/A	2,245	7.3%
2009	95,676	39,012	16,841	657,001,092	2,186	7.9%
2008	95,676	46,402	16,841	781,456,082	2,249	6.3%
2007	95,676	52,093	16,841	877,298,213	2,427	4.3%
2006	95,218	50,994	16,841	858,789,954	2,488	4.2%
2005	94,602	46,793	16,841	788,040,913	2,517	4.2%
2004	93,941	42,991	16,841	724,011,431	2,530	3.7%

(1) Estimated Figure from Ohio Department of Development

(2) U.S. Census Bureau.

Fiscal Year 2003-2011 is presented for Chesterland.

Fiscal Year 2012 is presented for Geauga County.

(3) Estimated using West Geauga LSD population multiplied by Geauga County per capita income.

(4) School District Records.

(5) Ohio Department of Job and Family Services for Geauga County.

West Geauga Local School District
Geauga County, Ohio
Building Capacity
Fiscal Years 2013 and 2007

Fiscal Year 2013			
School Buildings:	Number of Students	Building Capacity	Percent of Capacity
Lindsey Elementary School	397	534	74.3%
Westwood Elementary School	444	575	77.2%
West Geauga Middle School	538	727	74.0%
West Geauga High School	859	1003	85.6%
	2,238	2,839	

Fiscal Year 2007 (1)			
School Buildings:	Number of Students	Building Capacity	Percent of Capacity
Lindsey Elementary School	476	534	89.1%
Westwood Elementary School	431	575	75.0%
West Geauga Middle School	656	727	90.2%
West Geauga High School	925	1003	92.2%
	2,488	2,839	

Source: School District Records

(1) Information from nine years ago is not readily available.

West Geauga Local School District
Geauga County, Ohio
Per Pupil Cost
Last Ten Fiscal Years

Year	Government Wide Expenditures	Average Daily Student Enrollment (1)	Per Pupil Cost	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Students Receiving Reduced or No Cost Lunches	% Students Receiving Reduced or No Cost Lunches
2013	\$ 27,077,369	2,238	\$ 12,099	-3.97%	129	17.35	297	13.27%
2012	28,498,352	2,262	12,599	3.34%	131	17.27	321	14.19%
2011	27,772,893	2,278	12,192	-0.33%	132	17.26	266	11.68%
2010	27,461,225	2,245	12,232	-4.24%	137	16.39	213	9.49%
2009	27,922,564	2,186	12,773	6.73%	140	15.61	137	6.27%
2008	26,916,409	2,249	11,968	9.95%	146	15.40	110	4.89%
2007	26,418,607	2,427	10,885	0.67%	144	16.85	135	5.56%
2006	26,901,178	2,488	10,812	6.03%	144	17.28	118	4.74%
2005	25,668,046	2,517	10,198	3.83%	148	17.01	108	4.29%
2004	24,849,759	2,530	9,822	9.80%	148	17.09	99	3.91%

Source: School District Financial Records, Ohio Department of Education

(1) Based on EMIS information provided by the Ohio Department of Education.

West Geauga Local School District
Geauga County, Ohio
School District Employees by Function/Program
Last Nine Years (1)

Function	2013	2012	2011	2010	2009
Regular Instruction					
Teachers	118.00	120.50	124.50	127.00	127.00
Special Instruction					
Teachers	16.00	17.00	16.00	16.00	16.00
Tutors	1.00	1.00	1.00	1.00	1.00
Pupil Support Services					
Guidance counselors	5.00	5.00	6.00	6.00	6.00
Nurses	1.00	1.50	2.00	2.00	2.00
Psychologists	2.00	2.00	2.00	2.00	2.00
Speech/language pathologists	3.00	3.00	3.00	3.00	3.00
Non-teaching support staff	30.00	28.00	26.00	26.00	27.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Instructional Support Service					
Librarians	1.00	1.00	2.00	2.00	2.00
Non-teaching support staff	2.00	2.00	2.00	3.00	3.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Administration					
Admin - elementary	2.00	2.00	2.00	2.00	2.00
Admin - middle school	2.00	2.00	2.00	2.00	2.00
Admin - high school	2.00	2.00	2.00	2.00	2.00
Staff - central	5.00	5.50	6.50	7.00	7.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Fiscal					
Staff - central	3.00	3.00	3.00	3.00	3.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Business - central	2.00	2.00	2.00	2.00	2.00
Operation of plant					
Custodial department	15.00	16.00	16.00	17.00	17.00
Maintenance department	3.00	3.00	3.00	3.00	3.00
Admin - central	0.00	0.00	0.00	1.00	1.00
Support services - transportation					
Bus drivers/van drivers	27.00	31.00	34.00	34.00	35.00
Bus aides	2.00	2.00	3.00	2.00	2.00
Mechanics	2.00	2.00	2.00	2.00	2.00
Admin	1.00	1.00	1.00	1.00	1.00
Food Service Program					
Support services	9.00	11.00	16.00	17.00	16.00
Admin	1.00	1.00	1.00	1.00	1.00
Extracurricular-athletic department	1.00	1.00	1.00	1.00	1.00
Totals	260.00	269.50	283.00	289.00	290.00

Source: School District Records.

Method: Using 1.0 for each full-time employee and .50 for each part-time and seasonal employee.

(1) Information will be reported for the last ten years when there are enough years of information available.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
127.00	127.00	128.00	133.00
17.00	17.00	16.00	18.00
1.00	1.00	3.00	3.00
6.00	6.00	6.00	6.00
2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00
3.00	3.00	2.00	2.00
29.00	30.00	30.00	31.00
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00
6.00	6.00	6.00	7.00
1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
17.00	16.00	17.00	19.00
3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00
35.00	34.00	35.00	35.00
1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00
16.00	16.00	16.00	17.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
<u>292.00</u>	<u>291.00</u>	<u>294.00</u>	<u>306.00</u>

West Geauga Local School District
Geauga County, Ohio
Teacher Salaries
Last Ten Fiscal Years

Year	West Geauga LSD Average Salary	Statewide Average Salary
2013	\$ 64,126	N/A
2012	64,779	\$ 58,120
2011	63,109	56,715
2010	60,465	55,958
2009	59,468	54,656
2008	57,829	53,410
2007	57,531	53,536
2006	55,404	50,772
2005	52,721	49,438
2004	50,125	47,659

Source: Ohio Department of Education Local Report Card

N/A - Local Report Cards not currently available.

West Geauga Local School District
Geauga County, Ohio
Enrollment Statistics
Last Ten Fiscal Years

Year	Elementary School	Middle School	High School	Total
2013	841	538	859	2,238
2012	852	531	879	2,262
2011	849	540	889	2,278
2010	833	547	865	2,245
2009	761	579	846	2,186
2008	806	588	855	2,249
2007	841	619	891	2,351
2006	907	656	925	2,488
2005	862	678	877	2,417
2004	931	640	864	2,435

Source: School District Records

West Geauga Local School District
Geauga County, Ohio
Average Number of Students Per Teacher
Last Ten Fiscal Years

Fiscal Year	West Geauga LSD Average	State Average
2013	17.4	N/A
2012	17.3	N/A
2011	17.2	N/A
2010	16.4	N/A
2009	15.6	N/A
2008	15.4	18.6
2007	16.9	19.6
2006	17.3	18.9
2005	17.1	18.5
2004	17.1	18.5

Source: Ohio Department of Education, EMIS Reports.

N/A - Information not readily available.

West Geauga Local School District
Geauga County, Ohio
Attendance and Graduation Rates
Last Ten School Years

Fiscal Year	West Geauga LSD Attendance Rate	State Average	West Geauga LSD Graduation Rate	State Average
2013	95.6%	N/A	93.3%	81.3%
2012	95.8	94.5%	96.0	N/A
2011	95.4	94.5	94.8	79.7
2010	95.2	94.3	99.6	84.3
2009	>95	94.3	97.7	83.0
2008	95.4	94.2	98.6	84.6
2007	95.3	94.1	97.7	86.9
2006	95.2	94.1	98.2	86.1
2005	95.3	94.3	97.7	86.2
2004	95.7	94.5	96.3	85.9

Source: Ohio Department of Education Local Report Cards

N/A - Local Report Cards not currently available.

West Geauga Local School District

**Single Audit
For the Year Ended June 30, 2013**

West Geauga Local School District

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For the Year Ended June 30, 2013

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**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

Board of Education
West Geauga Local School District
Chesterland, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District (the "District"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 9, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cleveland, Ohio
December 9, 2013

**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by OMB Circular A-133**

Board of Education
West Geauga Local School District
Chesterland, Ohio

Report on Compliance for Each Major Federal Program

We have audited the West Geauga Local School District's (the "District") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 9, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance

Board of Education
West Geauga Local School District

with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Cini & Panichi, Inc.

Cleveland, Ohio
December 9, 2013

West Geauga Local School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Year	Receipts	Disburse- ments
U.S. Department of Agriculture:				
Passed-Through Ohio Department of Education:				
Nutrition Cluster:				
National School Lunch Program	10.555	2013	\$ <u>81,174</u>	\$ <u>81,174</u>
Total Nutrition Cluster			<u>81,174</u>	<u>81,174</u>
Total U.S. Department of Agriculture			\$ <u>81,174</u>	\$ <u>81,174</u>
U.S. Department of Education:				
Passed-Through Ohio Department of Education:				
Title I, Part A Cluster:				
Title I	84.010	2012/2013	<u>125,467</u>	<u>120,731</u>
Total Title I, Part A Cluster			<u>125,467</u>	<u>120,731</u>
Special Education Cluster:				
Title VI-B	84.027	2012/2013	<u>496,044</u>	<u>488,978</u>
Total Special Education Cluster			<u>496,044</u>	<u>488,978</u>
Title III	84.365	2009 - 2013	3,632	7,726
Title II-A	84.367	2012/2013	49,274	47,501
ARRA – Race to the Top	84.395	2012/2013	<u>33,172</u>	<u>16,722</u>
Total U.S. Department of Education			<u>707,589</u>	<u>681,658</u>
Total Expenditures of Federal Awards			\$ <u><u>788,763</u></u>	\$ <u><u>762,832</u></u>

The accompanying notes are an integral part of this schedule

West Geauga Local School District

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2013

Note 1: Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the District and is presented on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Child Nutrition Cluster

Cash receipts from the U.S. Department of Agriculture are commingled with state grants. It is assumed that federal monies are expended first.

CFDA – Catalog of Federal Domestic Assistance

West Geauga Local School District

Schedule of Findings
OMB Circular A-133 Section .505

For the Year Ended June 30, 2013

1. Summary of Auditor's Results

(d)(I)(i)	Type of Financial Statement Opinion	Unmodified
(d)(I)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(I)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(I)(iii)	Was there any material noncompliance reported at the financial statement level (GAGAS)?	No
(d)(I)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(I)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(I)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(I)(vi)	Are there any reportable findings under Section .510(a)?	No
(d)(I)(vii)	Major Programs	Special Education Cluster: CFDA # 84.027
(d)(I)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All Others
(d)(I)(ix)	Low Risk Auditee?	Yes

2. Findings Related to the Financial Statements Required To Be Reported In Accordance With GAGAS

None noted

3. Findings for Federal Awards

None noted

Independent Accountants' Report on Applying Agreed-Upon Procedure

Board of Education
West Geauga Local School District
Chesterland, Ohio

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy at its meeting on April 23, 2012 to include prohibiting harassment, intimidation, or bullying of any student “on a school bus” or by an “electronic act.”

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

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

Ciuni & Panichi, Inc.

Cleveland, Ohio
December 9, 2013



Dave Yost • Auditor of State

WEST GEAUGA LOCAL SCHOOL DISTRICT

GEAUGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 16, 2014**