



Dave Yost • Auditor of State

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Education</i>				
National School Lunch Program	10.555		\$ 310,798	\$ 77,911
Total U.S. Department of Agriculture			<u>310,798</u>	<u>77,911</u>
U.S. DEPARTMENT OF EDUCATION				
<i>Passed Through Ohio Department of Education</i>				
Special Education Cluster (IDEA):				
Special Education-Grants to States (IDEA Part B) - 2015	84.027		14,854	
Special Education-Grants to States (IDEA Part B) - 2016	84.027		36,107	
Special Education-Grants to States (IDEA Part B) - 2017	84.027		<u>722,783</u>	
Total Special Education-Grants to States (IDEA Part B)			773,744	
Special Education- Preschool Grants-(IDEA Preschool) - 2016	84.173		2,158	
Special Education- Preschool Grants-(IDEA Preschool) - 2017	84.173		<u>14,024</u>	
Total Special Education-Preschool Grants (IDEA Preschool)			16,182	
Total Special Education Cluster (IDEA)			789,926	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2016	84.010		70,486	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2017	84.010		<u>366,145</u>	
Total Title I Grants to Local Educational Agencies			436,631	
English Language Acquisition Grants (LEP) - 2015	84.365		130	
English Language Acquisition Grants (LEP) - 2016	84.365		2,758	
English Language Acquisition Grants (LEP) - 2017	84.365		<u>33,001</u>	
Total English Language Acquisition Grants			35,889	
Improving Teacher Quality State Grants - 2016	84.367		7,879	
Improving Teacher Quality State Grants - 2017	84.367		<u>50,027</u>	
Total Improving Teacher Quality State Grants			57,906	
Total U.S. Department of Education			<u>1,320,352</u>	
Total Expenditures of Federal Awards			<u>\$ 1,631,150</u>	<u>\$ 77,911</u>

The accompanying notes are an integral part of this schedule.

**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Westlake City School District (the District's) under programs of the federal government for the year ended June 30, 2017. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – CHILD NUTRITION CLUSTER

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

NOTE D – FOOD DONATION PROGRAM

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



Dave Yost • Auditor of State

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

Westlake City School District
Cuyahoga County
24525 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Westlake City School District, Cuyahoga County, (the District) as of and for the year ended June 30, 2017, 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 28, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

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

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 28, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Westlake City School District
Cuyahoga County
24525 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Westlake City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Westlake City School District's major federal program for the year ended June 30, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the Westlake City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2017.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Westlake City School District (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 28, 2017. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 28, 2017

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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2017**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Special Education Cluster: CFDA #84.027- Special Education Grants to the States CFDA #84.173- Special Education Preschool Grants
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR §200.520?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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**WESTLAKE CITY SCHOOL DISTRICT
WESTLAKE, OHIO**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2017



We Educate For Excellence...

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

**WESTLAKE CITY
SCHOOL DISTRICT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2017



**PREPARED BY
TREASURER'S DEPARTMENT
TODD L. HOPKINS, TREASURER/CFO**

24525 HILLIARD BLVD.

WESTLAKE, OHIO 44145

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**WESTLAKE CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO**
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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***INTRODUCTORY
SECTION***

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Todd L. Hopkins
CFO/Treasurer
24525 Hilliard Blvd.
Westlake, OH 44145
(440) 835-6301
Fax (440) 871-6034

December 28, 2017

Board of Education Members
Westlake City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Westlake City School District (the “District”) for the fiscal year ended June 30, 2017. This CAFR includes an opinion from the State Auditor and conforms to accounting principles generally accepted in the United States of America as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Westlake City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District’s financial affairs. Copies will be made available to the Porter Public Library, major taxpayers, financial rating services and other interested parties.

The Reporting Entity

The District has reviewed its reporting entity definition in order to ensure conformance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Westlake City School District (the primary government) and its potential component units. The District has no component units.

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

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

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

Organizational Structure

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

The District provides education to 3,516 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District’s enrollment has declined slightly over the past couple years but is projected to remain stable in the foreseeable future.

The Westlake City School District

The Westlake City School District (formerly known as the Dover School District) was originally organized in 1898. Later in 1913, the school burned and a new school building was constructed to educate students. Over the years, the District has grown in size and now supports seven instructional buildings: high school (inclusive of a Performing Arts Center and Television studio), middle school, intermediate school and four elementary buildings. The schools range in age from 1 to 60 years old. The District operates a variety of non-classroom facilities that consist of athletic fields, an administration facility and a transportation depot.

Economic Condition and Outlook

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

The U.S. Census Bureau estimates that the District’s 2017 population was 32,293. See **Economic and Demographic Information – Population** in the statistical section. Its area is approximately 15.9 square miles. Land use, as measured by the assessed value of real property, is presented in the following table.

Percent of Assessed Valuation of Real Property	
Residential	71.27%
Commercial/Industrial	26.79
Public Utility	1.94
Agricultural	0.00
Undeveloped	(a)

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

The District’s general area is served by diversified transportation facilities, including three State and one U.S. highway and I-80, I-480 and I-90 (located within the City). It is served by Norfolk and Southern Railroad and is adjacent to areas served by Conrail and Amtrak, and is also served by passenger air services at Cleveland Hopkins International Airport located seven miles from the City and by Burke Lakefront Airport located 15 miles from the City. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority.

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

One daily newspaper and two weekly newspapers serve the District. The District is within the broadcast area of numerous television stations and AM and FM radio stations. Multichannel cable TV service, including educational, governmental and public access channels, is provided by AT&T U-verse, Spectrum (formerly known as Time Warner Cable) and WOW (Wide Open West) Cable.

Thirty-three acute care hospitals with total capacity of over 10,000 beds serve the northeast Ohio area. Hospitals serving the District’s area include St. John Medical Center (located in the School District), Fairview General Hospital (located nine miles southeast of the City), and the main offices of the Cleveland Clinic and University Hospitals (located in the City of Cleveland).

Within commuting distance are several public and private two-year and four-year colleges and universities, including Baldwin Wallace University, Case Western Reserve University, the Cleveland Institute of Art, the Cleveland Institute of Music, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lakeland Community College, Lorain County Community College, Notre Dame College, Oberlin College, the University of Akron and Ursuline College.

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

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

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

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

In November of 2000, voters approved the construction of Crocker Park, a mixed-use planned development on eighty acres in the western part of the City. In 2006, construction began on 116 units of residential housing consisting of lofts and townhomes that surround themed gardens. This development has created a downtown center for the City with retail, office, restaurant, and residential spaces. Recent expansion efforts have been made to this property including the relocation of American Greetings headquarters and the addition of a hotel and additional retail space.

In addition to new commercial/industrial development, the City approved plans for several additional upscale subdivisions throughout the City. Strong housing values continue to provide evidence of this upscale community.

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

Major Initiatives

Currently, 3,516 students are enrolled in the District's seven schools (four elementary schools, one intermediate school, one middle school, and one high school), which figure includes District residents attending classes at the West Shore Career Technical District (described further below). The District employs (full- and part-time) 290 professional staff members and 251 non-teaching and support staff employees.

The District operates a variety of non-classroom facilities that consist of athletic fields, an administration facility and a transportation depot.

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

Approximately 80.5% of the teaching staff have master's degrees. The District's faculty has an average of 15 years of teaching experience, compared to the statewide average of 12 years (as of fiscal year 2016).

Classroom teachers at all levels are supported by specialists in reading, guidance, technology, library services, art, music and physical education. Aides are employed on an as-needed basis to support programming requirements. Nurses, psychologists, aides assisting at-risk and disabled students, and speech pathologists are employed to work with students at all levels. The District's Pupil Personnel Services program includes school health and psychological services, pupil appraisal, counseling and guidance services, special education services, and speech-language and hearing services. Guidance counselors are available at the elementary, intermediate, middle school, and high school levels.

The District is one of the school districts in the West Shore Career Technical District (West Shore Career Tech), which also includes the Bay Village, Rocky River, and Lakewood City School Districts. This vocational program has 1,670 full-time and part-time students, including 39 from the School District, enrolled in either a two-year intensive training or one-year work/study program and elective courses.

The District is characterized by high academic performance. Students consistently score well above the state average at the third through high school levels on the State achievement tests. The High School students score above the national and State averages on the SAT and the ACT tests, as discussed further below. The High School consistently ranks among the top school districts for the annual number of commended, semi-finalist and finalist categories in the National Merit Scholarship competition. In 2017, four students were identified as semi-finalists and an additional eight were named as commended scholars. Thirty-two students were named High School Advanced Placement Scholars, nineteen were recognized as AP Scholars with Honors, forty-three were honored as AP Scholars with Distinction, and seven were named National AP Scholars. Worldwide approximately 13% of students taking AP exams earn this distinction. The High School is in the fourth year of being authorized as one of eleven International Baccalaureate Diploma Programmes in northeast Ohio.

The High School students are responsible for completing 60 hours of Service Learning activities as a requirement for graduation. Each graduating class accrues in excess of 20,000 hours of community service as part of this program.

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

Strong Academic Profile

- The high school offers 17 Advanced Placement (AP) courses, 14 International Baccalaureate (IB) courses and 25 honors courses in a variety of disciplines.
- 84 students earned college credit through College Credit Plus program. Westlake High School currently offers 14 college level courses in English, American and World History, Psychology, Sociology, Biology and Calculus.
- High School students performed above state averages on the SAT and ACT examinations. The Class of 2016's average ACT score was 24.8 and average SAT score was 1243, each of which was above national and State averages.

- The District offers an introductory second language learning program at the elementary level to provide students with a foundation for future learning of second and/or third languages. At the intermediate level, students are given the option to continue with the language they studied at the elementary level or to explore another language. At the middle and high school levels, students are given a choice of languages to study.
- Westlake High School offers more than twenty visual arts and music courses.
- Lee Burneson Middle School students are offered high school credit courses in Spanish, French, Algebra, Honors Geometry, Honors Algebra II and Honors Physical Science. 338 Middle School students earned high school credit during academic year 2016-17 – 121 in World Language, 44 in Honors Physical Science, 40 in Honors Geometry, 131 in Algebra I, and 2 in Algebra II.
- More than 50 WHS students served as peer tutors before and throughout the school day for their classmates.
- Among 2017 graduates, 93% enrolled in higher education, with 78% attending four-year colleges and 15% attending two-year colleges.
- In 2017, five students earned a perfect score on the ACT.
- The High School television station, WHBS-TV, provides students a unique opportunity to experience a working television studio. The station has earned Emmy nominations from the National Academy of Television Arts and Sciences, Midwest Region.
- Westlake School District offers 35 different opportunities to participate in Interscholastic sports in grades seven through twelve.
- Following academic year 2016-17, 100% of the District's 3rd graders met the criteria for promotion to fourth grade under the State's "Third Grade Reading Guarantee".

Awards and Recognition

- In 2017, Westlake High School was named as U.S. News and World Reports Top 10 Best High Schools in Northeast Ohio.
- In 2017, 4 students were accepted into Ivy League schools.
- Six WHS students were named winners in the Cleveland Clinic eXpressions program, which engages high school students in the exploration of science and medicine through creative expression. Students won ribbons in the art and language categories.
- A WHS student was selected to perform in the All-State Jazz Band at the Ohio Music Education Association Conference in Cleveland.
- In 2017, a High School art student took "Best of Show" in the [*16th District Congressional Art Competition*](#). The student's artwork hung in the U.S. Capitol for one year.
- In 2017, 10 WHS AP Art History and International Baccalaureate Theory of Knowledge students participated in the Cleveland Museum of Art Museum Ambassadors program.
- In 2017, a WHS sophomore had a film featured for the second consecutive year in the Cleveland International Film Festival.
- In 2017, a WHS Model United Nations Club student won Best Delegate and the Gavel Award at the Cleveland Council on World Affairs Conference.

- The 2016-2017 High School girls' soccer team is ranked nationally in team GPA for the 11th straight year.
- The 2017 High School varsity softball team ranked 2nd in the State academically, earning recognition from the [*Ohio High School Fastpitch Softball Coaches Association*](#).
- In 2017, a High School technology education team received first place in the 2017 "Verizon Innovative App" Challenge
- In 2017 the Westlake High School Orchestra performed Bowie XL with City Music Cleveland during a "What is on David Bowie's Playlist?" concert.
- In May 2016, Hilliard and Dover Elementary Schools, along with the School District as a whole, were recognized by the State Board of Education with Momentum Awards for exceeding expectations in student growth for the year. Schools and districts must earn straight A's on all Value-Added measures on the state report card to receive the award. The school or district also must have at least two Value-Added subgroups of students, which includes gifted, lowest 20% in achievement, and students with disabilities. Award recipients are considered "models of excellence" for helping students succeed every day. Hilliard and Dover Elementary Schools are among the first winners of the award and part of an elite group of schools demonstrating that children of every background and ability can achieve. Only 165 schools statewide, and only 53 school districts (less than 10% of districts statewide), received a Momentum Award.
- Following academic year 2015-16 & 2016-2017, 100% of the District's 3rd graders met the criteria for promotion to fourth grade under the State's "Third Grade Reading Guarantee".
- Dover Elementary School's third grade was recognized with a mayoral proclamation for their "Giving Back to the Community" project.
- Dover Elementary School has received the Governor's Buckeye Best Healthy School Award for three consecutive years.
- Holly Lane & Hilliard Elementary Schools worked in collaboration with the Oberlin College Choristers to create an honors choir for 4th grade students.
- Seventeen fourth-grade students in the Hilliard Elementary School Honor Choir performed at Tri-C and other community locations.
- Two Dover Intermediate School students earned perfect scores on the WordMaster Challenge, a national vocabulary competition.
- A Holly Lane Elementary third grade student had her poem chosen for national publication in Poetic Power's poetry anthology.

All four of the School District's elementary schools are International Baccalaureate World Schools. The Primary Years Programme curriculum model, implemented at all four of the elementary schools, uses a combination of inquiry and instruction to help students develop academic knowledge and skills, and apply what they know in new situations. A new consolidated Pre-K through 4 elementary school is planned to replace the District's four aging elementary schools. See **School Building Information – Last Ten Fiscal Years** located in the Statistical Section of this CAFR for a listing of the District's current elementary schools.

In 2015 and 2016, a dedicated group of residents, business and nonprofit leaders, higher education representatives, civic representatives, parents and staff came together and shared their ideas and priorities to create the District's Strategic Plan. As the District sets its course for the future, the District believes that it is critical to understand how its stakeholders perceive its priorities and the role of the District in the community. The strategic planning process created a document outlining goals and initiatives to help the District position itself to best prepare students for their lives beyond graduation.

The goals include the following:

- Finance: Maintain a constant and appropriate long-term funding stream to achieve the educational mission of the District.
- Curriculum & Technology: Create a systematic framework to develop an all-inclusive learning environment aimed at educating the whole child that empowers every one of the District's students to positively and purposefully contribute to society and to strive for excellence.
- Facilities: Have a 21st century learning environment where form follows flexible function and accommodates safety, curriculum and technology.
- Communication & Community Partnerships: Build a sense of pride, confidence and trust through communication and partnerships.
- Culture & Environment: Build a culture of inclusion, collaboration, open-mindedness, respect and inspiration, so every student, faculty and community member feels welcomed and inspired to do their very best.

In addition, the District continues to participate in several City/ District partnerships. Kindergarten through grade 12 students currently participate in an art exchange with Tralee, Ireland; the middle school students planted a rain garden with support from the Westlake Garden Club; and high school students worked with city engineers to design a eco-friendly retention basin.

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

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

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

Employee News: The District offers different tools to communicate with staff on a range of topics, including [*Around the Schools*](#), a publication for and about District employees, which is delivered via e-mail to all staff members each Monday.

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

Beginning in academic year 2013-14, the State implemented a number of changes in the way in which the performance of its school districts and their individual schools is to be measured and reported. The former designations (such as “Excellent”) were replaced with letter grades on performance indicators and several new measures. This reporting is being phased in over several years. The components currently included on the report card are Achievement (measuring absolute academic achievement compared to national standards of success), Progress (measuring the average annual improvement for each student), Gap Closing (measuring how well a school district or school is doing in narrowing gaps in reading, math and graduation rate among students according to socioeconomic, racial, ethnic or disability status), Graduation Rate (measuring the percentage of students who entered the 9th grade and graduated in four and five years), K-3 Literacy (measuring the improvement in reading for students in kindergarten through 3rd grade) and Prepared for Success (measuring whether students who graduate are prepared for college or a career).

Component and overall grades are to be added in the assessment for academic year 2017-18, with an additional graded measure within the “Progress” component to be added in the assessment for academic year 2017-18.

For academic years 2014-15, 2015-16 and 2016-17, the District’s grades in the measures included within the components described above were:

	Academic Year 2014-15 Grade	Academic Year 2015-16 Grade	Academic Year 2016-17 Grade
Achievement			
Performance Index	B	B	B
Performance Indicators	A	C	C
Progress			
Value Added: Overall	A	F	F
Value Added: Gifted	A	F	C
Value Added: Students with Disabilities	A	F	B
Value Added: Lowest 20% in Achievement	A	F	C
Gap Closing			
Annual Measurable Objectives (AMOs)	B	C	D
Graduation Rate			
Graduation Rate (four year)	A	A	A
Graduation Rate (five year)	B	A	A
K-3 Literacy			
K-3 Literacy Improvement	C	D	NR ¹

By satisfying 17 of the State’s 24 performance indicators for academic year 2016-17 (all based on achievement or graduation test passage rates), in combination with the performance index (measures the test results of every student) the District earned a “B” for the overall Achievement Component rating system. School districts throughout the State, in the aggregate, were assigned the following Achievement Component designations related to their performance on the State’s achievement assessments and graduation tests.

Designation	Number of School Districts
A	13
B	53
C	214
D	309
F	19

Beginning with the 2016-2017 school year, the State started assigning a “Prepared for Success” grade. This grade is intended to measure college and career readiness. The District earned a “B” in this component for the 2016-2017 school year. School districts throughout the State, in the aggregate, were assigned the following designations related to their “Prepared for Success” component.

Designation	Number of School Districts
A	12
B	31
C	152
D	321
F	91
NR ¹	1

Long-Term Financial Planning

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

Financial Policies Impacting the Financial Statements

During fiscal year 2015, the District advance refunded \$57,165,000 of Build America Bonds. This advance refunding was undertaken to reduce the combined total debt service payments by \$2,110,668 and resulted in an economic gain of \$1,093,350. No debt refundings took place in fiscal year 2016 or 2017; however, the District is constantly evaluating options for the refunding of debt in an effort to save on future interest charges.

Financial Information

Internal Accounting and Budgetary Control

In developing the District’s accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance that the financial statements are free of any material misstatements. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year. Annual appropriations may not exceed the County Budget Commission’s official estimate of resources. The County Fiscal Officer must certify that the Board of Education’s appropriation measure, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

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

¹ Not Rated

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

Financial Presentation

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

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

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

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

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Auditor's Report, providing an assessment of the District's finances for fiscal year 2017 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Financial Highlights – Fiduciary Fund

The trust fund carried on the financial records of the District is a college scholarship private-purpose trust fund that has a net position totaling \$89,685 as of June 30, 2017. The trust fund earns interest and distributes scholarships.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Dave Yost, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2017. The opinion appears at the beginning of the financial section of this report.

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

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Westlake City School District for its CAFR for the fiscal year ended June 30, 2016. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

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

Acknowledgments

The publication of this document is a significant step in documenting the District's financial position and provides both transparency and accountability to the residents of the Westlake City School District.

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

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

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

Respectfully Submitted,



Todd L. Hopkins, CFO/Treasurer



Scott Goggin, Superintendent of Schools

Westlake City School District
Principal Officials
June 30, 2017

Board of Education

Mrs. Barb Leszynski President
Mr. Joseph Kraft..... Vice-President
Mr. John Finucane.....Member
Dr. Robert StollMember
Dr. Carol Winter.....Member

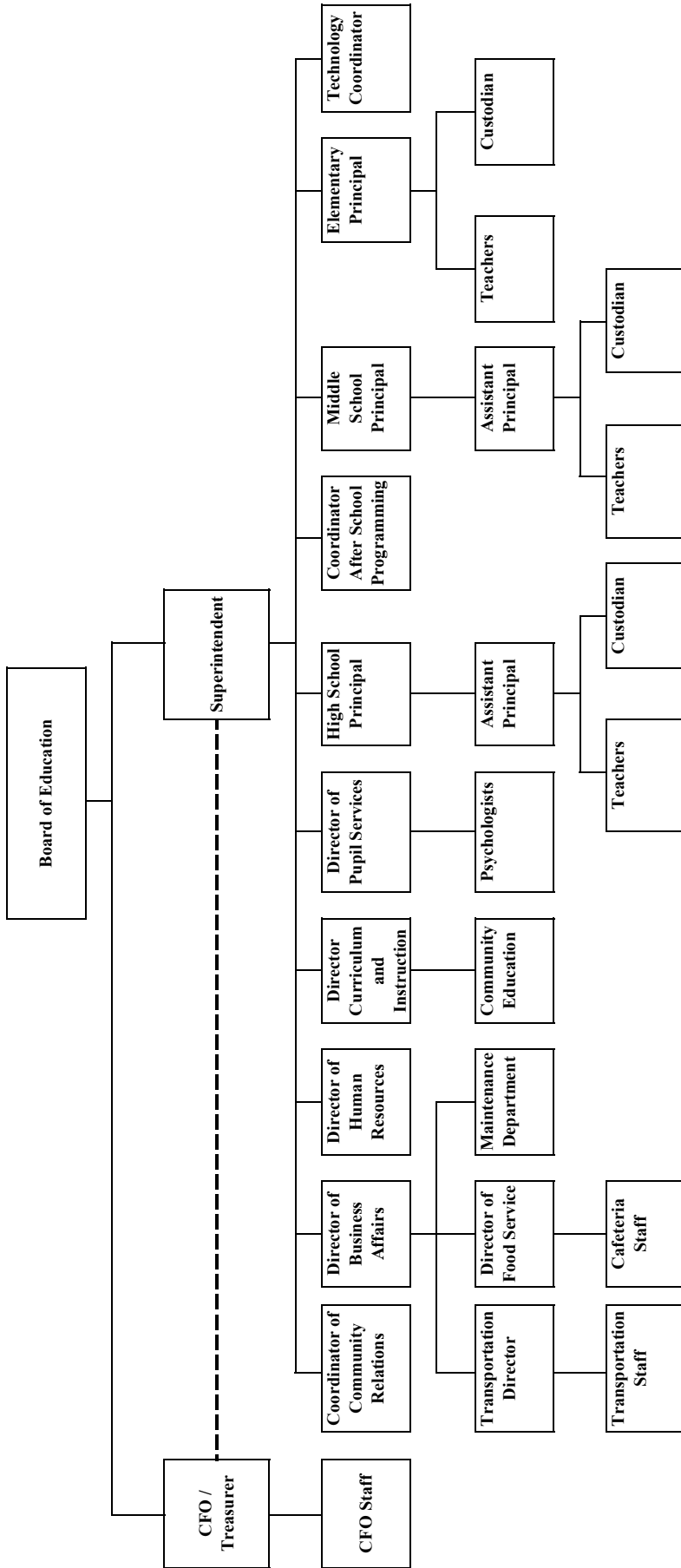
Chief Financial Officer/Treasurer

Mr. Todd L. Hopkins

Executive Administration

Mr. Scott Goggin Superintendent
Mr. David Kocevar..... Director of Business Affairs
Mrs. Kathi Maxwell Director of Curriculum and Instruction
Mr. Brady Sheets.....Director of Human Resources
Mrs. Stephanie Morgan.....Director of Pupil Services

Westlake City School District Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Westlake City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

***FINANCIAL
SECTION***

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Westlake City School District
Cuyahoga County
24525 Hilliard Boulevard
Westlake, Ohio 44145

To the Board of Education:

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 Westlake City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2017, 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 preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider 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 to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

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 Westlake City School District, Cuyahoga County, Ohio, as of June 30, 2017, and the respective changes in financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine 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.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 28, 2017

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

The management's discussion and analysis of the Westlake City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2017 are as follows:

- In total, net position of governmental activities decreased \$2,342,199 which represents a 16.80% decrease from 2016.
- General revenues accounted for \$53,672,835 in revenue or 89.27% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions and capital grants and contributions accounted for \$6,453,205 or 10.73% of total revenues of \$60,126,040.
- The District had \$62,468,239 in expenses related to governmental activities; only \$6,453,205 of these expenses was offset by program specific charges for services and sales, operating grants and contributions and capital grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$53,672,835 were not adequate to provide for these programs.
- The District's major governmental funds are the general fund, bond retirement fund and building fund. The general fund had \$47,962,956 in revenues and other financing sources and \$50,979,785 in expenditures and other financing uses. During fiscal 2017, the general fund's fund balance decreased \$3,016,829 from a balance of \$27,166,226 to \$24,149,397.
- The bond retirement fund had \$7,008,564 in revenues and other financing sources and \$8,224,893 in expenditures. During fiscal 2017, the bond retirement fund's fund balance decreased \$1,216,329 from \$8,621,342 to \$7,405,013.
- The building fund had \$34,435,930 in revenues and other financing sources and \$426,347 in expenditures. During fiscal 2017, the building fund's fund balance increased \$34,009,583 from \$40,426 to \$34,050,009 primarily due to the issuance of \$33,630,000 in bonds to finance the new campus elementary project.

Using the Basic Financial Statements

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

The *statement of net position* and *statement of activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and building fund are by far the most significant funds, and the only governmental funds reported as major funds.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 13. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, the bond retirement fund and the building fund.

Governmental Funds

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

Reporting the District's Fiduciary Responsibilities

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability.

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2017 and 2016.

	Net Position	
	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Assets</u>		
Current and other assets	\$ 116,362,528	\$ 77,947,408
Capital assets, net	<u>113,643,156</u>	<u>115,250,563</u>
Total assets	<u>230,005,684</u>	<u>193,197,971</u>
<u>Deferred outflows of resources</u>		
Unamortized deferred charges	889,723	1,113,437
Pension	<u>16,494,498</u>	<u>7,489,232</u>
Total deferred outflows	<u>17,384,221</u>	<u>8,602,669</u>
<u>Liabilities</u>		
Current liabilities	7,371,792	7,780,993
Long-term liabilities:		
Due within one year	2,875,233	4,613,850
Due in more than one year:		
Net pension liability	91,201,186	76,744,837
Other amounts	<u>117,155,390</u>	<u>85,927,793</u>
Total liabilities	<u>218,603,601</u>	<u>175,067,473</u>
<u>Deferred inflows of resources</u>		
Property taxes	40,449,493	31,645,667
Pensions	<u>4,618,565</u>	<u>9,027,055</u>
Total deferred inflows	<u>45,068,058</u>	<u>40,672,722</u>
<u>Net Position</u>		
Net investment in capital assets	32,721,926	31,800,580
Restricted	8,742,844	8,555,064
Unrestricted (deficit)	<u>(57,746,524)</u>	<u>(54,295,199)</u>
Total net position (deficit)	<u>\$ (16,281,754)</u>	<u>\$ (13,939,555)</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Net Pension Liability and Related Deferred Inflows and Outflows of Resources

The District has adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

Under the standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows. In addition, the District has reported a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

Analysis of Net Position

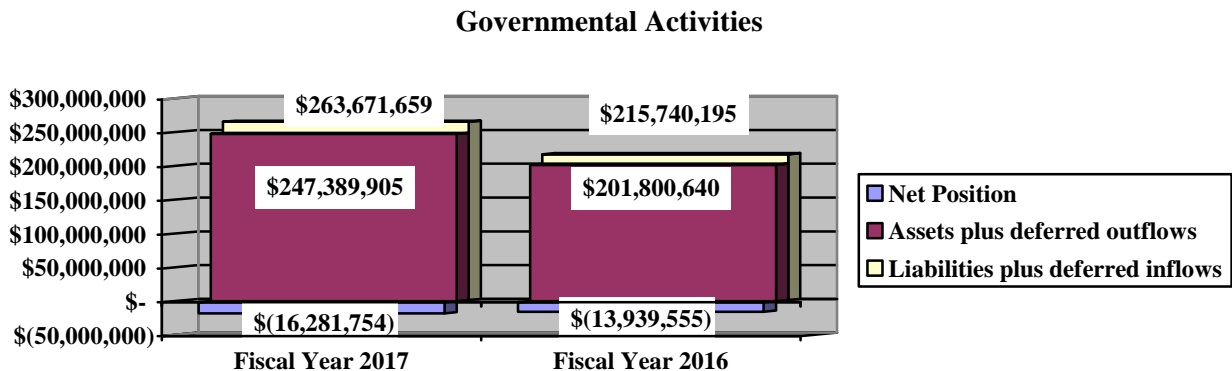
Current and other assets increased primarily in the area of cash and investments which increased \$38,415,120 due primarily to the issuance of bonds in current year. The decrease in capital assets is due to the depreciation exceeding capital asset additions in fiscal year 2017. The decrease in current liabilities is due to a decrease in accounts payable as the District collected more monies related to services performed in fiscal year 2017 by year-end as opposed to the prior year. The increase in long-term liabilities is due to the issuance of \$33,630,000 in bonds to finance the new campus elementary project. The District's net pension liability increased \$14,456,349; however, this increase was offset by an increase to deferred outflows of resources related to pension of \$9,005,266 and a decrease to deferred inflows of resources related to pensions of \$4,408,490. These factors are outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions to District employees, not the District.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the District's liabilities plus deferred inflows exceeded assets plus deferred outflows by \$16,281,754. Of this total, \$8,742,844 is restricted in use.

At year-end, capital assets represented 49.41% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. Net position invested in capital assets at June 30, 2017, was \$32,721,926. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$8,742,844, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$57,746,524.

The graph below illustrates the District's governmental activities assets plus deferred outflows, liabilities plus deferred inflows and net position at June 30, 2017 and 2016.



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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
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The table below shows the change in net position for fiscal years 2017 and 2016.

	Change in Net Position	
	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 2,477,331	\$ 2,245,278
Operating grants and contributions	3,975,874	3,578,050
Capital grants and contributions	-	330,000
General revenues:		
Property taxes	43,152,983	51,783,672
Payment in lieu of taxes	455,000	455,000
Grants and entitlements	9,383,072	9,379,082
Investment earnings	306,108	209,730
Increase (decrease) in fair value of investments	(99,813)	40,298
Miscellaneous and gain on sale	<u>475,485</u>	<u>157,100</u>
Total revenues	<u>60,126,040</u>	<u>68,178,210</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	22,656,445	21,919,688
Special	8,484,307	7,448,107
Vocational	776,899	1,053,253
Adult/continuing	3,886	3,334
Other	1,790,306	1,704,407
Support services:		
Pupil	3,894,367	3,726,306
Instructional staff	1,703,423	1,635,220
Board of education	42,201	71,975
Administration	3,215,516	2,941,589
Fiscal	1,264,203	1,442,664
Business	463,803	459,516
Operations and maintenance	5,160,733	5,305,924
Pupil transportation	3,794,474	3,654,866
Central	444,195	354,613
Operation of non-instructional services:		
Food service operations	1,284,778	1,242,054
Other non-instructional services	1,563,850	1,258,018
Extracurricular activities	1,764,627	1,508,100
Interest and fiscal charges	<u>4,160,226</u>	<u>3,913,479</u>
Total expenses	<u>62,468,239</u>	<u>59,643,113</u>
Change in net position	(2,342,199)	8,535,097
Net position (deficit) at beginning of year	<u>(13,939,555)</u>	<u>(22,474,652)</u>
Net position (deficit) at end of year	<u>\$ (16,281,754)</u>	<u>\$ (13,939,555)</u>

**WESTLAKE CITY SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

Governmental Activities

Net position of the District's governmental activities decreased \$2,342,199. Total governmental expenses of \$62,468,239 were offset by program revenues of \$6,453,205 and general revenues of \$53,672,835. Program revenues supported 10.33% of the total governmental expenses.

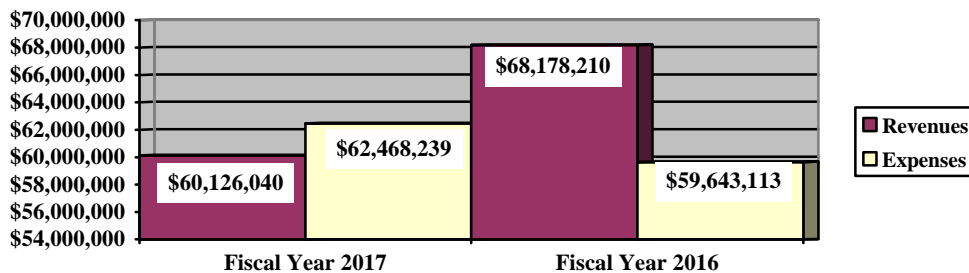
The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 87.37% of total governmental revenue. The decrease in property taxes is due to the decrease in the amount collected by the County Fiscal Officer and available as advance at fiscal year-end. The amount collected and available as advance for the fiscal year end June 30, 2017, June 30, 2016 and June 30, 2015 was \$7,984,240, \$14,015,645 and \$10,364,257, respectively. The fluctuations in these amounts caused the reported decrease for fiscal year 2017 in tax revenue. The amount collected and available for advance can vary depending upon when tax bills are sent. Real estate property is reappraised every six years. The overall decrease in property tax revenue was partially offset by the property tax levy approved on November 8, 2016 which includes a 1.3-mill bond issue to replace the four aging elementary schools with one new elementary campus and a 0.8-mill continuing permanent improvement levy. Charges for services and sales remained comparable to fiscal year 2016. Operating grants and contributions increased primarily due to more federal funding being received in fiscal year 2017. Capital grants and contributions decreased due to donations received for the District's artificial turf project at the high school stadium in 2016. Payments in lieu of taxes (PILOT) revenue was the same as 2016 as this revenue is related to the American Greetings PILOT. Unrestricted grants and entitlements increased due to more State of Ohio Foundation funding namely in the area of the pupil transportation allocation. Investment earnings increased as the District had more money to invest due to the issuance of bonds and higher interest rates on investments. The District is required to report investments at fair value rather than cost. Fluctuations in the fair value of investments occurs during the fiscal year. The District intends to hold all investments to maturity thus eliminating the risk of fluctuations in fair value.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$33,711,843 or 53.97% of total governmental expenses for fiscal 2017. Instruction expenses remained comparable to fiscal year 2016, increasing \$1,583,054, or 4.93%, from fiscal year 2016. The District continually monitors costs and has implemented cost-control measures when needed.

Overall, expenses increased \$2,825,126 or 4.74% from the prior year. Pension expense was the primary reason for the increase in expenses. Pension expense for fiscal year 2017 was \$5,403,464 compared to \$3,384,626 for fiscal year 2016. Pension expense is reported as a program expense of the program benefitting from the employee's service.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2017 and 2016.

Governmental Activities - Revenues and Expenses



**WESTLAKE CITY SCHOOL DISTRICT
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
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The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2017</u>	Net Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>
Program expenses				
Instruction:				
Regular	\$ 22,656,445	\$ 22,260,424	\$ 21,919,688	\$ 21,620,923
Special	8,484,307	7,660,096	7,448,107	6,678,325
Vocational	776,899	769,647	1,053,253	1,050,207
Adult/continuing	3,886	(483,155)	3,334	(26,451)
Other	1,790,306	1,327,403	1,704,407	1,322,472
Support services:				
Pupil	3,894,367	3,738,102	3,726,306	3,532,305
Instructional staff	1,703,423	1,653,488	1,635,220	1,561,144
Board of education	42,201	42,201	71,975	71,975
Administration	3,215,516	3,214,172	2,941,589	2,939,958
Fiscal	1,264,203	1,264,203	1,442,664	1,442,664
Business	463,803	463,803	459,516	459,516
Operations and maintenance	5,160,733	5,082,824	5,305,924	5,238,068
Pupil transportation	3,794,474	3,487,195	3,654,866	3,404,352
Central	444,195	444,195	354,613	354,613
Operation of non-instructional services:				
Food service operations	1,284,778	111,109	1,242,054	33,129
Other non-instructional services	1,563,850	(175,490)	1,258,018	(60,700)
Extracurricular activities	1,764,627	994,591	1,508,100	492,270
Interest and fiscal charges	4,160,226	4,160,226	3,913,479	3,375,015
Total expenses	<u>\$ 62,468,239</u>	<u>\$ 56,015,034</u>	<u>\$ 59,643,113</u>	<u>\$ 53,489,785</u>

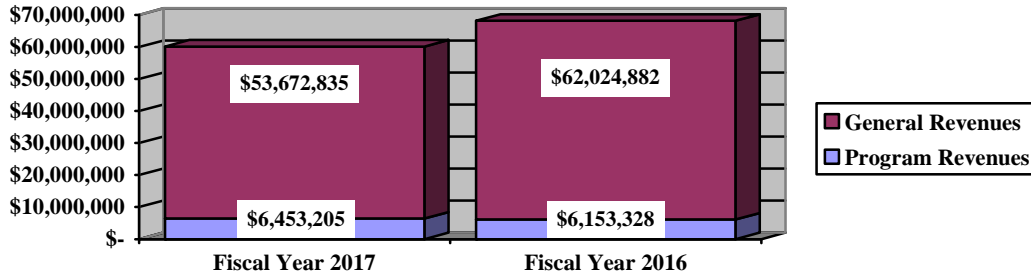
The dependence upon tax and other general revenues for governmental activities is apparent, as 93.54% of instruction activities are supported through taxes, grants and entitlements and other general revenues. For all governmental activities, general revenue support is 89.67%. Taxes and unrestricted grants and entitlements from the State of Ohio, as a whole, are by far the primary support for the District's students.

**WESTLAKE CITY SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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The graph below presents the District's governmental activities revenue for fiscal year 2017 and 2016.

Governmental Activities - General and Program Revenues



The District's Funds

The District's governmental funds (as presented on page 21) reported a combined fund balance of \$66,972,323, which is higher than last year's total of \$37,082,083. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2017 and 2016.

	Fund Balance <u>June 30, 2017</u>	Fund Balance <u>June 30, 2016</u>	<u>Change</u>
General	\$ 24,149,397	\$ 27,166,226	\$ (3,016,829)
Bond Retirement	7,405,013	8,621,342	(1,216,329)
Building	34,050,009	40,426	34,009,583
Other Governmental	1,367,904	1,254,089	113,815
Total	<u>\$ 66,972,323</u>	<u>\$ 37,082,083</u>	<u>\$ 29,890,240</u>

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

The District's general fund balance decreased \$3,016,829. An analysis of the general fund's revenues and expenditures is presented below.

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

	<u>2017</u> <u>Amount</u>	<u>2016</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes and payments in lieu of taxes	\$ 36,993,258	\$ 44,441,873	\$ (7,448,615)	(16.76) %
Tuition	887,429	794,319	93,110	11.72 %
Earnings on investments	258,073	212,520	45,553	21.43 %
Increase (decrease) in fair value of investments	(196,939)	40,298	(237,237)	(588.71) %
Intergovernmental	8,845,860	9,000,399	(154,539)	(1.72) %
Other revenues	<u>1,172,350</u>	<u>616,247</u>	<u>556,103</u>	90.24 %
Total	<u>\$ 47,960,031</u>	<u>\$ 55,105,656</u>	<u>\$ (7,145,625)</u>	(12.97) %
<u>Expenditures</u>				
Instruction	\$ 29,467,751	\$ 28,999,950	467,801	1.61 %
Support services	18,918,563	18,456,388	462,175	2.50 %
Other non-instructional services	723,100	652,572	70,528	10.81 %
Extracurricular activities	1,293,376	1,104,772	188,604	17.07 %
Facilities acquisition and construction	469,795	693,857	(224,062)	(32.29) %
Debt service	<u>97,200</u>	<u>97,200</u>	-	-
Total	<u>\$ 50,969,785</u>	<u>\$ 50,004,739</u>	<u>\$ 965,046</u>	1.93 %

The decrease in property tax revenue is due to the decrease in the amount collected by the County Fiscal Officer and available as advance at fiscal year-end. The amount collected and available as advance for the fiscal year end June 30, 2017, June 30, 2016, and June 30, 2015 was \$6,702,435, \$11,799,861, and \$8,781,134, respectively. The fluctuations in these amounts caused the reported decrease for fiscal year 2017 in tax revenue. The amount collected and available for advance can vary depending upon when tax bills are sent. Tuition revenue increased due to more open enrollment participation. Investment earnings increased as the District had more money to invest and higher interest rates on investments. The District is required to report investments at fair value rather than cost. Fluctuations in the fair value of investments occurs during the fiscal year. The District intends to hold all investments to maturity thus eliminating the risk of fluctuations in fair value. Intergovernmental revenues decreased due to less funding being received by the District from the State of Ohio in the form of Foundation payments. Other revenues increased due to more refunds and reimbursements received or accrued in fiscal year 2017 versus fiscal year 2016. The District received and accrued substantial refunds from the Bureau of Workers' Compensation in fiscal year 2017.

Expenditures for instruction, support services and non-instructional services remained comparable to the prior year. Instruction and support services increased due to normal and customary wage and benefit increased. Facilities and acquisition expenditures decreased due to the 2016 expenses for the Field House renovation project.

**WESTLAKE CITY SCHOOL DISTRICT
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Bond Retirement Fund

The bond retirement fund had \$7,008,564 in revenues and other financing sources and \$8,224,893 in expenditures. During fiscal 2017, the bond retirement fund's fund balance decreased \$1,216,329 from \$8,621,342 to \$7,405,013. Bond retirement fund property tax and intergovernmental revenues failed to exceed debt service requirements on current obligations. The decrease in property tax revenue is due to the decrease in the amount collected by the County Fiscal Officer and available as advance at fiscal year-end. The amount collected and available as advance for the fiscal year end June 30, 2017, June 30, 2016 and June 30, 2015 was \$1,105,206, \$2,215,784, and \$1,583,123, respectively. The fluctuations in these amounts caused the reported decrease for fiscal year 2017 in tax revenue. The amount collected and available for advance can vary depending upon when tax bills are sent.

Building Fund

The building fund had \$34,435,930 in revenues and other financing sources and \$426,347 in expenditures. During fiscal 2017, the building fund's fund balance increased \$34,009,583 from \$40,426 to \$34,050,009. The building fund issued bonds for school improvements in the amount of \$33,630,000 to finance the new campus elementary project.

General Fund Budgeting Highlights

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

During the course of fiscal 2017 the District amended its general fund budget several times. For the general fund, final budgeted revenues and other financing sources were \$49,461,545, which was higher than original budgeted revenues and other financing sources estimate of \$49,429,325. Actual revenues and other financing sources for fiscal 2017 were \$52,460,605 this is an increase of \$2,999,060 from final budgeted revenues and other financing sources which is primarily due to conservative budgeting of property tax receipts.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$55,500,687 were decreased to \$51,768,597 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2017 totaled \$51,768,570, which was \$27 lower than the final budget appropriations

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2017, the District had \$113,643,156 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks and library books. This entire amount is reported in governmental activities.

**WESTLAKE CITY SCHOOL DISTRICT
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
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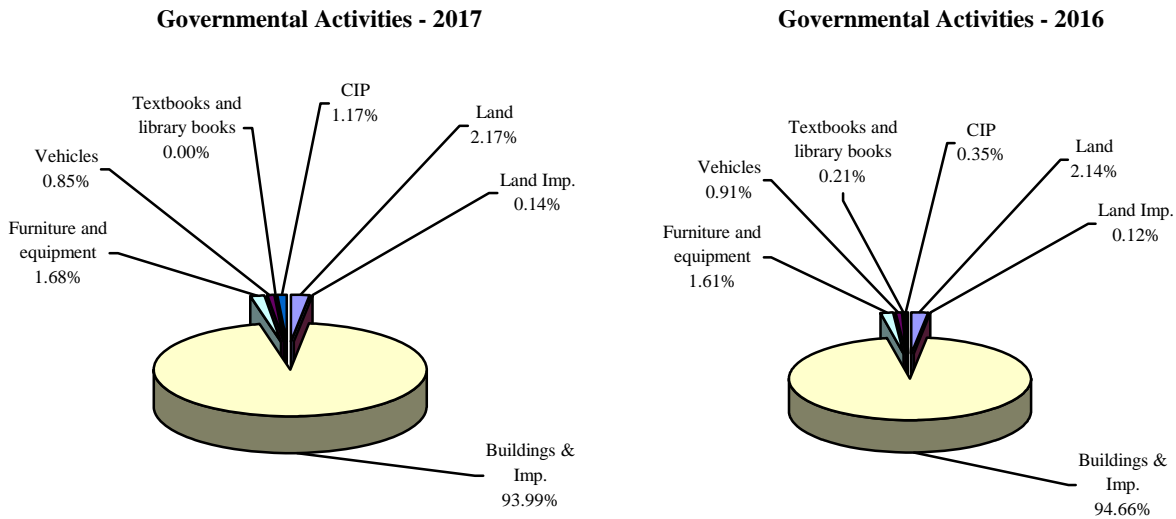
The following table shows fiscal 2017 balances compared to 2016:

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

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Land	\$ 2,468,751	\$ 2,468,751
Construction in progress	1,326,990	401,514
Land improvements	161,463	133,606
Buildings and improvements	106,812,970	109,106,769
Furniture and equipment	1,912,312	1,852,711
Vehicles	960,670	1,045,422
Textbooks and library books	-	241,790
Total	<u>\$ 113,643,156</u>	<u>\$ 115,250,563</u>

The overall decrease in capital assets of \$1,607,407 is primarily due to depreciation expense of \$3,469,883 and disposals of \$1,722 (net of accumulated depreciation) exceeding capital outlays of \$1,864,198 in the fiscal year.

The graphs below present the District's capital assets for fiscal 2017 and fiscal 2016.



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

Debt Administration

At June 30, 2017, the District had \$111,976,898 in general obligation bonds (the issue is comprised of current issue bonds, term bonds, sinking fund bonds and capital appreciation bonds) outstanding. Of this total, \$2,335,000 is due within one year and \$109,641,898 is due in more than one year.

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The following table summarizes the bonds outstanding:

Outstanding Debt, at Year End

	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
Current interest bonds	\$ 58,920,000	\$ 46,575,000
Term bonds	41,485,000	22,490,000
Sinking fund bonds	11,260,000	11,260,000
Capital appreciation bonds	180,000	525,000
Accretion on capital appreciation bonds	<u>131,898</u>	<u>1,785,343</u>
Total	<u>\$ 111,976,898</u>	<u>\$ 82,635,343</u>

The District made \$4,470,000 in principal payments on the current interest bonds during fiscal year 2017. The capital appreciation bonds accreted \$181,555 in interest during 2017 and one of the capital appreciation bonds matured during the fiscal year.

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

Current Financial Related Activities

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

The financial future of the District is not without its internal as well as external challenges. In the foreseeable future, the internal challenge will remain as long as the District is required to rely on local property taxes to fund its operations. External challenges continue to evolve as the District absorbs additional unfunded mandates and struggles with the State of Ohio who has yet to determine an adequate solution to the State's educational funding system.

The District has not projected any meaningful growth in State revenues due to the economy and a going concern regarding the new State funding model and legislation which dictates the redistribution and/or accelerated phase-out of state-reimbursed personal property taxes. With approximately 81.56 percent of general fund revenues being derived from local sources, one can see the significant impact these changes will have on the District and ultimately, the residential taxpayers.

Community support for the District remains solid. In May of 2000, the Westlake voters had passed a 5.5 mill replacement levy, which helped fund the general operations and permanent improvements of the District over the last several years. In addition, the community overwhelmingly passed a bond issue in late 2002 to support the construction of a new district Performing Arts center. In May of 2006, the community passed a 6.9 mill continuing levy for general operations. In May of 2010, the community overwhelmingly passed a 3.4 mill bond issue to support phase I of its capital improvement plan. Most recently, in November of 2016, the community approved a 1.3-mill bond issue to replace the four aging elementary schools with one new elementary campus and a 0.8-mill continuing permanent improvement levy.

**WESTLAKE CITY SCHOOL DISTRICT
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**MANAGEMENT'S DISCUSSION AND ANALYSIS
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(UNAUDITED)**

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

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

Contacting the District's Financial Management

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

If you have questions about this report or need additional financial information please contact: Todd Hopkins, Chief Financial Officer/Treasurer, Westlake City School District, 24525 Hilliard Boulevard, Westlake, Ohio 44145. Or if you prefer, you may email inquiries to: HopkinsT@wlake.org.

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

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 65,373,507
Receivables:	
Property taxes	49,903,123
Accounts	2,055
Accrued interest	60,503
Intergovernmental	893,215
Prepayments	91,445
Materials and supplies inventory.	21,610
Inventory held for resale.	17,070
Capital assets:	
Nondepreciable capital assets	3,795,741
Depreciable capital assets, net	109,847,415
Capital assets, net	113,643,156
Total assets.	230,005,684
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	889,723
Pension - STRS	11,943,211
Pension - SERS	4,551,287
Total deferred outflows of resources	17,384,221
Liabilities:	
Accounts payable.	654,395
Retainage payable	67,649
Accrued wages and benefits payable	4,988,969
Intergovernmental payable	141,971
Pension and postemployment benefits payable	713,423
Accrued interest payable	774,475
Unearned revenue	30,910
Long-term liabilities:	
Due within one year.	2,875,233
Due in more than one year:	
Net pension liability	91,201,186
Other amounts due in more than one year	117,155,390
Total liabilities	218,603,601
Deferred inflows of resources:	
Property taxes levied for the next fiscal year.	40,449,493
Pension - STRS.	4,127,187
Pension - SERS.	491,378
Total deferred inflows of resources	45,068,058
Net position:	
Net investment in capital assets	32,721,926
Restricted for:	
Capital projects	986,168
Debt service.	6,687,246
Locally funded programs	214,472
State funded programs.	76,322
Federally funded programs	299,851
Student activities	190,755
Other purposes	288,030
Unrestricted (deficit)	(57,746,524)
Total net position (deficit).	\$ (16,281,754)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 22,656,445	\$ 332,551	\$ 63,470	\$ (22,260,424)
Special	8,484,307	-	824,211	(7,660,096)
Vocational	776,899	-	7,252	(769,647)
Adult/continuing.	3,886	7,110	479,931	483,155
Other	1,790,306	18,225	444,678	(1,327,403)
Support services:				
Pupil.	3,894,367	-	156,265	(3,738,102)
Instructional staff	1,703,423	-	49,935	(1,653,488)
Board of education	42,201	-	-	(42,201)
Administration.	3,215,516	245	1,099	(3,214,172)
Fiscal.	1,264,203	-	-	(1,264,203)
Business.	463,803	-	-	(463,803)
Operations and maintenance	5,160,733	77,909	-	(5,082,824)
Pupil transportation.	3,794,474	59,281	247,998	(3,487,195)
Central	444,195	-	-	(444,195)
Operation of non-instructional services:				
Food service operations	1,284,778	842,610	331,059	(111,109)
Other non-instructional services	1,563,850	602,108	1,137,232	175,490
Extracurricular activities.	1,764,627	537,292	232,744	(994,591)
Interest and fiscal charges	4,160,226	-	-	(4,160,226)
Total governmental activities	\$ 62,468,239	\$ 2,477,331	\$ 3,975,874	(56,015,034)
General revenues:				
Property taxes levied for:				
General purposes				36,486,989
Debt service.				5,839,450
Capital outlay.				826,544
Payments in lieu of taxes.				455,000
Grants and entitlements not restricted				
to specific programs				9,383,072
Investment earnings				306,108
(Decrease) in fair value of investments				(99,813)
Gain on sale of assets				1,203
Miscellaneous				474,282
Total general revenues				53,672,835
Change in net position				(2,342,199)
Net position (deficit) at beginning of year				(13,939,555)
Net position (deficit) at end of year.				\$ (16,281,754)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	General	Bond Retirement	Building	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 23,085,158	\$ 6,299,807	\$ 34,330,902	\$ 1,657,640	\$ 65,373,507
Receivables:					
Property taxes	42,389,598	6,365,890	-	1,147,635	49,903,123
Accounts	1,774	-	-	281	2,055
Accrued interest	50,366	-	10,137	-	60,503
Interfund loans	344,835	-	-	-	344,835
Intergovernmental	327,630	-	-	565,585	893,215
Prepayments	91,445	-	-	-	91,445
Materials and supplies inventory	14,922	-	-	6,688	21,610
Inventory held for resale	-	-	-	17,070	17,070
Total assets	<u>\$ 66,305,728</u>	<u>\$ 12,665,697</u>	<u>\$ 34,341,039</u>	<u>\$ 3,394,899</u>	<u>\$ 116,707,363</u>
Liabilities:					
Accounts payable	\$ 271,655	\$ -	\$ 215,448	\$ 167,292	\$ 654,395
Retainage payable	-	-	67,649	-	67,649
Accrued wages and benefits payable	4,829,570	-	-	159,399	4,988,969
Compensated absences payable	322,444	-	-	1,496	323,940
Intergovernmental payable	138,139	-	-	3,832	141,971
Pension and postemployment benefits payable	671,683	-	-	41,740	713,423
Interfund loans payable	-	-	-	344,835	344,835
Unearned revenue	30,910	-	-	-	30,910
Total liabilities	<u>6,264,401</u>	<u>-</u>	<u>283,097</u>	<u>718,594</u>	<u>7,266,092</u>
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	34,437,262	5,072,078	-	940,153	40,449,493
Delinquent property tax revenue not available	1,249,901	188,606	-	30,883	1,469,390
Intergovernmental revenue not available	174,921	-	-	337,365	512,286
Accrued interest not available	29,146	-	7,933	-	37,079
Miscellaneous revenue not available	700	-	-	-	700
Total deferred inflows of resources	<u>35,891,930</u>	<u>5,260,684</u>	<u>7,933</u>	<u>1,308,401</u>	<u>42,468,948</u>
Fund balances:					
Nonspendable:					
Materials and supplies inventory	14,922	-	-	6,688	21,610
Prepays	91,445	-	-	-	91,445
Restricted:					
Debt service	-	7,405,013	-	-	7,405,013
Capital improvements	-	-	34,050,009	535,276	34,585,285
Food service operations	-	-	-	323,372	323,372
Non-public schools	-	-	-	85,270	85,270
Special education	-	-	-	26,502	26,502
Extracurricular	-	-	-	190,755	190,755
Other purposes	-	-	-	217,448	217,448
Committed:					
Capital improvements	8,693	-	-	-	8,693
Health insurance	1,160,000	-	-	-	1,160,000
Assigned:					
Student instruction	312,124	-	-	-	312,124
Student and staff support	752,472	-	-	-	752,472
Facilities acquisition and construction	24,914	-	-	-	24,914
School supplies	13,107	-	-	-	13,107
Other purposes	13,791	-	-	-	13,791
Unassigned	21,757,929	-	-	(17,407)	21,740,522
Total fund balances	<u>24,149,397</u>	<u>7,405,013</u>	<u>34,050,009</u>	<u>1,367,904</u>	<u>66,972,323</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 66,305,728</u>	<u>\$ 12,665,697</u>	<u>\$ 34,341,039</u>	<u>\$ 3,394,899</u>	<u>\$ 116,707,363</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

Total governmental fund balances		\$ 66,972,323
<i>Amounts reported for governmental activities on 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.		113,643,156
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 1,469,390	
Accounts receivable	700	
Accrued interest receivable	37,079	
Intergovernmental receivable	512,286	
Total	2,019,455	
Unamortized premiums on bonds issued are not recognized in the funds.		(3,979,642)
Unamortized deferred amounts on debt refundings are not recognized in the funds.		889,723
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(774,475)
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows and outflows are not reported in the funds.		
Deferred outflows - Pension	16,494,498	
Deferred Inflows - Pension	(4,618,565)	
Net pension liability	(91,201,186)	
Total	(79,325,253)	
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	(111,976,898)	
Capital lease obligations	(184,630)	
Compensated absences	(3,565,513)	
Total	(115,727,041)	
Net position (deficit) of governmental activities		\$ (16,281,754)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General	Bond Retirement	Building	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Property taxes	\$ 36,538,258	\$ 5,838,545	\$ -	\$ 795,661	\$ 43,172,464
Payment in lieu of taxes	455,000	-	-	-	455,000
Tuition	887,429	-	-	-	887,429
Transportation fees	59,281	-	-	-	59,281
Earnings on investments	258,073	-	24,145	493	282,711
Increase (decrease) in fair value of investments	(196,939)	-	97,126	-	(99,813)
Charges for services	-	-	-	842,610	842,610
Extracurricular	244,345	-	-	104,186	348,531
Classroom materials and fees	225,406	-	-	-	225,406
Rental income	77,909	-	-	7,110	85,019
Contributions and donations	38,237	-	-	273,272	311,509
Contract services	28,355	-	-	-	28,355
Other local revenues	498,817	-	400,864	401,644	1,301,325
Intergovernmental - state	8,767,362	692,241	-	744,557	10,204,160
Intergovernmental - federal	78,498	268,890	-	1,621,325	1,968,713
Total revenues	47,960,031	6,799,676	522,135	4,790,858	60,072,700
Expenditures:					
Current:					
Instruction:					
Regular	19,940,901	-	-	299,527	20,240,428
Special	7,471,411	-	-	612,533	8,083,944
Vocational	725,430	-	-	-	725,430
Adult/continuing	-	-	-	3,521	3,521
Other	1,330,009	-	-	440,763	1,770,772
Support services:					
Pupil	3,631,190	-	-	147,727	3,778,917
Instructional staff	1,483,277	-	-	51,810	1,535,087
Board of education	41,589	-	-	-	41,589
Administration	3,078,805	12,734	-	3,239	3,094,778
Fiscal	1,203,510	88,922	-	6,607	1,299,039
Business	357,273	-	-	-	357,273
Operations and maintenance	5,059,298	-	-	-	5,059,298
Pupil transportation	3,624,997	-	-	-	3,624,997
Central	438,624	-	-	-	438,624
Operation of non-instructional services:					
Food service operations	-	-	-	1,169,048	1,169,048
Other non-instructional services	723,100	-	-	808,522	1,531,622
Extracurricular activities	1,293,376	-	-	348,375	1,641,751
Facilities acquisition and construction	469,795	-	142,552	795,371	1,407,718
Debt service:					
Principal retirement	85,632	2,635,000	-	-	2,720,632
Interest and fiscal charges	11,568	3,653,237	-	-	3,664,805
Bond issuance costs	-	-	283,795	-	283,795
Accretion on CABs	-	1,835,000	-	-	1,835,000
Total expenditures	50,969,785	8,224,893	426,347	4,687,043	64,308,068
Excess of revenues over (under) expenditures	(3,009,754)	(1,425,217)	95,788	103,815	(4,235,368)
Other financing sources (uses):					
Premium on bonds issued	-	208,888	283,795	-	492,683
Issuance of bonds	-	-	33,630,000	-	33,630,000
Sale of capital assets	2,925	-	-	-	2,925
Transfers in	-	-	-	10,000	10,000
Transfers (out)	(10,000)	-	-	-	(10,000)
Total other financing sources (uses)	(7,075)	208,888	33,913,795	10,000	34,125,608
Net change in fund balances	(3,016,829)	(1,216,329)	34,009,583	113,815	29,890,240
Fund balances at beginning of year	27,166,226	8,621,342	40,426	1,254,089	37,082,083
Fund balances at end of year	\$ 24,149,397	\$ 7,405,013	\$ 34,050,009	\$ 1,367,904	\$ 66,972,323

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Net change in fund balances - total governmental funds	\$	29,890,240
<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 costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 1,864,198	
Current year depreciation	<u>(3,469,883)</u>	
Total		(1,605,685)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(1,722)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property taxes	(19,481)	
Tuition	700	
Earnings on investments	23,875	
Intergovernmental	<u>47,043</u>	
Total		52,137
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
Bonds	2,635,000	
Capital appreciation bonds	1,835,000	
Capital leases	<u>85,632</u>	
Total		4,555,632
Issuances of bonds are recorded as other financing source in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.		
		(33,630,000)
Premiums on bonds issued are recorded as other financing source in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.		
		(492,683)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items are components of interest expense being reported in the statement of activities:		
Increase in accrued interest payable	(191,210)	
Accreted interest on capital appreciation bonds	(181,555)	
Amortization of bond premiums	384,853	
Amortization of deferred charges	<u>(223,714)</u>	
Total		(211,626)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
		4,360,871
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(5,403,464)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported in governmental funds.		
		<u>144,101</u>
Change in net position of governmental activities	\$	<u>(2,342,199)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 39,229,889	\$ 39,255,461	\$ 41,635,684	\$ 2,380,223
Payment in lieu of taxes.	430,000	430,000	455,000	25,000
Tuition.	274,175	274,354	290,989	16,635
Transportation fees.	56,167	56,204	59,612	3,408
Earnings on investments	244,502	244,661	259,496	14,835
Extracurricular.	121,146	121,225	128,575	7,350
Classroom materials and fees	8,932	8,938	9,480	542
Rental income	73,407	73,455	77,909	4,454
Contract services.	26,717	26,734	28,355	1,621
Other local revenues	5,379	5,663	7,079	1,416
Intergovernmental - state	8,292,332	8,297,738	8,800,864	503,126
Intergovernmental - federal	73,963	74,010	78,498	4,488
Total revenues	48,836,609	48,868,443	51,831,541	2,963,098
Expenditures:				
Current:				
Instruction:				
Regular	21,192,236	20,248,566	20,248,563	3
Special.	6,875,184	7,370,935	7,370,935	-
Vocational.	1,043,764	745,675	745,675	-
Other.	2,923,096	1,490,594	1,490,594	-
Support services:				
Pupil.	4,292,622	3,738,199	3,738,199	-
Instructional staff	1,645,446	1,562,663	1,562,663	-
Board of education	71,524	49,930	49,930	-
Administration.	3,089,735	3,098,156	3,098,132	24
Fiscal	1,475,724	1,315,439	1,315,439	-
Business	503,054	475,601	475,601	-
Operations and maintenance.	5,493,005	5,265,163	5,265,163	-
Pupil transportation	3,904,799	3,683,425	3,683,425	-
Central.	439,819	471,281	471,281	-
Operation of non-instructional services:				
Other non-instructional services	31,408	21,370	21,370	-
Extracurricular activities.	821,087	893,085	893,085	-
Facilities acquisition and construction	1,662,345	637,804	637,804	-
Total expenditures	55,464,848	51,067,886	51,067,859	27
Excess of revenues over (under) expenditures.	(6,628,239)	(2,199,443)	763,682	2,963,125
Other financing sources (uses):				
Refund of prior year's expenditures	264,725	264,897	280,959	16,062
Refund of prior year's receipts.	(4,000)	(3,766)	(3,766)	-
Transfers (out).	(10,000)	(10,000)	(10,000)	-
Advances in.	325,235	325,447	345,180	19,733
Advances (out)	(21,839)	(686,945)	(686,945)	-
Sale of capital assets	2,756	2,758	2,925	167
Total other financing sources (uses)	556,877	(107,609)	(71,647)	35,962
Net change in fund balance	(6,071,362)	(2,307,052)	692,035	2,999,087
Fund balance at beginning of year	16,211,543	16,211,543	16,211,543	-
Prior year encumbrances appropriated	4,877,504	4,877,504	4,877,504	-
Fund balance at end of year	\$ 15,017,685	\$ 18,781,995	\$ 21,781,082	\$ 2,999,087

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017

	Private-Purpose Trust	
	Scholarship	Agency
Assets:		
Equity in pooled cash and investments	\$ 89,685	\$ 283,317
Liabilities:		
Accounts payable	-	\$ 385
Intergovernmental payable	-	3,185
Due to students	-	279,747
Total liabilities	-	\$ 283,317
Net position:		
Held in trust for scholarships	89,685	
Total net position	\$ 89,685	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust
	Scholarship
Additions:	
Interest	\$ 30
Gifts and contributions	16,522
Total additions.	16,552
Deductions:	
Scholarships awarded	16,000
Change in net position	552
Net position at beginning of year.	89,133
Net position at end of year	\$ 89,685

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

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

The District is located in Westlake, Ohio, Cuyahoga County. The Board of Education controls the District’s seven instructional/support facilities. The District employs (full- and part-time) 290 professional staff members and 251 non-teaching and support staff employees who provide services to 3,516 students and other community members.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

RELATED ORGANIZATION

Porter Public Library

The Porter Public Library (the "Library") is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Westlake City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies. Although the District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Porter Public Library, Ms. Jana Nassif, Fiscal Officer, at 27333 Center Ridge Road, Westlake, Ohio 44145.

JOINTLY GOVERNED ORGANIZATIONS

Connect

Connect, formerly known as the North Coast Council, is a jointly governed organization serving twenty-four school districts and two educational service centers. Connect was organized pursuant to Ohio Revised Code Chapter 167 as a regional council of governments for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Connect operates as an information technology center pursuant to ORC 3301.075. Each of the governments of these schools supports Connect based on a per pupil charge dependent upon the software packages used. The District contributed \$112,410 to Connect during fiscal year 2017. Connect is governed by a four-member Board of Directors consisting of the Superintendent of the Educational Service Center of Cuyahoga County, the Superintendent of the Educational Service Center of Lorain County, the Superintendent of the Educational Service Center of Medina County, and the Executive Director of the Ohio Schools Council. Financial information can be obtained by contacting the Treasurer at the Cuyahoga County Educational Service Center, who serves as fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

Ohio Schools Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among 201 school districts, educational service centers, joint vocational districts, and Developmental Disabilities boards in 33 Ohio counties. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. The Council's Board consists of seven superintendents of the participating districts whose terms rotate every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2017, the District paid \$449 to the Council for annual membership and other fees. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Blvd., Suite 377, Independence, Ohio 44131.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Compass Energy has been selected as the supplier and program manager. There are currently 151 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). School districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and school districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The District participates in the Council's electric purchase program. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for in the program for either a two year period or an eight and one-half year period depending upon electric generation area. FirstEnergy Solutions has been selected as the supplier for the program. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to the actual usage for the year and any necessary adjustments are made.

INSURANCE PURCHASING POOL

Suburban Health Consortium

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

Upon withdrawal of a Consortium Member, the Consortium shall pay the run out of all claims for such Consortium Member provided such Consortium Member has paid to the Consortium, prior to the effective date of withdrawal, a withdrawal fee in the amount equal to two months' premiums at the Consortium Member's current rate. Payment of the withdrawal fee does not extend insurance coverage for two months. Upon automatic withdrawal, for non-payment of premiums required by the Consortium Agreement, the Consortium shall pay the run out of all claims for such Consortium Member provided that the Consortium has received from such Consortium Member all outstanding and unpaid premiums and other amounts and the withdrawal fee equal to two months' premiums at the Consortium Member's current rates. Any Consortium Member which withdraws from the Consortium pursuant to the Consortium Agreement shall have no claim to the Consortium's assets. Financial information for the Consortium can be obtained from Mr. Todd Puster, Treasurer of the Orange City School District (the "Fiscal Agent") at 32000 Chagrin Blvd., Pepper Pike, Ohio 44124-5974.

B. Fund Accounting

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

GOVERNMENTAL FUNDS

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

The following are the District's major governmental funds:

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

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

Building Fund - The building fund is used to account for the proceeds and expenditures related to facilities construction.

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

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The 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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private-purpose trust which accounts for a college scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds account for resources belonging to the student bodies of the various schools and for monies collected on behalf of and disbursed to the Ohio High School Athletic Association.

C. Basis of Presentation and Measurement Focus

The 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements distinguish between those activities that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

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

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

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources 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.

Like the government-wide statements, the private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fiduciary net position. The statement of changes in fiduciary net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

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

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 inflows, and in the presentation of expenses versus expenditures.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 13 for deferred outflows of resources related the District's net pension liability. In addition, deferred outflows of resources include unamortized deferred charges on debt refunding. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District, unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

For the District, see Note 13 for deferred inflows of resources related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

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

E. Budgetary Process

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

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

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

F. Cash and Cash Equivalents

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

During fiscal year 2017, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, negotiable CD's, commercial paper, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value which is based on quoted market prices.

During fiscal year 2017, the District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes, interest earnings are allotted to the general fund unless the Board of Education has, by resolution, specified funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$258,073 which includes \$79,274 assigned from other District funds.

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

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

G. Inventory

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

H. Capital Assets

All capital assets of the District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in 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 acquisition value. The District maintains a capitalization threshold of \$1,000 for its general capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and improvements	30 - 50 years
Furniture and equipment	5 - 10 years
Vehicles	10 years
Land improvements	30 years
Textbooks	5 years
Library books	2 years

I. Interfund Loans

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

J. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 10.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

K. Compensated Absences

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

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

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2017, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

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

L. Accrued Liabilities and Long-Term Obligations

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

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

M. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts restricted for food service operations and local grants.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

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

N. Fund Balance

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

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

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

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

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

O. Estimates

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

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2017.

R. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures 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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. Transfers between governmental funds are eliminated for reporting on the government-wide statement of activities. Interfund services provided and used are not eliminated for reporting on the government-wide statement of activities.

S. Nonpublic Schools

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

T. Prepayments

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepayments using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed. Fund balance has been presented as nonspendable equal to the balance of the prepayment at fiscal year-end.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

U. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2017, the District has implemented GASB Statement No. 77, "*Tax Abatement Disclosures*", GASB Statement No. 78, "*Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*", GASB Statement No. 80, "*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*" and GASB Statement No. 82, "*Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73*".

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. These disclosures were incorporated in the District's fiscal year 2017 financial statements (see Note 19); however, there was no effect on beginning net position/fund balance.

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the District.

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement applies to component units that are organized as not-for-profit corporations in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the District.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the District.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE – (Continued)

B. Deficit Fund Balances

Fund balances at June 30, 2017 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
College Credit Plus Teacher Credential Grants	\$ 3,098
Title I	14,307
Improving teacher quality	2

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

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

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

A. Deposits with Financial Institutions

At June 30, 2017, the carrying amount of all District deposits was \$10,943,584. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2017, \$11,737,648 of the District's bank balance of \$12,237,648 was exposed to custodial risk as discussed below, while \$500,000 was covered by the Federal Deposit Insurance Corporation.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2017, the District had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater Than 24 months
Fair Value:						
FHLB	\$ 6,713,829	\$ 2,434,223	\$ 496,435	\$ -	\$ 1,247,458	\$ 2,535,713
FFCB discount note	5,649,587	-	5,649,587	-	-	-
FFCB	1,076,553	-	1,076,553	-	-	-
FHLB discount note	1,952,835	-	1,952,835	-	-	-
FHLMC	3,887,604	-	1,397,635	-	-	2,489,969
FNMA	5,859,462	-	932,832	-	1,790,548	3,136,082
Negotiable CDs	1,493,725	-	-	248,202	495,635	749,888
Commercial paper	27,857,691	23,158,706	4,698,985	-	-	-
U.S. government money market mutual funds	204,829	204,829	-	-	-	-
Amortized Cost:						
STAR Ohio	106,810	106,810	-	-	-	-
Total	\$ 54,802,925	\$ 25,904,568	\$ 16,204,862	\$ 248,202	\$ 3,533,641	\$ 8,911,652

The weighted average maturity of investments is 0.95 years.

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FHLB, FHLMC, FNMA, and FFCB), commercial paper and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

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

Credit Risk: The District's investments in federal agency securities were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The FFCB discount notes and FHLB discount notes were rated A-1+ and P-1 by Standard & Poor's and Moody's Investor Services, respectively. STAR Ohio and the U.S. government money market mutual funds were rated AAAM by Standard & Poor's. STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. The commercial paper was rated P-1 and A-1 by Moody's and Standard & Poor's, respectively. The negotiable CDs were fully covered by the FDIC. The District has no investment policy that would further limit its investment choices.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2017:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Fair Value:		
FHLB	\$ 6,713,829	12.26
FFCB discount note	5,649,587	10.31
FFCB	1,076,553	1.96
FHLB discount note	1,952,835	3.56
FHLMC	3,887,604	7.09
FNMA	5,859,462	10.69
Negotiable CDs	1,493,725	2.73
Commercial paper	27,857,691	50.84
U.S. government money market mutual funds	204,829	0.37
Amortized Cost:		
STAR Ohio	106,810	0.19
	<u>\$ 54,802,925</u>	<u>100.00</u>

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2017:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 10,943,584
Investments	54,802,925
Total	<u>\$ 65,746,509</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 65,373,507
Private-purpose trust fund	89,685
Agency fund	283,317
Total	<u>\$ 65,746,509</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund loans receivable/payable consisted of the following at June 30, 2017, as reported on the fund statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$344,835

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund loans receivable/payable between governmental funds are eliminated for reporting on the statement of net position.

- B. Interfund transfers for the year ended June 30, 2017, consisted of the following, as reported on the fund financial statements:

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

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed values as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Public utility real and personal property taxes received in calendar year 2017 became a lien on December 31, 2015, were levied after April 1, 2016, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 6 - PROPERTY TAXES - (Continued)

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 was \$6,702,435 in the general fund, \$1,105,206 in the bond retirement fund, and \$176,599 in the permanent improvement fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2016 was \$11,799,861 in the general fund and \$2,215,784 in the bond retirement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2017 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow. The assessed values upon which the fiscal year 2017 taxes were collected are:

	2016 Second Half Collections		2017 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,400,587,290	98.19	\$ 1,415,841,400	98.06
Public utility personal	<u>25,840,090</u>	<u>1.81</u>	<u>27,951,630</u>	<u>1.94</u>
Total	<u>\$ 1,426,427,380</u>	<u>100.00</u>	<u>\$ 1,443,793,030</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 70.10		\$ 70.20	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2017 consisted of taxes, accounts (billings for user charged services, rentals and student fees), accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 7 – RECEIVABLES - (Continued)

A summary of the principal items of receivables reported on the statement of net position follows:

Governmental activities

Property taxes	\$ 49,903,123
Accounts	2,055
Intergovernmental	893,215
Accrued interest	<u>60,503</u>
 Total governmental activities	 <u><u>\$ 50,858,896</u></u>

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

NOTE 8 - CAPITAL LEASES - LESSEE DISCLOSURE

During fiscal year 2017 and in prior years, the District entered into capital lease agreements for copiers. These leases meet the criteria of a capital lease as defined by GASB which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee at the conclusion of the lease term.

Capital lease payments have been reclassified and are reflected as debt service expenditures in the statement of revenues, expenditures and changes in fund balances - general fund. These expenditures are reflected as program/function expenditures on a budgetary basis. Capital assets acquired by lease have been capitalized in the amount of \$430,188, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2017 was \$258,114 leaving a current book value of \$172,074.

A corresponding liability was recorded in the statement of net position. Principal payments in the 2017 fiscal year totaled \$85,632. This amount is reflected as debt service principal retirement in the general fund and as a reduction to the long-term liabilities reported on the statement of net position. The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2017.

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>
2018	\$ 97,200
2019	<u>97,200</u>
Total future required payments	194,400
Less: amount representing interest	<u>(9,770)</u>
 Present value of minimum lease payments	 <u><u>\$ 184,630</u></u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year-ended June 30, 2017, was as follows:

	Balance <u>June 30, 2016</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2017</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,468,751	\$ -	\$ -	\$ 2,468,751
Construction in progress	<u>401,514</u>	<u>925,476</u>	<u>-</u>	<u>1,326,990</u>
Total capital assets, not being depreciated	<u>2,870,265</u>	<u>925,476</u>	<u>-</u>	<u>3,795,741</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	214,415	35,392	-	249,807
Buildings and improvements	135,015,116	417,687	-	135,432,803
Furniture and equipment	7,666,509	364,172	(46,905)	7,983,776
Vehicles	3,710,216	121,471	(19,776)	3,811,911
Textbooks and library books	<u>4,170,521</u>	<u>-</u>	<u>-</u>	<u>4,170,521</u>
Total capital assets, being depreciated	<u>150,776,777</u>	<u>938,722</u>	<u>(66,681)</u>	<u>151,648,818</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(80,809)	(7,535)	-	(88,344)
Buildings and improvements	(25,908,347)	(2,711,486)	-	(28,619,833)
Furniture and equipment	(5,813,798)	(303,674)	46,008	(6,071,464)
Vehicles	(2,664,794)	(205,398)	18,951	(2,851,241)
Textbooks and library books	<u>(3,928,731)</u>	<u>(241,790)</u>	<u>-</u>	<u>(4,170,521)</u>
Total accumulated depreciation	<u>(38,396,479)</u>	<u>(3,469,883)</u>	<u>64,959</u>	<u>(41,801,403)</u>
Governmental activities capital assets, net	<u>\$ 115,250,563</u>	<u>\$ (1,605,685)</u>	<u>\$ (1,722)</u>	<u>\$ 113,643,156</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 2,189,968
Special	164,985
Vocational	43,531
Adult/continuing	263
Support Services:	
Pupil	96,585
Instructional staff	172,401
Administration	106,823
Fiscal	7,846
Business	93,658
Operations and maintenance	173,424
Pupil transportation	220,868
Central	3,141
Operation of non instructional services:	
Food service operations	99,234
Extracurricular activities	<u>97,156</u>
Total depreciation expense	<u>\$ 3,469,883</u>

NOTE 10 - LONG-TERM OBLIGATIONS

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

<u>Debt Issue</u>	<u>Issue Date</u>	<u>Issue Amount</u>	<u>Rate</u>	<u>Maturity</u>
General Obligation Bonds:				
Library Improvements				
Refunding - Series 2006	2006	\$ 3,785,000	3.55-5.0%	December 1, 2017
School Improvements				
Refunding - Series 2004	2004	\$ 13,925,000	2.00-15.42%	December 1, 2016
School Improvements - Series 2010	2010	\$ 84,055,000	1.5-6.028%	December 1, 2043
School Improvements				
Refunding - Series 2011	2011	\$ 6,540,000	3.40-5.0%	December 1, 2027
School Improvements				
Restructuring - Series 2014	2014	\$ 2,830,000	2.29-4.50%	December 1, 2025
School Improvements				
Refunding - Series 2014	2014	\$ 55,700,000	2.00-5.00%	December 1, 2043
School Improvements - Series 2016	2016	\$ 9,190,000	1.15-4.25%	December 1, 2044
School Improvements - Series 2017	2017	\$ 24,440,000	3.00-7.00%	December 1, 2050

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Amounts</u> <u>Due in</u> <u>One Year</u>
Governmental activities					
General Obligation bonds:					
Library improvements refunding - Series 2006:					
Serial bonds	\$ 1,085,000	\$ -	\$ (520,000)	\$ 565,000	\$ 565,000
Unamortized premium	35,944	-	(25,372)	10,572	-
School improvements refunding - Series 2004:					
Capital appreciation bonds	345,000	-	(345,000)	-	-
Accretion on capital appreciation bonds	1,682,591	152,409	(1,835,000)	-	-
Unamortized premium	141,235	-	(141,235)	-	-
School improvements - Series 2010:					
Serial bonds	4,210,000	-	(1,385,000)	2,825,000	825,000
Unamortized premium	1,028,553	-	(98,736)	929,817	-
Sinking fund bonds	11,260,000	-	-	11,260,000	-
School improvements refunding - Series 2011:					
Serial bonds	5,390,000	-	(385,000)	5,005,000	415,000
Unamortized premium	279,123	-	(24,449)	254,674	-
Capital appreciation bonds	180,000	-	-	180,000	-
Accretion on capital appreciation bonds	102,752	29,146	-	131,898	-
School improvements restructuring - Series 2014:					
Serial bonds	2,830,000	-	-	2,830,000	-
School improvements refunding - Series 2014:					
Serial bonds	33,060,000	-	-	33,060,000	-
Term bonds	22,490,000	-	-	22,490,000	-
Unamortized premium	2,386,957	-	(87,062)	2,299,895	-
School improvements - Series 2016:					
Serial bonds	-	6,505,000	-	6,505,000	65,000
Term bonds	-	2,685,000	-	2,685,000	-
Unamortized premium	-	387,183	(7,192)	379,991	-
School improvements - Series 2017:					
Serial bonds	-	8,130,000	-	8,130,000	465,000
Term bonds	-	16,310,000	-	16,310,000	-
Unamortized premium	-	105,500	(807)	104,693	-
Total general obligation bonds	<u>86,507,155</u>	<u>34,304,238</u>	<u>(4,854,853)</u>	<u>115,956,540</u>	<u>2,335,000</u>
Net pension liability:					
STRS	60,617,364	10,735,092	-	71,352,456	-
SERS	16,127,473	3,721,257	-	19,848,730	-
Total net pension liability	<u>76,744,837</u>	<u>14,456,349</u>	<u>-</u>	<u>91,201,186</u>	<u>-</u>
Capital lease obligation	270,262	-	(85,632)	184,630	90,013
Compensated absences	3,764,226	333,468	(208,241)	3,889,453	450,220
Total long-term liabilities	<u>\$ 167,286,480</u>	<u>\$ 49,094,055</u>	<u>\$ (5,148,726)</u>	<u>\$ 211,231,809</u>	<u>\$ 2,875,233</u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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

Library Improvement Refunding Bonds - Series 2006

On October 12, 2006, the District issued \$3,785,000 in library improvement refunding bonds to advance refund a portion of the 1998 library improvement bonds. The refunding bonds were sold at a premium of \$279,092. Proceeds of \$3,996,593 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1998 library improvement bonds. As a result, \$3,805,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2017, the outstanding amount of the refunded bonds are \$575,000.

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

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

School Improvement Refunding Bonds - Series 2004

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

The bonds were sold at a premium of \$2,140,791. Proceeds of \$15,886,812 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 1995 classroom facilities improvement bonds. As a result, \$13,925,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2017, the outstanding amount of the refunded bonds is \$1,245,000.

The serial bonds were issued for an 11 year period with a final maturity at December 1, 2014. The capital appreciation bonds were issued for a 13 year period with a final maturity at December 1, 2016 in the amount of \$4,305,000. The bonds matured in fiscal year 2017 with an accreted value of \$1,835,000.

School Improvement Bonds - Series 2010

On August 10, 2010, the District issued \$84,055,000, in general obligation school improvement bonds, including \$15,630,000 in serial bonds, \$57,165,000 in term Build America Bonds (BABs) and \$11,260,000 in sinking fund Qualified School Construction Bonds (QSCBs). Proceeds from the bond issue were used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$1,385,761. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year. During 2015, a portion of the serial bonds, in the amount of \$2,830,000 were refunded through the issuance of the series 2014 restructuring bonds and the entire balance of the BABs, in the amount of \$57,165,000, were refunded through the issuance of the series 2014 refunding bonds.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

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

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

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

School Improvement Refunding Bonds - Series 2011

On October 25, 2011, the District issued \$6,540,000, in general obligation refunding bonds, which included \$6,360,000 in serial and term bonds and \$180,000 in capital appreciation bonds at interest rates varying from 3.4 percent to 5.0 percent. Proceeds were used to refund \$6,540,000 of the outstanding 2003 school improvement bonds.

The bonds were sold at a premium of \$393,218. Proceeds of \$6,967,612 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded portion of the 2003 school improvement bonds. As a result, \$6,540,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2017, the outstanding amount of the refunded bonds is \$5,310,000.

The serial bonds were issued for a 15 year period with a final maturity at December 1, 2027. The capital appreciation bonds were issued for a 9 year period with a final maturity at December 1, 2021 in the amount of \$485,000. At June 30, 2017, a total of \$131,898 in accreted interest has been recorded on the capital appreciation bonds. The bonds are being retired from the bond retirement fund. The 2011 school improvement refunding bonds are not subject to redemption prior to stated maturity.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

School Improvement Restructuring Bonds - Series 2014

On July 22, 2014, the District issued \$2,830,000, in general obligation restructuring bonds. These bonds are serial bonds with interest rates varying from 2.29 percent to 4.50 percent. The final stated maturity on the issue is December 1, 2025. Proceeds were used to restructure \$2,830,000 of the outstanding 2010 school improvement serial bonds.

Proceeds of \$2,995,303 (including District contributions of \$203,803 less underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the restructured portion of the 2010 school improvement serial bonds. As a result, \$2,830,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. The restructured bonds were retired during fiscal year 2017.

The reacquisition price exceeded the net carrying amount of the old debt by \$165,303. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

School Improvement Refunding Bonds - Series 2014

On December 11, 2014, the District issued \$55,700,000, in general obligation refunding bonds, which included \$33,210,000 in serial bonds and \$22,490,000 in term bonds with interest rates varying from 2.0 percent to 5.0 percent. The final stated maturity on the issue is December 1, 2043. Proceeds were used to advance refund \$57,165,000 of the outstanding 2003 school improvement BAB's.

The bonds were sold at a premium of \$2,517,550. Proceeds of \$57,716,291 (after the underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide for all future debt payments on the refunded 2010 school improvement BAB's. As a result, \$57,165,000 of these bonds were considered defeased and the liability for the refunding portion of these bonds has been removed from the basic financial statements. As of June 30, 2017, the outstanding amount of the refunded bonds is \$57,165,000.

The term bonds are subject to mandatory sinking fund redemption as follows:

<u>Year</u>	<u>Mandatory Sinking Fund Redemption</u>
2039	\$ 4,165,000
2040	4,325,000
2041	4,490,000
2042	4,665,000
2043	<u>4,845,000</u>
Total	<u>\$ 22,490,000</u>

The reacquisition price exceeded the net carrying amount of the old debt by \$551,291. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

School Improvement Bonds - Series 2016

In 2016, the District issued \$9,190,000, in general obligation school improvement bonds, including \$6,505,000 in serial bonds and \$2,685,000 in term Build America Bonds (BABs). Proceeds from the bond issue are being used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$387,183. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year.

The serial bonds were issued for a twenty-one-year period with a final maturity at December 1, 2038. The serial bonds mature on December 1 in each year 2018 through 2038 and bear interest rates ranging from 1.15 percent to 4.25 percent. The serial bonds are not subject to redemption prior to maturity.

The term bonds were issued for six-year period with a final maturity at December 1, 2044. The term bonds mature on December 1 in each year 2039 through 2044 and bear interest rates ranging from 4.25 percent to 4.50 percent. The serial bonds are not subject to redemption prior to maturity.

School Improvement Bonds - Series 2017

In 2017, the District issued \$24,440,000, in general obligation school improvement bonds, including \$8,130,000 in serial bonds and \$16,310,000 in term Build America Bonds (BABs). Proceeds from the bond issue are being used to construct, renovate, remodel, add to, furnish, equip or otherwise improve school district buildings and facilities. The bonds were sold at a premium of \$105,500. Principal payments on the bonds are due December 1 or each year while interest payments are due on June 1 and December 1 of each year.

The serial bonds were issued for a twenty-one-year period with a final maturity at December 1, 2038. The term bonds mature on December 1 in each year 2018 through 2038 and bear interest rates ranging from 3.00 percent to 7.00 percent. The serial bonds are not subject to redemption prior to maturity.

The term bonds were issued for a twelve-year period with a final maturity at December 1, 2050. The serial bonds mature on December 1 in each year 2039 through 2050 and bear interest rates ranging from 3.625 percent to 4.00 percent. The serial bonds are not subject to redemption prior to maturity.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Future Debt Service Requirements

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2017, are as follows:

Fiscal Year Ending	General Obligation Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 2,335,000	\$ 7,900,028	\$ -	\$ -	\$ 2,335,000	\$ 7,900,028
2019	2,045,000	7,795,955	-	-	2,045,000	7,795,955
2020	2,380,000	7,699,146	-	-	2,380,000	7,699,146
2021	2,515,000	7,622,520	-	-	2,515,000	7,622,520
2022	2,090,000	7,584,409	180,000	305,000	2,270,000	7,889,409
2023 - 2027	15,115,000	35,395,897	-	-	15,115,000	35,395,897
2028 - 2032	14,465,000	15,469,921	-	-	14,465,000	15,469,921
2033 - 2037	20,235,000	11,863,465	-	-	20,235,000	11,863,465
2038 - 2042	27,150,000	7,278,173	-	-	27,150,000	7,278,173
2043 - 2047	17,515,000	2,364,744	-	-	17,515,000	2,364,744
2048 - 2050	5,820,000	356,800	-	-	5,820,000	356,800
Total	<u>\$ 111,665,000</u>	<u>\$ 111,331,058</u>	<u>\$ 180,000</u>	<u>\$ 305,000</u>	<u>\$ 111,845,000</u>	<u>\$ 111,636,058</u>

Net Pension Liability

The District pays obligations related to employee compensation from the fund benefitting from their service. See Note 13 for further detail on the District's net pension liability.

Capital Lease Obligation

See Note 8 for further detail on the District's capital lease obligation.

Compensated Absences

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

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2017, are a voted debt margin of \$25,501,386 including available funds of \$7,405,013 and an unvoted debt margin of \$1,443,793.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 11 - OTHER EMPLOYEE BENEFITS

A. Compensated Absences

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

B. Insurance Benefits

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

NOTE 12 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2017, the District is contracted with the Ohio School Plan to provide property, fleet and liability insurance, as well as boiler and machinery coverage. There is a \$1,000 deductible with an agreed value co-insurance for property and a \$1,000 deductible for boiler and machinery coverage. There is no deductible for general liability.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 12 - RISK MANAGEMENT – (Continued)

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in coverage from the prior year.

B. Employee Medical Benefits

The District is a member of the Suburban Health Consortium, a shared risk pool (Note 2.A.) to provide employee medical, surgical, prescription drug, vision and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which the claim payments are made for all participating districts. For fiscal year 2017, the District paid 85% of the cost of the monthly insurance premium for certified, classified and administrative employees.

C. Workers' Compensation

The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. During fiscal year 2017, the District was enrolled in a Group Retrospective rating program offered by the Ohio Bureau of Worker's Compensation and administered by CompManagement Inc.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *pension and postemployment benefits payable* on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description –District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. 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 Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the entire 14 percent was allocated to pension, death benefits, and Medicare B and no portion of the employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$1,224,811 for fiscal year 2017. Of this amount, \$61,032 is reported as pension and postemployment benefits payable.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description –District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. 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 DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member’s defined contribution account or the defined contribution portion of a member’s Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The District’s contractually required contribution to STRS was \$3,136,060 for fiscal year 2017. Of this amount, \$499,840 is reported as pension and postemployment benefits payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.28263580%	0.21933350%	
Proportion of the net pension liability current measurement date	<u>0.27119170%</u>	<u>0.21316412%</u>	
Change in proportionate share	<u>(0.01144410)%</u>	<u>(0.00616938)%</u>	
Proportionate share of the net pension liability	\$ 19,848,730	\$ 71,352,456	\$ 91,201,186
Pension expense	\$ 1,946,421	\$ 3,457,043	\$ 5,403,464

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 267,715	\$ 2,882,982	\$ 3,150,697
Net difference between projected and actual earnings on pension plan investments	1,637,233	5,924,169	7,561,402
Changes of assumptions	1,325,011	-	1,325,011
Difference between District contributions and proportionate share of contributions/ change in proportionate share	96,517	-	96,517
District contributions subsequent to the measurement date	<u>1,224,811</u>	<u>3,136,060</u>	<u>4,360,871</u>
Total deferred outflows of resources	<u>\$ 4,551,287</u>	<u>\$ 11,943,211</u>	<u>\$ 16,494,498</u>
Deferred inflows of resources			
Difference between District contributions and proportionate share of contributions/ change in proportionate share	<u>\$ 491,378</u>	<u>\$ 4,127,187</u>	<u>\$ 4,618,565</u>

\$4,360,871 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2018	\$ 672,912	\$ 136,295	\$ 809,207
2019	671,735	136,293	808,028
2020	1,019,814	2,409,563	3,429,377
2021	<u>470,637</u>	<u>1,997,813</u>	<u>2,468,450</u>
Total	<u>\$ 2,835,098</u>	<u>\$ 4,679,964</u>	<u>\$ 7,515,062</u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (level percent of payroll)

For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120% of male rates and 110% of female rates used. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement. Special mortality tables are used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
 Total	 <u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50 percent. A discount rate of 7.75 percent was used in the prior measurement period. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
District's proportionate share of the net pension liability	\$ 26,278,482	\$ 19,848,730	\$ 14,466,761

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return *</u>
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
 Total	 <u>100.00 %</u>	 <u>7.61 %</u>

* 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.50% and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 94,821,617	\$ 71,352,456	\$ 51,554,836

Changes Between Measurement Date and Report Date - In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to School District's NPL is expected to be significant.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) 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 as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, none of the employer contribution was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the District's surcharge obligation was \$152,551.

The District's contributions for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were \$152,551, \$140,400, and \$180,055, respectively. The fiscal year 2017 amount has been reported as pension and postemployment benefits payable. The full amount has been contributed for fiscal years 2016 and 2015.

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, STRS Ohio did not allocate any employer contributions to the Health Care Stabilization Fund. None of the District's contributions were allocated to fund health care for the fiscal years ended June 30, 2017, 2016, and 2015.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 15 - CONTINGENCIES

A. Grants

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

B. Litigation

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

C. Foundation Funding

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

NOTE 16 - OTHER COMMITMENTS

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 921,194
Building	1,638,303
Other governmental	<u>376,675</u>
Total	<u>\$ 2,936,172</u>

NOTE 17 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 17 - SET-ASIDES - (Continued)

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2016	\$ -
Current year set-aside requirement	630,447
Current year qualifying expenditures	<u>(1,242,090)</u>
Total	<u>\$ (611,643)</u>
Balance carried forward to fiscal year 2018	<u>\$ -</u>
Set-aside balance June 30, 2017	<u>\$ -</u>

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ 692,035
Net adjustment for revenue accruals	(4,912,213)
Net adjustment for expenditure accruals	(3,658,468)
Net adjustment for other sources/uses	64,572
Funds budgeted elsewhere	(80,259)
Adjustment for encumbrances	4,877,504
GAAP basis	\$ (3,016,829)

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

NOTE 19 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

The City of Westlake has entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) program with the taxing districts of the District. The CRA program are direct incentive tax exemption programs benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. Due to the CRA agreements entered into by the City of Westlake, the District’s property taxes were reduced by \$447,753 in fiscal year 2017. The District is not receiving any amounts from these other governments in association with the forgone property tax revenue.

NOTE 20 - SIGNIFICANT SUBSEQUENT EVENTS

On July 13, 2017, the District filed a quit claim deed to give, grant, remise, release and forever quit-claim unto the City of Westlake (the “City”) property located at 27200 Hilliard Boulevard, Westlake, Ohio; Bradley Road, Westlake, Ohio, and 24525 Hilliard Boulevard, Westlake, Ohio.

On July 19, 2017, the District entered into a lease with option to purchase agreement with the City for the use and purchase of the Parkside Elementary school located at 24525 Hilliard Boulevard, Westlake Ohio. The initial term of this lease commences July 19, 2017 and expires on the earlier of either (i) two years after the Board of Education discontinues the use of the leased premises for school or administrative purposes, or (ii) July 18, 2027. Under the terms of the agreement, the District shall pay the City base rent of \$1.00 annually and the District has, at any time during the lease term, the option to purchase the leased property for \$700,000.

On July 20, 2017, the City filed a quit claim deed to give, grant, remise, release and forever quit-claim unto the District approximately 29.41 acres located on Center Ridge Road, Westlake, Ohio.

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REQUIRED SUPPLEMENTARY INFORMATION

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.27119170%	0.28263580%	0.27893800%	0.27893800%
District's proportionate share of the net pension liability	\$ 19,848,730	\$ 16,127,473	\$ 14,116,893	\$ 16,587,548
District's covered payroll	\$ 8,365,800	\$ 8,508,816	\$ 8,105,375	\$ 8,292,471
District's proportionate share of the net pension liability as a percentage of its covered payroll	237.26%	189.54%	174.17%	200.03%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.21316412%	0.21933350%	0.23516789%	0.23516789%
District's proportionate share of the net pension liability	\$ 71,352,456	\$ 60,617,364	\$ 57,200,969	\$ 68,137,421
District's covered payroll	\$ 22,329,993	\$ 22,883,779	\$ 24,027,662	\$ 25,656,777
District's proportionate share of the net pension liability as a percentage of its covered payroll	319.54%	264.89%	238.06%	265.57%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(1) Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,224,811	\$ 1,171,212	\$ 1,121,462	\$ 1,123,405
Contributions in relation to the contractually required contribution	<u>(1,224,811)</u>	<u>(1,171,212)</u>	<u>(1,121,462)</u>	<u>(1,123,405)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 8,748,650	\$ 8,365,800	\$ 8,508,816	\$ 8,105,375
Contributions as a percentage of covered payroll	14.00%	14.00%	13.18%	13.86%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 1,147,678	\$ 1,087,963	\$ 1,039,322	\$ 1,062,728	\$ 729,581	\$ 708,014
<u>(1,147,678)</u>	<u>(1,087,963)</u>	<u>(1,039,322)</u>	<u>(1,062,728)</u>	<u>(729,581)</u>	<u>(708,014)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,292,471	\$ 8,088,944	\$ 8,268,274	\$ 7,848,804	\$ 7,414,441	\$ 7,209,919
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

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

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,136,060	\$ 3,126,199	\$ 3,203,729	\$ 3,123,596
Contributions in relation to the contractually required contribution	<u>(3,136,060)</u>	<u>(3,126,199)</u>	<u>(3,203,729)</u>	<u>(3,123,596)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 22,400,429	\$ 22,329,993	\$ 22,883,779	\$ 24,027,662
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%

2013	2012	2011	2010	2009	2008
\$ 3,335,381	\$ 3,261,763	\$ 3,218,832	\$ 3,111,261	\$ 2,920,173	\$ 2,850,376
<u>(3,335,381)</u>	<u>(3,261,763)</u>	<u>(3,218,832)</u>	<u>(3,111,261)</u>	<u>(2,920,173)</u>	<u>(2,850,376)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 25,656,777	\$ 25,090,485	\$ 24,760,246	\$ 23,932,777	\$ 22,462,869	\$ 21,925,969
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. See the notes to the basic financial statements for the methods and assumptions in this calculation.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

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

MAJOR FUNDS

General Fund

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

OTHER MAJOR FUND

Bond Retirement Fund

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

Building Fund

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

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 39,229,889	\$ 39,255,461	\$ 41,635,684	\$ 2,380,223
Payment in lieu of taxes	430,000	430,000	455,000	25,000
Tuition	274,175	274,354	290,989	16,635
Transportation fees	56,167	56,204	59,612	3,408
Earnings on investments	244,502	244,661	259,496	14,835
Extracurricular	121,146	121,225	128,575	7,350
Classroom materials and fees	8,932	8,938	9,480	542
Rental income	73,407	73,455	77,909	4,454
Contract services	26,717	26,734	28,355	1,621
Other local revenues	5,379	5,663	7,079	1,416
Intergovernmental - state	8,292,332	8,297,738	8,800,864	503,126
Intergovernmental - federal	73,963	74,010	78,498	4,488
Total revenues	<u>48,836,609</u>	<u>48,868,443</u>	<u>51,831,541</u>	<u>2,963,098</u>
Expenditures:				
Instruction:				
Regular:				
Salaries and wages	14,636,953	14,163,769	14,163,766	3
Fringe benefits	4,727,801	4,516,362	4,516,362	-
Purchased services	511,208	526,505	526,505	-
Supplies	1,000,997	874,019	874,019	-
Capital outlay	153,948	89,221	89,221	-
Other	161,329	78,690	78,690	-
Total regular	<u>21,192,236</u>	<u>20,248,566</u>	<u>20,248,563</u>	<u>3</u>
Special:				
Salaries and wages	4,699,323	4,973,491	4,973,491	-
Fringe benefits	1,892,955	2,043,965	2,043,965	-
Purchased services	237,084	285,111	285,111	-
Supplies	28,950	56,454	56,454	-
Capital outlay	16,872	11,914	11,914	-
Total special	<u>6,875,184</u>	<u>7,370,935</u>	<u>7,370,935</u>	<u>-</u>
Vocational:				
Salaries and wages	129,821	131,968	131,968	-
Fringe benefits	41,366	42,324	42,324	-
Purchased services	872,577	571,383	571,383	-
Total vocational	<u>1,043,764</u>	<u>745,675</u>	<u>745,675</u>	<u>-</u>
Other:				
Salaries and wages	158,138	97,421	97,421	-
Fringe benefits	95,919	78,938	78,938	-
Purchased services	2,669,039	1,314,235	1,314,235	-
Total other	<u>2,923,096</u>	<u>1,490,594</u>	<u>1,490,594</u>	<u>-</u>
Total instruction	<u>32,034,280</u>	<u>29,855,770</u>	<u>29,855,767</u>	<u>3</u>
Support Services:				
Pupil:				
Salaries and wages	2,137,756	2,097,669	2,097,669	-
Fringe benefits	676,070	693,149	693,149	-
Purchased services	1,361,869	899,038	899,038	-
Supplies	89,720	24,348	24,348	-
Capital outlay	1,039	-	-	-
Other	26,168	23,995	23,995	-
Total pupil	<u>4,292,622</u>	<u>3,738,199</u>	<u>3,738,199</u>	<u>-</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Instructional staff:				
Salaries and wages	\$ 856,101	\$ 857,294	\$ 857,294	\$ -
Fringe benefits	346,651	348,098	348,098	-
Purchased services	135,670	112,767	112,767	-
Supplies	151,627	114,370	114,370	-
Capital outlay	134,917	120,039	120,039	-
Other	20,480	10,095	10,095	-
Total instructional staff	<u>1,645,446</u>	<u>1,562,663</u>	<u>1,562,663</u>	<u>-</u>
Board of Education:				
Salaries and wages	22,126	18,375	18,375	-
Fringe benefits	5,343	4,128	4,128	-
Purchased services	28,621	15,791	15,791	-
Supplies	1,200	2,096	2,096	-
Other	14,234	9,540	9,540	-
Total board of education	<u>71,524</u>	<u>49,930</u>	<u>49,930</u>	<u>-</u>
Administration:				
Salaries and wages	1,665,427	1,709,289	1,709,289	-
Fringe benefits	825,784	851,546	851,546	-
Purchased services	437,774	402,858	402,858	-
Supplies	23,505	23,378	23,354	24
Capital outlay	-	130	130	-
Other	137,245	110,955	110,955	-
Total administration	<u>3,089,735</u>	<u>3,098,156</u>	<u>3,098,132</u>	<u>24</u>
Fiscal:				
Salaries and wages	454,180	382,329	382,329	-
Fringe benefits	190,487	172,458	172,458	-
Purchased services	44,782	21,740	21,740	-
Supplies	80,912	80,471	80,471	-
Capital outlay	26,255	41,362	41,362	-
Other	679,108	617,079	617,079	-
Total fiscal	<u>1,475,724</u>	<u>1,315,439</u>	<u>1,315,439</u>	<u>-</u>
Business:				
Salaries and wages	257,823	243,371	243,371	-
Fringe benefits	114,435	110,629	110,629	-
Purchased services	124,076	117,600	117,600	-
Supplies	5,039	2,510	2,510	-
Other	1,681	1,491	1,491	-
Total business	<u>503,054</u>	<u>475,601</u>	<u>475,601</u>	<u>-</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operations and maintenance:				
Salaries and wages	\$ 2,015,154	\$ 2,056,979	\$ 2,056,979	\$ -
Fringe benefits	880,605	850,958	850,958	-
Purchased services	2,092,897	1,836,465	1,836,465	-
Supplies	349,868	413,520	413,520	-
Capital outlay	154,481	107,241	107,241	-
Total operations and maintenance	<u>5,493,005</u>	<u>5,265,163</u>	<u>5,265,163</u>	<u>-</u>
Pupil transportation:				
Salaries and wages	2,066,779	2,034,360	2,034,360	-
Fringe benefits	989,407	955,341	955,341	-
Purchased services	301,073	246,803	246,803	-
Supplies	416,610	367,294	367,294	-
Capital outlay	130,895	79,592	79,592	-
Other	35	35	35	-
Total pupil transportation	<u>3,904,799</u>	<u>3,683,425</u>	<u>3,683,425</u>	<u>-</u>
Central:				
Salaries and wages	258,318	282,886	282,886	-
Fringe benefits	110,559	116,881	116,881	-
Purchased services	21,085	22,555	22,555	-
Supplies	4,412	3,684	3,684	-
Capital outlay	45,000	45,000	45,000	-
Other	445	275	275	-
Total central	<u>439,819</u>	<u>471,281</u>	<u>471,281</u>	<u>-</u>
Total support services	<u>20,915,728</u>	<u>19,659,857</u>	<u>19,659,833</u>	<u>24</u>
Operation of non-instructional services:				
Academic and subject oriented activities:				
Purchased services	31,408	21,370	21,370	-
Total operation of non-instructional services	<u>31,408</u>	<u>21,370</u>	<u>21,370</u>	<u>-</u>
Extracurricular activities:				
Academic and subject oriented activities:				
Salaries and wages	89,890	133,738	133,738	-
Fringe benefits	19,682	19,986	19,986	-
Total academic and subject oriented activities	<u>109,572</u>	<u>153,724</u>	<u>153,724</u>	<u>-</u>
Sports oriented activities:				
Salaries and wages	572,473	597,473	597,473	-
Fringe benefits	139,042	141,888	141,888	-
Total sports oriented activities	<u>711,515</u>	<u>739,361</u>	<u>739,361</u>	<u>-</u>
Total extracurricular activities	<u>821,087</u>	<u>893,085</u>	<u>893,085</u>	<u>-</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Facilities acquisition and construction:				
Site improvement services				
Purchased services	\$ 79,100	\$ 72,206	\$ 72,206	\$ -
Architecture and engineering services				
Purchased services	11,385	7,766	7,766	-
Building acquisition and construction services:				
Purchased services	1,110,225	511,130	511,130	-
Capital outlay-replacement	450	-	-	-
Other	1,500	-	-	-
Building improvement services				
Purchased services	207,410	8,080	8,080	-
Capital outlay-replacement	252,275	38,622	38,622	-
Total facilities acquisition and construction	1,662,345	637,804	637,804	-
Total expenditures	55,464,848	51,067,886	51,067,859	27
Excess of revenues over (under) expenditures	(6,628,239)	(2,199,443)	763,682	2,963,125
Other financing sources (uses):				
Refund of prior year's expenditures	264,725	264,897	280,959	16,062
Refund of prior year's receipts	(4,000)	(3,766)	(3,766)	-
Transfers (out)	(10,000)	(10,000)	(10,000)	-
Advances in	325,235	325,447	345,180	19,733
Advances (out)	(21,839)	(686,945)	(686,945)	-
Sale of capital assets	2,756	2,758	2,925	167
Total other financing sources (uses)	556,877	(107,609)	(71,647)	35,962
Net change in fund balance	(6,071,362)	(2,307,052)	692,035	2,999,087
Fund balance at beginning of year	16,211,543	16,211,543	16,211,543	-
Prior year encumbrances appropriated	4,877,504	4,877,504	4,877,504	-
Fund balance at end of year	<u>\$ 15,017,685</u>	<u>\$ 18,781,995</u>	<u>\$ 21,781,082</u>	<u>\$ 2,999,087</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BOND RETIREMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Property taxes	\$ 6,294,188	\$ 6,949,124	\$ 654,936
Intergovernmental - State	626,999	692,241	65,242
Intergovernmental-federal	243,548	268,890	25,342
Total revenues.	<u>7,164,735</u>	<u>7,910,255</u>	<u>745,520</u>
Expenditures:			
Current:			
Support services-administration			
Other.	19,840	12,734	7,106
Total support services-administration.	<u>19,840</u>	<u>12,734</u>	<u>7,106</u>
Support services-fiscal			
Other.	138,547	88,924	49,623
Total fiscal	<u>138,547</u>	<u>88,924</u>	<u>49,623</u>
Debt service:			
Principal retirement	4,105,444	2,635,000	1,470,444
Interest and fiscal charges	8,550,911	5,488,236	3,062,675
Total debt service.	<u>12,656,355</u>	<u>8,123,236</u>	<u>4,533,119</u>
Total expenditures	<u>12,814,742</u>	<u>8,224,894</u>	<u>4,589,848</u>
Excess of revenues (under) expenditures	<u>(5,650,007)</u>	<u>(314,639)</u>	<u>5,335,368</u>
Other financing sources:			
Premium on refunding bonds issued	189,201	208,888	19,687
Total other financing sources	<u>189,201</u>	<u>208,888</u>	<u>19,687</u>
Net change in fund balance	(5,460,806)	(105,751)	5,355,055
Fund balance at beginning of year	6,404,558	6,404,558	-
Prior year encumbrances appropriated	1,000	1,000	-
Fund balance at end of year.	<u>\$ 944,752</u>	<u>\$ 6,299,807</u>	<u>\$ 5,355,055</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUILDING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 6,052	\$ 21,941	\$ 15,889
Other local revenues	<u>110,578</u>	<u>400,864</u>	<u>290,286</u>
Total revenues	<u>116,630</u>	<u>422,805</u>	<u>306,175</u>
Expenditures:			
Facilities acquisition and construction:			
Building acquisition and construction services:			
Supplies	<u>9,210,541</u>	<u>2,452,274</u>	<u>6,758,267</u>
Total facilities acquisition and construction .	<u>9,210,541</u>	<u>2,452,274</u>	<u>6,758,267</u>
Debt service:			
Bond issue costs	<u>1,065,911</u>	<u>283,795</u>	<u>782,116</u>
Total debt service.	<u>1,065,911</u>	<u>283,795</u>	<u>782,116</u>
Total expenditures	<u>10,276,452</u>	<u>2,736,069</u>	<u>7,540,383</u>
Excess of revenues (under) expenditures	<u>(10,159,822)</u>	<u>(2,313,264)</u>	<u>7,846,558</u>
Other financing sources:			
Premium on refunding bonds issued	78,285	283,795	205,510
Proceeds from the sale of bonds.	<u>9,276,807</u>	<u>33,630,000</u>	<u>24,353,193</u>
Total other financing sources	<u>9,355,092</u>	<u>33,913,795</u>	<u>24,558,703</u>
Net change in fund balance	(804,730)	31,600,531	32,405,261
Fund balance at beginning of year	12,073	12,073	-
Prior year encumbrances appropriated . .	<u>792,657</u>	<u>792,657</u>	<u>-</u>
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 32,405,261</u>	<u>\$ 32,405,261</u>

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

Nonmajor Special Revenue Funds

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

Food Service Fund

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

Local Grants Fund

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

Professional Development Grant Fund

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

Athletic and Music Fund

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

Auxiliary Services Fund

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

Data Communications Support Fund

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

IDEA, Part B Special Education Fund

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

Limited English Proficiency Fund

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

Title I Fund

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

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

Nonmajor Special Revenue Funds - (Continued)

Early Childhood Education Development Fund

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

Improving Teacher Quality Fund

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

College Credit Plus Teacher Credential Grant Fund

This fund accounts for grant monies that are legally restricted to expenditures for teacher credentials.

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

Uniform School Supplies Fund

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

Interdistrict Summer School Fund

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

Community Education Fund

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

Public School Support Fund

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

Nonmajor Capital Projects Fund

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

Permanent Improvement Fund

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

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

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Assets:			
Equity in pooled cash and investments	\$ 1,221,810	\$ 435,830	\$ 1,657,640
Receivables:			
Taxes	-	1,147,635	1,147,635
Accounts	281	-	281
Intergovernmental	565,585	-	565,585
Materials and supplies inventory.	6,688	-	6,688
Inventory held for resale	17,070	-	17,070
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 1,811,434</u>	<u>\$ 1,583,465</u>	<u>\$ 3,394,899</u>
 Liabilities:			
Accounts payable.	\$ 90,139	\$ 77,153	\$ 167,292
Accrued wages and benefits	159,399	-	159,399
Compensated absences payable.	1,496	-	1,496
Intergovernmental payable	3,832	-	3,832
Pension and postemployment benefits payable . .	41,740	-	41,740
Interfund loans payable.	344,835	-	344,835
	<hr/>	<hr/>	<hr/>
Total liabilities.	<u>641,441</u>	<u>77,153</u>	<u>718,594</u>
 Deferred inflows of resources:			
Property taxes levied for the next fiscal year . .	-	940,153	940,153
Delinquent property tax revenue not available . .	-	30,883	30,883
Intergovernmental revenue not available	337,365	-	337,365
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>337,365</u>	<u>971,036</u>	<u>1,308,401</u>
 Fund Balances:			
Nonspendable:			
Materials and supplies inventory.	6,688	-	6,688
Restricted:			
Capital improvements	-	535,276	535,276
Food service operations	323,372	-	323,372
Non-public schools	85,270	-	85,270
Special education	26,502	-	26,502
Extracurricular	190,755	-	190,755
Other purposes.	217,448	-	217,448
Unassigned (deficit).	(17,407)	-	(17,407)
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>832,628</u>	<u>535,276</u>	<u>1,367,904</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows and fund balances .	<u>\$ 1,811,434</u>	<u>\$ 1,583,465</u>	<u>\$ 3,394,899</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
From local sources:			
Taxes	\$ -	\$ 795,661	\$ 795,661
Earnings on investments	478	15	493
Charges for services	842,610	-	842,610
Extracurricular	104,186	-	104,186
Rental income	7,110	-	7,110
Contributions and donations	273,272	-	273,272
Other local revenues	401,644	-	401,644
Intergovernmental - state	736,475	8,082	744,557
Intergovernmental - federal	1,621,325	-	1,621,325
	<hr/>	<hr/>	<hr/>
Total revenue	3,987,100	803,758	4,790,858
Expenditures:			
Current:			
Instruction:			
Regular	61,096	238,431	299,527
Special	612,533	-	612,533
Adult/continuing	3,521	-	3,521
Other	440,763	-	440,763
Support services:			
Pupil	147,727	-	147,727
Instructional staff	51,810	-	51,810
Administration	1,089	2,150	3,239
Fiscal	-	6,607	6,607
Operation of non-instructional services:			
Food service operations	1,169,048	-	1,169,048
Other non-instructional services	808,522	-	808,522
Extracurricular activities	348,375	-	348,375
Facilities acquisition and construction	773,383	21,988	795,371
	<hr/>	<hr/>	<hr/>
Total expenditures	4,417,867	269,176	4,687,043
Excess of revenues over (under) expenditures	(430,767)	534,582	103,815
Other financing sources:			
Transfers in	10,000	-	10,000
	<hr/>	<hr/>	<hr/>
Total other financing sources	10,000	-	10,000
Net change in fund balances	(420,767)	534,582	113,815
Fund balances at beginning of year	<hr/> 1,253,395	<hr/> 694	<hr/> 1,254,089
Fund balances at end of year	<hr/> \$ 832,628	<hr/> \$ 535,276	<hr/> \$ 1,367,904

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	Food Service	Local Grants	Professional Development Grant	Athletic and Music
Assets:				
Equity in pooled cash and investments	\$ 404,057	\$ 2,927	\$ 214,472	\$ 198,437
Receivables:				-
Accounts	65	-	-	216
Intergovernmental	-	-	-	-
Materials and supplies inventory	6,688	-	-	-
Inventory held for resale	17,070	-	-	-
Total assets.	\$ 427,880	\$ 2,927	\$ 214,472	\$ 198,653
Liabilities:				
Accounts payable.	\$ 463	\$ -	\$ -	\$ 4,972
Accrued wages and benefits	72,582	-	-	-
Compensated absences payable.	1,496	-	-	-
Interfund loans payable.	-	-	-	-
Intergovernmental payable	728	-	-	-
Pension and postemployment benefits payable	22,551	-	-	2,926
Total liabilities.	97,820	-	-	7,898
Deferred inflows of resources:				
Intergovernmental revenue not available.	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Materials and supplies inventory.	6,688	-	-	-
Restricted:				
Food service operations	323,372	-	-	-
Non-public schools	-	-	-	-
Special education	-	-	-	-
Extracurricular	-	-	-	190,755
Other purposes.	-	2,927	214,472	-
Unassigned (deficit).	-	-	-	-
Total fund balances	330,060	2,927	214,472	190,755
Total liabilities, deferred inflows and fund balances	\$ 427,880	\$ 2,927	\$ 214,472	\$ 198,653

<u>Auxiliary Services</u>	<u>IDEA, Part B Special Education</u>	<u>Limited English Proficiency</u>	<u>Title I</u>	<u>Early Childhood Education Development</u>	<u>Improving Teacher Quality</u>
\$ 175,564	\$ 202,970	\$ 592	\$ 12,997	\$ 194	\$ 9,600
-	-	-	-	-	-
-	290,038	22,510	203,000	10,350	39,687
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 175,564</u>	<u>\$ 493,008</u>	<u>\$ 23,102</u>	<u>\$ 215,997</u>	<u>\$ 10,544</u>	<u>\$ 49,287</u>
\$ 70,852	\$ 4,589	\$ 46	\$ 9,217	\$ -	\$ -
14,117	13,757	2,905	49,250	1,477	5,311
-	-	-	-	-	-
-	250,099	4,238	71,054	2,617	13,729
141	2,109	42	714	21	77
5,184	1,105	422	8,808	-	744
<u>90,294</u>	<u>271,659</u>	<u>7,653</u>	<u>139,043</u>	<u>4,115</u>	<u>19,861</u>
-	194,873	15,400	91,261	6,403	29,428
-	194,873	15,400	91,261	6,403	29,428
-	-	-	-	-	-
-	-	-	-	-	-
85,270	-	-	-	-	-
-	26,476	-	-	26	-
-	-	-	-	-	-
-	-	49	-	-	-
-	-	-	(14,307)	-	(2)
<u>85,270</u>	<u>26,476</u>	<u>49</u>	<u>(14,307)</u>	<u>26</u>	<u>(2)</u>
<u>\$ 175,564</u>	<u>\$ 493,008</u>	<u>\$ 23,102</u>	<u>\$ 215,997</u>	<u>\$ 10,544</u>	<u>\$ 49,287</u>

- - Continued

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2017

	<u>College Credit Plus Teacher Credential Grant</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:		
Equity in pooled cash and investments	\$ -	\$ 1,221,810
Receivables:		
Accounts	-	281
Intergovernmental	-	565,585
Materials and supplies inventory	-	6,688
Inventory held for resale	-	17,070
	<hr/>	<hr/>
Total assets	\$ -	\$ 1,811,434
	<hr/> <hr/>	<hr/> <hr/>
Liabilities:		
Accounts payable	\$ -	\$ 90,139
Accrued wages and benefits	-	159,399
Compensated absences payable	-	1,496
Interfund loans payable	3,098	344,835
Intergovernmental payable	-	3,832
Pension and postemployment benefits payable	-	41,740
	<hr/>	<hr/>
Total liabilities	3,098	641,441
	<hr/>	<hr/>
Deferred inflows of resources:		
Intergovernmental revenue not available	-	337,365
	<hr/>	<hr/>
Total deferred inflows of resources	-	337,365
	<hr/>	<hr/>
Fund Balances:		
Nonspendable:		
Materials and supplies inventory	-	6,688
Restricted:		
Food service operations	-	323,372
Non-public schools	-	85,270
Special education	-	26,502
Extracurricular	-	190,755
Other purposes	-	217,448
Unassigned (deficit)	(3,098)	(17,407)
	<hr/>	<hr/>
Total fund balances	(3,098)	832,628
	<hr/>	<hr/>
Total liabilities, deferred inflows and fund balances	\$ -	\$ 1,811,434
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**WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Food Service</u>	<u>Local Grants</u>	<u>Professional Development Grant</u>	<u>Athletic and Music</u>
Revenues:				
From local sources:				
Earnings on investments	\$ 267	\$ -	\$ -	\$ -
Charges for services	842,610	-	-	-
Extracurricular	-	-	-	104,186
Rental income.	-	-	7,110	-
Contributions and donations	-	-	79,925	193,347
Other local revenues	478	-	400,006	1,160
Intergovernmental - state	6,796	-	-	-
Intergovernmental - federal	323,518	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue.	1,173,669	-	487,041	298,693
Expenditures:				
Current:				
Instruction:				
Regular.	-	-	-	-
Special	-	-	-	-
Adult/continuing	-	-	3,521	-
Other	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff.	-	-	-	-
Administration	-	-	-	-
Operation of non-instructional services:				
Food service operations	1,169,048	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities.	-	-	-	348,375
Facilities acquisition costs.	-	-	773,383	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	1,169,048	-	776,904	348,375
Excess of revenues over (under) expenditures.	4,621	-	(289,863)	(49,682)
Other financing sources:				
Transfers in.	-	-	-	10,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources.	-	-	-	10,000
Net change in fund balances	4,621	-	(289,863)	(39,682)
Fund balances				
at beginning of year	325,439	2,927	504,335	230,437
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficit) at end of year	\$ 330,060	\$ 2,927	\$ 214,472	\$ 190,755
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<u>Auxiliary Services</u>	<u>Data Communications Support</u>	<u>IDEA, Part B Special Education</u>	<u>Limited English Proficiency</u>	<u>Title I</u>	<u>Early Childhood Education Development</u>
\$ 211	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
708,887	12,600	-	-	-	-
-	-	770,819	35,932	419,812	15,264
<u>709,098</u>	<u>12,600</u>	<u>770,819</u>	<u>35,932</u>	<u>419,812</u>	<u>15,264</u>
-	-	7,596	4,093	-	831
-	-	580,755	26,893	-	4,885
-	-	-	-	-	-
-	-	-	-	440,763	-
-	-	135,325	1,410	-	10,992
-	12,600	10,745	3,518	1,986	921
-	-	-	-	1,089	-
-	-	-	-	-	-
782,554	-	20,096	-	2,389	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>782,554</u>	<u>12,600</u>	<u>754,517</u>	<u>35,914</u>	<u>446,227</u>	<u>17,629</u>
(73,456)	-	16,302	18	(26,415)	(2,365)
-	-	-	-	-	-
-	-	-	-	-	-
(73,456)	-	16,302	18	(26,415)	(2,365)
158,726	-	10,174	31	12,108	2,391
<u>\$ 85,270</u>	<u>\$ -</u>	<u>\$ 26,476</u>	<u>\$ 49</u>	<u>\$ (14,307)</u>	<u>\$ 26</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Improving Teacher Quality	College Credit Plus Teacher Credential Grant	Total Nonmajor Special Revenue Funds
Revenues:			
From local sources:			
Earnings on investments	\$ -	\$ -	\$ 478
Charges for services	-	-	842,610
Extracurricular	-	-	104,186
Rental income.	-	-	7,110
Contributions and donations	-	-	273,272
Other local revenues	-	-	401,644
Intergovernmental - state	-	8,192	736,475
Intergovernmental - federal	55,980	-	1,621,325
	<u>55,980</u>	<u>-</u>	<u>1,621,325</u>
 Total revenue.	<u>55,980</u>	<u>8,192</u>	<u>3,987,100</u>
 Expenditures:			
Current:			
Instruction:			
Regular.	48,576	-	61,096
Special	-	-	612,533
Adult/continuing	-	-	3,521
Other	-	-	440,763
Support services:			
Pupil	-	-	147,727
Instructional staff.	10,750	11,290	51,810
Administration	-	-	1,089
Operation of non-instructional services:			
Food service operations	-	-	1,169,048
Other non-instructional services	3,483	-	808,522
Extracurricular activities.	-	-	348,375
Facilities acquisition costs.	-	-	773,383
	<u>62,809</u>	<u>11,290</u>	<u>4,417,867</u>
 Total expenditures	<u>62,809</u>	<u>11,290</u>	<u>4,417,867</u>
 Excess of revenues over (under) expenditures.	<u>(6,829)</u>	<u>(3,098)</u>	<u>(430,767)</u>
 Other financing sources:			
Transfers in.	-	-	10,000
	<u>-</u>	<u>-</u>	<u>10,000</u>
 Total other financing sources.	<u>-</u>	<u>-</u>	<u>10,000</u>
 Net change in fund balances	<u>(6,829)</u>	<u>(3,098)</u>	<u>(420,767)</u>
 Fund balances			
at beginning of year	6,827	-	1,253,395
	<u>6,827</u>	<u>-</u>	<u>1,253,395</u>
 Fund balances (deficit) at end of year . . .	<u>\$ (2)</u>	<u>\$ (3,098)</u>	<u>\$ 832,628</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Charges for services	\$ 798,304	\$ 842,609	\$ 44,305
Earnings on investments	253	267	14
Other local revenues	548	579	31
Intergovernmental - State	6,439	6,796	357
Intergovernmental - Federal	294,456	310,798	16,342
Total revenues	1,100,000	1,161,049	61,049
Expenditures:			
Operation of non-instructional services:			
Food service operations:			
Salaries and wages	587,617	465,099	122,518
Fringe benefits	234,792	185,838	48,954
Purchased services	2,835	2,244	591
Supplies	633,078	501,081	131,997
Total food service operations	1,458,322	1,154,262	304,060
Total expenditures	1,458,322	1,154,262	304,060
Excess of revenues over (under) expenditures	(358,322)	6,787	365,109
Other financing (uses):			
Refund of prior year's receipts	(689)	(689)	-
Advances (out)	(1,000)	-	1,000
Total other financing (uses)	(1,689)	(689)	1,000
Net change in fund balance	(360,011)	6,098	366,109
Fund balance at beginning of year	307,280	307,280	-
Prior year encumbrances appropriated	52,733	52,733	-
Fund balance at end of year	\$ 2	\$ 366,111	\$ 366,109

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL GRANTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:			
Extracurricular activities:			
School and public service:			
Purchased services	\$ 2,927	\$ -	\$ 2,927
Total extracurricular activities	2,927	-	2,927
Total expenditures	2,927	-	-
Net change in fund balance	(2,927)	-	-
Fund balance at beginning of year	2,927	2,927	-
Fund balance at end of year.	\$ -	\$ 2,927	\$ -

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROFESSIONAL DEVELOPMENT GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Rental income	\$ 7,689	\$ 8,798	\$ 1,109
Contributions and donations	69,849	79,925	10,076
Other local revenues	349,578	400,005	50,427
Total revenues	<u>427,116</u>	<u>488,728</u>	<u>61,612</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	2,778	-	2,778
Total regular	<u>2,778</u>	<u>-</u>	<u>2,778</u>
Adult/continuing:			
Salaries and wages	3,590	3,050	540
Fringe benefits	589	471	118
Total adult/continuing	<u>4,179</u>	<u>3,521</u>	<u>658</u>
Extracurricular:			
School and public service co-curricular activities:			
Purchased services	2,943	-	2,943
Total school and public service co-curricular activities	<u>2,943</u>	<u>-</u>	<u>2,943</u>
Facilities acquisition and construction:			
Site improvement services:			
Supplies	916,260	773,382	142,878
Total facilities acquisition and construction	<u>916,260</u>	<u>773,382</u>	<u>142,878</u>
Total expenditures	<u>926,160</u>	<u>776,903</u>	<u>149,257</u>
Excess of revenues (under) expenditures	<u>(499,044)</u>	<u>(288,175)</u>	<u>210,869</u>
Other financing sources (uses):			
Advances in	10,384	11,882	1,498
Advances (out)	(13,987)	(11,882)	2,105
Total other financing sources (uses)	<u>(3,603)</u>	<u>-</u>	<u>3,603</u>
Net change in fund balance	(502,647)	(288,175)	214,472
Fund balance at beginning of year	405,433	405,433	-
Prior year encumbrances appropriated	97,214	97,214	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 214,472</u>	<u>\$ 214,472</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ATHLETIC AND MUSIC FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Extracurricular	\$ 107,289	\$ 104,186	\$ (3,103)
Contributions and donations	199,105	193,347	(5,758)
Other local revenues	1,261	1,225	(36)
Total revenues.	307,655	298,758	(8,897)
Expenditures:			
Extracurricular activities:			
Sports oriented activities:			
Salaries and wages	36,783	23,970	12,813
Fringe benefits	5,238	3,413	1,825
Purchased services	141,205	92,017	49,188
Supplies	196,441	128,012	68,429
Capital outlay	13,956	9,095	4,861
Other	158,183	103,081	55,102
Total extracurricular activities.	551,806	359,588	192,218
Total expenditures	551,806	359,588	192,218
Excess of revenues (under) expenditures	(244,151)	(60,830)	183,321
Other financing sources (uses):			
Refund of prior year's expenditures	47	45	(2)
Refund of prior year's receipts	(130)	(130)	-
Transfers in.	10,298	10,000	(298)
Total other financing sources (uses)	10,215	9,915	(300)
Net change in fund balance	(233,936)	(50,915)	183,021
Fund balance at beginning of year	204,031	204,031	-
Prior year encumbrances appropriated	29,905	29,905	-
Fund balance at end of year.	\$ -	\$ 183,021	\$ 183,021

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AUXILIARY SERVICES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Earnings on investments	\$ 212	\$ 212	\$ -
Intergovernmental - State	708,887	708,887	-
Total revenues.	<u>709,099</u>	<u>709,099</u>	<u>-</u>
Expenditures:			
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	90,693	79,046	11,647
Fringe benefits	43,309	35,890	7,419
Purchased services	244,090	244,090	-
Supplies	391,584	390,499	1,085
Capital outlay	135,936	135,936	-
Total other non-instructional services	<u>905,612</u>	<u>885,461</u>	<u>20,151</u>
Total expenditures	<u>905,612</u>	<u>885,461</u>	<u>20,151</u>
Net change in fund balance	(196,513)	(176,362)	20,151
Fund balance at beginning of year	172,192	172,192	-
Prior year encumbrances appropriated	24,322	24,322	-
Fund balance at end of year.	<u>\$ 1</u>	<u>\$ 20,152</u>	<u>\$ 20,151</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DATA COMMUNICATIONS SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental-State	\$ 12,600	\$ 12,600	\$ -
Total revenues	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Expenditures:			
Current:			
Support services:			
Instructional staff:			
Purchased services	12,600	12,600	-
Total instructional staff	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Total expenditures	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IDEA, PART B SPECIAL EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 750,724	\$ 726,544	\$ (24,180)
Total revenues	<u>750,724</u>	<u>726,544</u>	<u>(24,180)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	8,500	7,596	904
Total instruction-regular	<u>8,500</u>	<u>7,596</u>	<u>904</u>
Special:			
Salaries and wages	54,224	45,691	8,533
Fringe benefits	37,229	33,658	3,571
Purchased services	588,471	588,189	282
Supplies	23,875	23,160	715
Capital outlay	27,157	19,747	7,410
Total special	<u>730,956</u>	<u>710,445</u>	<u>20,511</u>
Support services:			
Pupil:			
Purchased services	228,280	228,171	109
Total pupil	<u>228,280</u>	<u>228,171</u>	<u>109</u>
Instructional staff:			
Salaries and wages	14,500	2,787	11,713
Purchased services	16,114	9,412	6,702
Total instructional staff	<u>30,614</u>	<u>12,199</u>	<u>18,415</u>
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	8,410	8,410	-
Purchased services	9,893	9,893	-
Total other non-instructional services	<u>18,303</u>	<u>18,303</u>	<u>-</u>
Total expenditures	<u>1,016,653</u>	<u>976,714</u>	<u>39,939</u>
Excess of revenues (under) expenditures	<u>(265,929)</u>	<u>(250,170)</u>	<u>15,759</u>
Other financing sources (uses):			
Advances in	489,275	473,516	(15,759)
Advances (out)	<u>(223,417)</u>	<u>(223,417)</u>	<u>-</u>
Total other financing sources (uses)	<u>265,858</u>	<u>250,099</u>	<u>(15,759)</u>
Net change in fund balance	(71)	(71)	-
Fund balance (deficit) at beginning of year.	(127,442)	(127,442)	-
Prior year encumbrances appropriated . .	<u>127,513</u>	<u>127,513</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LIMITED ENGLISH PROFICIENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Intergovernmental - Federal	\$ 45,270	\$ 32,216	\$ (13,054)
Total revenues	<u>45,270</u>	<u>32,216</u>	<u>(13,054)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	4,500	4,094	406
Total instruction-regular	<u>4,500</u>	<u>4,094</u>	<u>406</u>
Special:			
Salaries and wages	19,508	16,848	2,660
Fringe benefits	3,430	2,767	663
Supplies	7,475	7,472	3
Capital outlay	4,700	-	4,700
Total instruction-special	<u>35,113</u>	<u>27,087</u>	<u>8,026</u>
Support services-pupil			
Purchased services	1,600	1,600	-
Total support services-pupil	<u>1,600</u>	<u>1,600</u>	<u>-</u>
Support services:			
Instructional staff:			
Salaries and wages	3,800	-	3,800
Purchased services	9,742	3,702	6,040
Total instructional staff	<u>13,542</u>	<u>3,702</u>	<u>9,840</u>
Total expenditures	<u>54,755</u>	<u>36,483</u>	<u>18,272</u>
Excess of revenues (under) expenditures	<u>(9,485)</u>	<u>(4,267)</u>	<u>5,218</u>
Other financing sources (uses):			
Advances in	18,096	12,878	(5,218)
Advances (out)	(8,640)	(8,640)	-
Total other financing sources (uses)	<u>9,456</u>	<u>4,238</u>	<u>(5,218)</u>
Net change in fund balance	(29)	(29)	-
Fund balance (deficit) at beginning of year .	(799)	(799)	-
Prior year encumbrances appropriated . .	828	828	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 TITLE I FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 478,440	\$ 381,645	\$ (96,795)
Total revenues	<u>478,440</u>	<u>381,645</u>	<u>(96,795)</u>
Expenditures:			
Current:			
Instruction:			
Other:			
Salaries and wages	440,238	362,288	77,950
Fringe benefits	74,249	57,542	16,707
Supplies	12,600	11,681	919
Capital outlay	11,298	10,754	544
Total other	<u>538,385</u>	<u>442,265</u>	<u>96,120</u>
Support services:			
Instructional staff:			
Purchased services	13,053	3,536	9,517
Supplies	8,735	-	8,735
Capital outlay	3,028	-	3,028
Total instructional staff	<u>24,816</u>	<u>3,536</u>	<u>21,280</u>
Administration			
Salaries and wages	3,595	1,247	2,348
Fringe benefits	591	192	399
Total administration	<u>4,186</u>	<u>1,439</u>	<u>2,747</u>
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	7,368	-	7,368
Supplies	6,819	2,389	4,430
Total other non-instructional services	<u>14,187</u>	<u>2,389</u>	<u>11,798</u>
Total expenditures	<u>581,574</u>	<u>449,629</u>	<u>131,945</u>
Excess of revenues (under) expenditures	<u>(103,134)</u>	<u>(67,984)</u>	<u>35,150</u>
Other financing sources (uses):			
Advances in	173,738	138,588	(35,150)
Advances (out)	(70,604)	(70,604)	-
Total other financing sources (uses)	<u>103,134</u>	<u>67,984</u>	<u>(35,150)</u>
Net change in fund balance	-	-	-
Fund balance (deficit) at beginning of year.	(3,810)	(3,810)	-
Prior year encumbrances appropriated	3,810	3,810	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EARLY CHILDHOOD EDUCATION DEVELOPMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 18,845	\$ 13,476	\$ (5,369)
Total revenues	18,845	13,476	(5,369)
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased services	1,200	831	369
Total regular	1,200	831	369
Special:			
Supplies	4,204	3,472	732
Capital outlay	1,500	1,500	-
Total special	5,704	4,972	732
Support services:			
Pupil:			
Salaries and wages	11,003	9,494	1,509
Total pupil	11,003	9,494	1,509
Instructional staff:			
Salaries and wages	3,200	230	2,970
Purchased services	3,000	848	2,152
Total instructional staff	6,200	1,078	5,122
Total expenditures	24,107	16,375	7,732
Excess of revenues (under) expenditures	(5,262)	(2,899)	2,363
Other financing sources (uses):			
Advances in	8,295	5,932	(2,363)
Advances (out).	(3,315)	(3,315)	-
Total other financing sources (uses)	4,980	2,617	(2,363)
Net change in fund balance	(282)	(282)	-
Fund balance at beginning of year	181	181	-
Prior year encumbrances appropriated	101	101	-
Fund balance at end of year	\$ -	\$ -	\$ -

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IMPROVING TEACHER QUALITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 72,009	\$ 53,246	\$ (18,763)
Total revenues	72,009	53,246	(18,763)
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	36,788	32,613	4,175
Fringe benefits	6,158	5,216	942
Purchased services	6,500	5,463	1,037
Total regular	49,446	43,292	6,154
Support services:			
Instructional staff:			
Salaries and wages	11,500	1,296	10,204
Fringe benefits	3,060	167	2,893
Purchased services	21,378	18,722	2,656
Supplies	4,410	547	3,863
Total instructional staff	40,348	20,732	19,616
Operation of non-instructional services:			
Other non-instructional services:			
Purchased services	3,671	3,483	188
Total other non-instructional services	3,671	3,483	188
Total expenditures	93,465	67,507	25,958
Excess of revenues (under) expenditures	(21,456)	(14,261)	7,195
Other financing sources:			
Advances in	27,615	20,420	(7,195)
Advances (out)	(6,691)	(6,691)	-
Total other financing sources	20,924	13,729	(7,195)
Net change in fund balance	(532)	(532)	-
Fund balance (deficit) at beginning of year.	(457)	(457)	-
Prior year encumbrances appropriated . .	989	989	-
Fund balance at end of year.	\$ -	\$ -	\$ -

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COLLEGE CREDIT PLUS TEACHER CREDENTIAL GRANT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - State	\$ 20,462	\$ 8,192	\$ (12,270)
Total revenues	20,462	8,192	(12,270)
Expenditures:			
Current:			
Support services:			
Instructional staff:			
Purchased services	38,898	11,290	27,608
Total instructional staff	38,898	11,290	27,608
Total expenditures	38,898	11,290	27,608
Excess of revenues (under) expenditures	(18,436)	(3,098)	15,338
Other financing sources (uses):			
Advances in	25,578	10,240	(15,338)
Advances (out)	(7,142)	(7,142)	-
Total other financing sources (uses)	18,436	3,098	(15,338)
Net change in fund balance	-	-	-
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	-	-	-
Fund balance at end of year	\$ -	\$ -	\$ -

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UNIFORM SCHOOL SUPPLIES FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Classroom materials and fees	\$ 19,544	\$ 16,652	\$ (2,892)
Total revenues.	19,544	16,652	(2,892)
Expenditures:			
Current:			
Instruction:			
Regular:			
Supplies	31,540	19,903	11,637
Total regular	31,540	19,903	11,637
Total expenditures	31,540	19,903	11,637
Excess of revenues (under) expenditures	(11,996)	(3,251)	8,745
Other financing sources (uses):			
Advances in	12,456	10,613	(1,843)
Advances (out)	(16,818)	(10,613)	6,205
Total other financing sources (uses)	(4,362)	-	4,362
Net change in fund balance	(16,358)	(3,251)	13,107
Fund balance at beginning of year	11,796	11,796	-
Prior year encumbrances appropriated . .	4,562	4,562	-
Fund balance at end of year.	\$ -	\$ 13,107	\$ 13,107

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERDISTRICT SUMMER SCHOOL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Tuition	\$ 6,274	\$ 37,400	\$ 31,126
Total revenues	6,274	37,400	31,126
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and wages	3,200	839	2,361
Fringe benefits	480	130	350
Supplies	2,500	58	2,442
Total regular	6,180	1,027	5,153
Other:			
Salaries and wages	3,200	1,679	1,521
Fringe benefits	750	259	491
Total other	3,950	1,938	2,012
Support services:			
Administration:			
Salaries and wages	3,000	-	3,000
Fringe benefits	900	-	900
Purchased services	26	26	-
Total administration	3,926	26	3,900
Total expenditures	14,056	2,991	11,065
Excess of revenues over (under) expenditures	(7,782)	34,409	42,191
Other financing (uses):			
Refund of prior year's (receipts)	(800)	-	800
Total other financing (uses)	(800)	-	800
Net change in fund balance	(8,582)	34,409	42,991
Fund balance at beginning of year	8,582	8,582	-
Fund balance at end of year	\$ -	\$ 42,991	\$ 42,991

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EDUCATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Tuition	\$ 540,590	\$ 563,240	\$ 22,650
Classroom materials and fees	9,572	10,513	941
Other local revenues	61,123	67,133	6,010
Total revenues	<u>611,285</u>	<u>640,886</u>	<u>29,601</u>
Expenditures:			
Operation of non-instructional services:			
Other non-instructional services:			
Salaries and wages	485,674	485,674	-
Fringe benefits	115,686	115,686	-
Purchased services	29,520	29,209	311
Supplies	74,840	74,371	469
Capital outlay	3,452	3,452	-
Other	100	99	1
Total other non-instructional services	<u>709,272</u>	<u>708,491</u>	<u>781</u>
Total expenditures	<u>709,272</u>	<u>708,491</u>	<u>781</u>
Excess of revenues (under) expenditures	<u>(97,987)</u>	<u>(67,605)</u>	<u>30,382</u>
Other financing (uses):			
Refund of prior year's (receipts)	<u>(803)</u>	<u>(803)</u>	<u>-</u>
Total other financing (uses)	<u>(803)</u>	<u>(803)</u>	<u>-</u>
Net change in fund balance	(98,790)	(68,408)	30,382
Fund balance at beginning of year	73,916	73,916	-
Prior year encumbrances appropriated	24,874	24,874	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ 30,382</u>	<u>\$ 30,382</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PUBLIC SCHOOL SUPPORT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Extracurricular	\$ 116,087	\$ 115,772	\$ (315)
Classroom materials and fees.	189,276	188,758	(518)
Contributions and donations	38,341	38,237	(104)
Other local revenues	3,412	3,403	(9)
Total revenues.	<u>347,116</u>	<u>346,170</u>	<u>(946)</u>
Expenditures:			
Current:			
Support services:			
Board of education:			
Purchased services	<u>5,500</u>	<u>-</u>	<u>5,500</u>
Total support services-board of education	<u>5,500</u>	<u>-</u>	<u>5,500</u>
Support services-central			
Purchased services	6,810	5,000	1,810
Supplies	59	43	16
Total support services-central	<u>6,869</u>	<u>5,043</u>	<u>1,826</u>
Operation of non-instructional services:			
Other non-instructional services:			
Supplies	<u>2,696</u>	<u>1,979</u>	<u>717</u>
Total other non-instructional services	<u>2,696</u>	<u>1,979</u>	<u>717</u>
Extracurricular activities:			
School and public service co-curricular activities:			
Purchased services	550	404	146
Supplies	526,916	386,870	140,046
Capital outlay	<u>8,626</u>	<u>6,334</u>	<u>2,292</u>
Total school and public service co-curricular activities	<u>536,092</u>	<u>393,608</u>	<u>142,484</u>
Total expenditures	<u>551,157</u>	<u>400,630</u>	<u>150,527</u>
Excess of revenues (under) expenditures	<u>(204,041)</u>	<u>(54,460)</u>	<u>149,581</u>
Other financing sources (uses):			
Advances in	2,884	2,876	(8)
Advances (out)	<u>(2,876)</u>	<u>(2,876)</u>	<u>-</u>
Total other financing sources (uses)	<u>8</u>	<u>-</u>	<u>(8)</u>
Net change in fund balance	(204,033)	(54,460)	149,573
Fund balance at beginning of year	174,077	174,077	-
Prior year encumbrances appropriated	29,956	29,956	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ 149,573</u>	<u>\$ 149,573</u>

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMANENT IMPROVEMENT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
From local sources:			
Taxes	\$ 567,425	\$ 619,062	\$ 51,637
Earnings on investments	14	15	1
Intergovernmental-state	7,408	8,082	674
Total revenues	<u>574,847</u>	<u>627,159</u>	<u>52,312</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Capital outlay	238,145	238,145	-
Total regular	<u>238,145</u>	<u>238,145</u>	<u>-</u>
Support services-administration			
Other	2,150	2,150	-
Total support services-administration	<u>2,150</u>	<u>2,150</u>	<u>-</u>
Support services-fiscal			
Other	6,608	6,608	-
Total support services-fiscal	<u>6,608</u>	<u>6,608</u>	<u>-</u>
Facilities acquisition and construction:			
Site improvement services:			
Supplies	53,239	53,239	-
Total facilities acquisition and construction	<u>53,239</u>	<u>53,239</u>	<u>-</u>
Total expenditures	<u>300,142</u>	<u>300,142</u>	<u>-</u>
Net change in fund balance	274,705	327,017	52,312
Fund balance at beginning of year	<u>694</u>	<u>694</u>	<u>-</u>
Fund balance at end of year	<u>\$ 275,399</u>	<u>\$ 327,711</u>	<u>\$ 52,312</u>

WESTLAKE CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
FIDUCIARY FUND DESCRIPTIONS

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 and agency funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results.

Private-Purpose Trust Fund

Scholarship Fund

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

Agency Funds

Student Activities

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

OHSAA Tournaments

This fund reflects resources that are collected for various tournaments and remitted to the Ohio High School Athletic Association (OHSAA).

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

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SCHOLARSHIP FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
From local sources:			
Earnings on investments	\$ 77	\$ 30	\$ (47)
Contributions and donations	9,998	16,522	6,524
Total revenues.	10,075	16,552	6,477
Expenses:			
Current:			
Extracurricular activities:			
School and public service:			
Purchased services	99,208	16,000	83,208
Total school and public service	99,208	16,000	83,208
Total expenses.	99,208	16,000	83,208
Net change in fund equity	(89,133)	552	89,685
Fund equity at beginning of year	89,133	89,133	-
Fund equity at end of year.	\$ -	\$ 89,685	\$ 89,685

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

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Beginning Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance July 1, 2017</u>
Student Activities				
Assets:				
Equity in pooled cash and investments	\$ 263,283	\$ 261,820	\$ 244,971	\$ 280,132
Total assets	<u>\$ 263,283</u>	<u>\$ 261,820</u>	<u>\$ 244,971</u>	<u>\$ 280,132</u>
Liabilities:				
Accounts payable	\$ 793	\$ 385	\$ 793	\$ 385
Due to students	262,490	261,435	244,178	279,747
Total liabilities.	<u>\$ 263,283</u>	<u>\$ 261,820</u>	<u>\$ 244,971</u>	<u>\$ 280,132</u>
OHSAA Tournaments				
Assets:				
Equity in pooled cash and investments	\$ 4,207	\$ 15,329	\$ 16,351	\$ 3,185
Total assets	<u>\$ 4,207</u>	<u>\$ 15,329</u>	<u>\$ 16,351</u>	<u>\$ 3,185</u>
Liabilities:				
Intergovernmental payable	4,207	15,329	16,351	3,185
Total liabilities.	<u>\$ 4,207</u>	<u>\$ 15,329</u>	<u>\$ 16,351</u>	<u>\$ 3,185</u>
Total				
Assets:				
Equity in pooled cash and investments	\$ 267,490	\$ 277,149	\$ 261,322	\$ 283,317
Total assets	<u>\$ 267,490</u>	<u>\$ 277,149</u>	<u>\$ 261,322</u>	<u>\$ 283,317</u>
Liabilities:				
Accounts payable	\$ 793	\$ 385	\$ 793	\$ 385
Intergovernmental payable	4,207	15,329	16,351	3,185
Due to students	262,490	261,435	244,178	279,747
Total liabilities.	<u>\$ 267,490</u>	<u>\$ 277,149</u>	<u>\$ 261,322</u>	<u>\$ 283,317</u>

***STATISTICAL
SECTION***

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

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	122-133
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	134-141
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	142-145
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	146-147
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	148-157

Sources: Sources are noted on the individual schedules.

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Governmental activities				
Net investment in capital assets	\$ 32,721,926	\$ 31,800,580	\$ 32,047,648	\$ 32,611,481
Restricted	8,742,844	8,555,064	5,985,512	5,924,425
Unrestricted (Deficit)	<u>(57,746,524)</u>	<u>(54,295,199)</u>	<u>(60,507,812)</u>	<u>(63,008,117)</u>
Total governmental activities net position	<u>\$ (16,281,754)</u>	<u>\$ (13,939,555)</u>	<u>\$ (22,474,652)</u>	<u>\$ (24,472,211)</u>

(1) Amounts have been restated to reflect implementation of GASB Statement No. 68 and 71 which was implemented in 2015.

Source: School District financial records.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 31,803,272	\$ 29,104,480	\$ 26,697,219	\$ 27,100,371	\$ 26,089,735	\$ 24,749,953
5,852,768	7,502,554	33,449,274	4,966,633	4,883,579	4,862,901
15,421,008	16,017,546	18,230,099	16,033,437	12,942,962	9,990,465
<u>\$ 53,077,048</u>	<u>\$ 52,624,580</u>	<u>\$ 78,376,592</u>	<u>\$ 48,100,441</u>	<u>\$ 43,916,276</u>	<u>\$ 39,603,319</u>

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 22,656,445	\$ 21,919,688	\$ 22,211,994	\$ 24,689,245
Special	8,484,307	7,448,107	7,246,667	7,199,739
Vocational	776,899	1,053,253	1,000,860	916,454
Adult/Continuing	3,886	3,334	3,275	12,034
Other instructional	1,790,306	1,704,407	1,565,581	1,707,338
Support services:				
Pupil	3,894,367	3,726,306	3,588,053	3,900,942
Instructional staff	1,703,423	1,635,220	1,732,345	2,063,238
Board of education	42,201	71,975	46,916	50,915
Administration	3,215,516	2,941,589	2,744,778	3,154,314
Fiscal	1,264,203	1,442,664	1,302,611	1,450,781
Business	463,803	459,516	504,915	490,493
Operations and maintenance	5,160,733	5,305,924	5,425,118	5,435,449
Pupil transportation	3,794,474	3,654,866	3,968,862	4,186,528
Central	444,195	354,613	319,218	307,709
Operation of non-instructional services				
Food service operations	1,284,778	1,242,054	1,215,531	1,283,386
Other non-instructional services	1,563,850	1,258,018	1,305,906	1,117,682
Extracurricular activities	1,764,627	1,508,100	1,451,391	1,624,770
Interest and fiscal charges	4,160,226	3,913,479	4,884,193	5,167,269
Total governmental activities expenses	<u>\$ 62,468,239</u>	<u>\$ 59,643,113</u>	<u>\$ 60,518,214</u>	<u>\$ 64,758,286</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 23,734,781	\$ 23,352,699	\$ 23,000,156	\$ 22,316,141	\$ 22,673,208	\$ 20,733,249
7,324,149	5,113,771	5,355,715	4,879,232	4,526,920	3,966,107
189,647	279,679	277,138	283,704	455,026	426,626
96,247	75,712	93,920	65,515	75,909	36,757
2,047,292	1,982,160	1,584,547	1,266,107	1,047,544	1,207,397
3,977,719	3,688,102	3,735,847	3,513,646	3,471,572	3,212,792
1,697,184	3,893,297	3,631,697	3,481,561	3,391,280	3,042,408
36,145	34,898	31,539	25,952	34,216	27,009
2,841,239	3,111,459	2,946,534	2,987,406	3,117,290	2,927,678
1,292,707	1,339,376	1,246,556	1,212,175	1,164,119	1,189,276
464,546	417,407	345,423	359,885	467,300	436,519
4,259,499	4,563,603	4,709,177	4,726,262	4,560,697	4,420,612
4,574,030	4,529,102	4,679,476	4,506,745	4,196,978	3,956,627
322,186	116,643	151,995	154,053	145,385	120,267
1,203,488	1,345,128	1,276,077	1,233,229	1,171,096	1,131,429
1,059,550	726,157	736,810	752,129	830,827	766,805
1,614,625	1,539,352	1,604,308	1,627,922	1,544,201	1,544,991
5,247,443	5,259,363	4,815,718	1,064,601	1,050,230	1,104,594
<u>\$ 61,982,477</u>	<u>\$ 61,367,908</u>	<u>\$ 60,222,633</u>	<u>\$ 54,456,265</u>	<u>\$ 53,923,798</u>	<u>\$ 50,251,143</u>

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

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

Program Revenues	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 332,551	\$ 256,620	\$ 366,573	\$ 273,587
Adult/Continuing	7,110	25,235	19,305	20,466
Other instructional	18,225	-	-	-
Support services:				
Instructional staff	-	-	-	1,858
Board of education	-	-	-	-
Administration	245	-	-	-
Operations and maintenance	77,909	52,856	62,282	50,241
Pupil transportation	59,281	3,530	30,199	37,384
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	842,610	858,000	858,059	868,105
Other non-instructional services	602,108	605,475	538,681	478,299
Extracurricular activities	537,292	443,562	468,648	505,537
Operating grants and contributions:				
Instruction:				
Regular	63,470	42,145	178,710	105,712
Special	824,211	769,782	772,515	690,652
Vocational	7,252	3,046	2,543	1,745
Adult/Continuing	479,931	4,550	12,881	7,616
Other	444,678	381,935	294,726	329,821
Support services:				
Pupil	156,265	194,001	172,447	276,567
Instructional staff	49,935	74,076	72,094	118,751
Board of education	-	-	-	-
Administration	1,099	1,631	1,934	7,003
Operations and maintenance	-	15,000	-	9
Pupil transportation	247,998	246,984	257,050	301,566
Central	-	-	-	12,600
Operation of non-instructional services:				
Food service operations	331,059	350,925	314,915	299,765
Other non-instructional services	1,137,232	713,243	677,803	662,317
Extracurricular activities	232,744	242,268	219,766	158,876
Interest and fiscal charges	-	538,464	1,170,112	1,630,556
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	-
Support services:				
Pupil transportation	-	-	-	-
Extracurricular activities	-	330,000	-	-
Total governmental program revenues	<u>\$ 6,453,205</u>	<u>\$ 6,153,328</u>	<u>\$ 6,491,243</u>	<u>\$ 6,839,033</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (56,015,034)</u>	<u>\$ (53,489,785)</u>	<u>\$ (54,026,971)</u>	<u>\$ (57,919,253)</u>

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	356,263	\$ 344,761	\$ 150,267	\$ 149,017	\$ 145,688	\$ 152,776
	3,670	7,832	1,702	1,276	2,660	-
	-	-	-	-	-	-
	15,854	2,998	109	679	2,390	-
	1,363	-	-	-	253	97
	7,406	95,575	84,845	81,151	85,259	84,816
	62,754	52,158	42,216	66,563	97,238	91,900
	23,789	22,711	9,662	8,867	235,506	263,872
	2,946	-	-	-	-	-
	926,508	1,028,386	982,339	963,486	933,603	948,821
	429,751	331,146	267,213	260,349	247,519	268,965
	501,140	516,564	486,912	553,066	507,994	578,185
	151,985	131,041	268,130	273,727	441,448	67,572
	537,280	404,208	758,975	627,566	443,996	531,496
	-	-	-	-	-	-
	80,696	71,138	90,750	52,876	70,844	67,048
	344,380	278,973	318,969	291,851	-	-
	263,050	243,120	337,910	379,539	206,538	196,527
	84,855	261,991	308,232	276,923	249,131	305,478
	290	-	-	-	52	18
	9,982	13,101	13,677	8,968	753	-
	-	236	180,441	158,119	-	-
	235,326	241,122	200,039	407,412	-	-
	13,226	12,600	20,925	23,243	32,781	35,315
	299,107	318,533	274,306	250,721	215,760	177,214
	532,958	498,097	496,917	486,846	489,310	498,673
	151,158	151,664	180,309	142,276	119,935	104,619
	1,680,633	1,757,065	1,351,964	-	-	-
	-	-	-	-	-	27,880
	-	-	-	-	47,281	25,712
	-	-	-	-	-	-
	<u>\$ 6,716,370</u>	<u>\$ 6,785,020</u>	<u>\$ 6,826,809</u>	<u>\$ 5,464,521</u>	<u>\$ 4,575,939</u>	<u>\$ 4,426,984</u>
	<u>\$ (55,266,107)</u>	<u>\$ (54,582,888)</u>	<u>\$ (53,395,824)</u>	<u>\$ (48,991,744)</u>	<u>\$ (49,347,859)</u>	<u>\$ (45,824,159)</u>

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

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

	2017	2016	2015	2014
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 36,486,989	\$ 43,977,628	\$ 38,970,696	\$ 43,338,398
Debt service	5,839,450	7,806,044	6,767,839	7,473,410
Capital outlay	826,544	-	-	-
Payments in lieu of taxes	455,000	455,000	227,500	-
Grants and entitlements not restricted to specific programs	9,383,072	9,379,082	9,752,076	9,492,994
Investment earnings	206,295	250,028	169,939	175,372
Gain on sale of capital assets	1,203	17,074	-	-
Miscellaneous	474,282	140,026	136,480	367,788
Total governmental activities	\$ 53,672,835	\$ 62,024,882	\$ 56,024,530	\$ 60,847,962
 Change in Net Position				
Governmental activities	\$ (2,342,199)	\$ 8,535,097	\$ 1,997,559	\$ 2,928,709

Source: School District financial records.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 39,299,209	\$ 39,089,032	\$ 39,263,204	\$ 39,046,558	\$ 39,762,946	\$ 43,133,279
6,892,556	6,890,778	5,829,681	2,737,032	2,625,491	2,820,681
-	-	-	-	-	-
-	-	-	-	-	-
9,040,496	9,901,584	11,180,263	11,003,434	10,290,480	9,198,641
147,324	392,826	545,781	280,765	782,731	1,010,579
-	-	-	-	-	-
338,990	127,830	155,827	108,120	199,168	134,559
<u>\$ 55,718,575</u>	<u>\$ 56,402,050</u>	<u>\$ 56,974,756</u>	<u>\$ 53,175,909</u>	<u>\$ 53,660,816</u>	<u>\$ 56,297,739</u>
<u>\$ 452,468</u>	<u>\$ 1,819,162</u>	<u>\$ 3,578,932</u>	<u>\$ 4,184,165</u>	<u>\$ 4,312,957</u>	<u>\$ 10,473,580</u>

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:				
Nonspendable	\$ 106,367	\$ 56,655	\$ 3,796	\$ 5,980
Committed	1,168,693	1,168,693	1,549,807	1,570,207
Assigned	1,116,408	3,452,897	7,209,668	8,596,012
Unassigned	21,757,929	22,487,981	13,284,916	8,638,397
Reserved	-	-	-	-
Unreserved (deficit)	-	-	-	-
Total general fund	<u>\$ 24,149,397</u>	<u>\$ 27,166,226</u>	<u>\$ 22,048,187</u>	<u>\$ 18,810,596</u>
All Other Governmental Funds:				
Nonspendable	\$ 6,688	\$ 3,241	\$ 3,198	\$ 3,365
Restricted	42,833,645	9,912,616	8,383,214	8,194,993
Committed	-	-	-	690
Unassigned (deficit)	(17,407)	-	-	(56,743)
Reserved	-	-	-	-
Unreserved (deficit), reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>\$ 42,822,926</u>	<u>\$ 9,915,857</u>	<u>\$ 8,386,412</u>	<u>\$ 8,142,305</u>
Total governmental funds	<u>\$ 66,972,323</u>	<u>\$ 37,082,083</u>	<u>\$ 30,434,599</u>	<u>\$ 26,952,901</u>

Source: School District financial records.

2013	2012	2011	2010	2009	2008
\$ 4,546	\$ 5,339	\$ 6,540	\$ -	\$ -	\$ -
-	-	-	-	-	-
12,080,739	9,291,068	2,942,446	-	-	-
6,786,159	10,916,608	19,342,998	-	-	-
-	-	-	7,668,287	8,064,469	7,826,707
-	-	-	13,180,434	10,857,245	6,362,075
<u>\$ 18,871,444</u>	<u>\$ 20,213,015</u>	<u>\$ 22,291,984</u>	<u>\$ 20,848,721</u>	<u>\$ 18,921,714</u>	<u>\$ 14,188,782</u>
\$ 2,653	\$ 14,018	\$ 9,020	\$ -	\$ -	\$ -
25,702,190	69,160,731	87,957,784	-	-	-
686	-	-	-	-	-
(64)	(471)	(1,794)	-	-	-
-	-	-	4,423,702	4,215,267	3,945,718
-	-	-	325,863	516,687	575,333
-	-	-	(75,436)	11,436	10,902
<u>\$ 25,705,465</u>	<u>\$ 69,174,278</u>	<u>\$ 87,965,010</u>	<u>\$ 4,674,129</u>	<u>\$ 4,743,390</u>	<u>\$ 4,531,953</u>
<u>\$ 44,576,909</u>	<u>\$ 89,387,293</u>	<u>\$ 110,256,994</u>	<u>\$ 25,522,850</u>	<u>\$ 23,665,104</u>	<u>\$ 18,720,735</u>

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

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues				
From local sources:				
Property taxes	\$ 43,172,464	\$ 51,830,226	\$ 48,890,476	\$ 49,027,107
Payment in lieu of taxes	455,000	455,000	227,500	-
Tuition	887,429	794,319	839,728	676,943
Transportation fees	59,281	3,530	30,199	37,384
Charges for services	842,610	858,000	858,059	868,105
Earnings on investments	182,898	256,017	163,358	180,519
Extracurricular	348,531	243,421	276,493	313,778
Classroom materials and fees	225,406	237,855	241,858	234,840
Contributions and donations	311,509	573,317	222,504	201,817
Rental income	85,019	80,486	84,561	79,244
Other local revenues	1,329,680	146,301	173,001	301,969
Intergovernmental	12,172,873	12,698,494	13,659,297	13,766,095
Total revenues	<u>60,072,700</u>	<u>68,176,966</u>	<u>65,667,034</u>	<u>65,687,801</u>
Expenditures				
Current:				
Instruction:				
Regular	20,240,428	19,913,671	20,232,577	22,186,800
Special	8,083,944	7,380,042	7,239,817	7,024,234
Vocational	725,430	1,008,643	948,826	865,520
Adult/Continuing	3,521	3,151	3,125	4,874
Other	1,770,772	1,707,108	1,535,347	1,753,655
Current:				
Pupil	3,778,917	3,659,332	3,610,121	3,766,263
Instructional staff	1,535,087	1,532,568	1,697,595	1,878,517
Board of education	41,589	71,975	46,916	50,915
Administration	3,094,778	2,865,404	2,716,512	2,984,298
Fiscal	1,299,039	1,447,696	1,286,694	1,452,074
Business	357,273	382,702	417,487	467,070
Operations and maintenance	5,059,298	4,949,687	5,004,548	5,089,408
Pupil transportation	3,624,997	3,588,283	3,749,652	4,005,405
Central	438,624	348,728	317,245	303,174
Operation of non-instructional services:				
Food service operations	1,169,048	1,141,498	1,097,093	1,178,951
Other non-instructional services	1,531,622	1,243,386	1,342,690	1,121,698
Extracurricular activities	1,641,751	1,438,805	1,362,133	1,516,214
Facilities acquisitions and construction	1,407,718	895,447	1,286,258	18,156,604
Capital outlay	-	-	430,188	-
Debt service:				
Principal retirement	2,720,632	4,576,464	4,218,462	4,706,118
Interest and fiscal charges	3,664,805	3,402,014	3,890,105	4,816,384
Bond issuance costs	283,795	-	518,259	-
Accretion on CABs	1,835,000	-	-	-
Total expenditures	<u>64,308,068</u>	<u>61,556,604</u>	<u>62,951,650</u>	<u>83,328,176</u>
Excess of revenues over (under) expenditures	(4,235,368)	6,620,362	2,715,384	(17,640,375)
Other Financing Sources (Uses)				
Transfers in	10,000	10,000	10,000	65,252
Transfers (out)	(10,000)	(10,000)	(10,000)	(65,252)
Payment to refunded bond escrow agent	-	-	(60,711,594)	-
Sale of capital assets	2,925	27,122	170	16,367
Inception of Lease	-	-	430,188	-
Bonds issued	33,630,000	-	58,530,000	-
Premium on bonds	492,683	-	2,517,550	-
Total other financing sources (uses)	<u>34,125,608</u>	<u>27,122</u>	<u>766,314</u>	<u>16,367</u>
Net change in fund balances	<u>\$ 29,890,240</u>	<u>\$ 6,647,484</u>	<u>\$ 3,481,698</u>	<u>\$ (17,624,008)</u>
Capital expenditures (included in expenditures above)	1,864,198	669,841	859,546	18,459,012
Debt service principal and interest as a percentage of noncapital expenditures	13.165%	13.104%	13.059%	14.680%

Source: School District financial records.

	2013	2012	2011	2010	2009	2008
\$	46,029,492	\$ 45,596,405	\$ 45,089,726	\$ 41,131,376	\$ 43,331,596	\$ 44,919,560
	-	-	-	-	-	-
	698,154	688,926	425,948	403,330	417,510	461,172
	23,789	22,711	9,662	8,867	17,201	15,676
	926,508	1,028,386	982,339	963,486	933,603	948,821
	172,815	431,229	562,239	278,293	802,027	990,006
	332,604	313,010	291,336	332,193	326,839	386,484
	245,786	257,721	253,414	289,196	242,364	237,183
	155,672	212,665	185,001	154,134	130,720	110,446
	85,532	73,317	46,146	70,613	102,288	91,900
	343,566	84,901	172,247	124,889	199,168	134,559
	13,205,762	14,191,851	15,722,569	14,206,900	12,925,406	11,136,896
	<u>62,219,680</u>	<u>62,901,122</u>	<u>63,740,627</u>	<u>57,963,277</u>	<u>59,428,722</u>	<u>59,432,703</u>
	23,173,399	23,070,405	22,340,830	22,074,806	21,540,301	20,467,323
	7,368,927	5,027,566	5,270,067	4,871,042	4,362,750	3,833,676
	170,464	261,561	258,978	271,866	433,570	419,596
	89,426	68,779	86,987	58,582	106,960	37,994
	2,029,622	1,991,929	1,579,574	1,262,671	1,041,855	1,204,857
	3,904,547	3,657,070	3,630,520	3,444,392	3,332,392	3,166,059
	1,733,345	3,836,991	3,569,005	3,411,558	3,243,215	2,917,571
	36,145	34,898	31,539	25,952	34,216	27,009
	2,746,947	3,048,722	2,960,532	2,975,946	3,046,009	2,738,591
	1,271,810	1,332,699	1,226,200	1,183,863	1,169,785	1,149,518
	443,576	414,840	383,740	349,305	452,497	435,762
	4,173,108	4,426,443	4,720,517	4,450,026	4,482,016	4,163,862
	4,402,418	4,221,894	4,691,657	4,628,794	4,247,517	3,890,867
	301,020	113,063	147,655	153,295	141,709	112,689
	1,168,207	1,302,398	1,230,889	1,200,931	1,167,000	1,078,495
	1,044,019	725,855	734,860	748,294	792,378	768,356
	1,599,205	1,502,937	1,576,940	1,632,120	1,542,829	1,516,854
	43,669,157	19,583,160	2,979,138	536,858	660,047	822,693
	-	-	-	-	348,014	-
	4,389,907	4,029,164	2,103,859	1,978,966	1,816,167	1,694,658
	4,952,402	4,977,989	4,209,828	847,164	872,284	929,315
	-	108,493	714,366	-	-	-
	-	-	-	-	-	-
	<u>108,667,651</u>	<u>83,736,856</u>	<u>64,447,681</u>	<u>56,106,431</u>	<u>54,833,511</u>	<u>51,375,745</u>
	(46,447,971)	(20,835,734)	(707,054)	1,856,846	4,595,211	8,056,958
	10,000	10,000	10,000	10,000	10,000	12,089
	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(12,089)
	-	(6,967,612)	-	-	-	-
	-	427	407	900	1,144	6,501
	-	-	-	-	348,014	-
	-	6,540,000	84,055,000	-	-	-
	-	393,218	1,385,791	-	-	-
	-	(33,967)	85,441,198	900	349,158	6,501
\$	<u>(46,447,971)</u>	<u>(20,869,701)</u>	<u>\$ 84,734,144</u>	<u>\$ 1,857,746</u>	<u>\$ 4,944,369</u>	<u>\$ 8,063,459</u>
	44,202,354	20,111,718	3,818,908	1,516,369	1,337,258	1,000,439
	14.492%	14.157%	10.414%	5.177%	5.025%	5.209%

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

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

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value ⁽¹⁾	Assessed Value	Estimated Actual Value ⁽¹⁾	Assessed Value	Estimated Actual Value ⁽¹⁾
2017	\$ 1,415,841,400	\$ 4,045,261,143	\$ -	\$ -	\$ 27,951,630	\$ 31,763,216
2016 ⁽³⁾	1,400,587,290	4,001,677,971	-	-	25,840,090	29,363,739
2015	1,340,030,420	3,828,658,343	-	-	25,237,460	28,678,932
2014	1,330,437,240	3,801,249,257	-	-	24,094,940	27,380,614
2013 ⁽²⁾	1,344,496,130	3,841,417,514	-	-	21,853,120	24,833,091
2012	1,345,136,450	3,843,247,000	-	-	19,742,750	22,434,943
2011	1,351,387,610	3,861,107,457	-	-	18,395,760	20,904,273
2010 ⁽³⁾	1,346,534,600	3,847,241,714	-	-	17,904,860	20,346,432
2009	1,382,016,100	3,948,617,429	12,193,793	195,100,688	16,859,840	19,158,909
2008	1,370,873,670	3,916,781,914	21,832,430	174,659,440	15,913,580	18,083,616

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

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

⁽²⁾ Reappraisal of property values.

⁽³⁾ Triennial update of property values.

Total			
Assessed Value	Estimated Actual Value	%	Total Direct Tax Rate
\$ 1,443,793,030	\$ 4,077,024,359	35.41%	\$ 70.20
1,426,427,380	4,031,041,710	35.39%	70.10
1,365,267,880	3,857,337,275	35.39%	70.10
1,354,532,180	3,828,629,871	35.38%	70.10
1,366,349,250	3,866,250,605	35.34%	70.10
1,364,879,200	3,865,681,943	35.31%	70.10
1,369,783,370	3,882,011,730	35.29%	70.10
1,364,439,460	3,867,588,146	35.28%	66.70
1,411,069,733	4,162,877,026	33.90%	66.50
1,408,619,680	4,109,524,970	34.28%	66.50

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

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

Tax Year/ Collection Year	Overlapping Rates			Direct Rates				
	County	Library	City	Voted			Unvoted	Total
				General	Bond	Permanent Improvement		
2016/2017	\$ 14.05	\$ 2.80	\$ 9.52	\$ 58.60	\$ 5.00	\$ 0.80	\$ 5.80	\$ 70.20
2015/2016	14.05	2.80	9.52	58.60	5.70	-	5.80	70.10
2014/2015	14.05	2.80	9.52	58.60	5.70	-	5.80	70.10
2013/2014	14.05	2.80	9.52	58.60	5.70	-	5.80	70.10
2012/2013	13.22	2.80	9.52	58.60	5.70	-	5.80	70.10
2011/2012	13.22	2.80	9.60	58.60	5.70	-	5.80	70.10
2010/2011	13.32	2.80	9.60	58.60	5.70	-	5.80	70.10
2009/2010	13.32	2.80	9.60	58.60	2.30	-	5.80	66.70
2008/2009	13.42	2.80	9.60	58.60	2.10	-	5.80	66.50
2007/2008	13.42	2.50	9.80	58.60	2.10	-	5.80	66.50

Source: Cuyahoga County Fiscal Officer's Office

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

PRINCIPAL TAXPAYERS
REAL ESTATE TAX
DECEMBER 31, 2016 AND DECEMBER 31, 2007

December 31, 2016			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Crocker Park LLC	\$ 52,618,840	1	3.72%
American Greetings	16,155,540	2	1.14%
Promenade Delaware	12,272,510	3	0.87%
Remington Apartments NF	6,759,310	4	0.48%
ARC Westlake Village, Inc.	6,508,500	5	0.46%
BCM Westlake, LLC	6,290,280	6	0.44%
Village in the Park	5,667,490	7	0.40%
Sturbridge Square Ohio, LLC	5,561,930	8	0.39%
Hunter's Chase Apartments, LLC	5,508,970	9	0.39%
CIP II Buckeye Hotel Landlord LLC	5,247,480	10	0.37%
Total	\$ 122,590,850		8.66%
Total Real Estate Valuation	\$ 1,415,841,400		

December 31, 2007			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Real Estate Assessed Value
Toledo Lucas County Port Authority	\$ 36,357,890	1	2.65%
Westlake Center Association Ltd.	11,229,580	2	0.82%
Energizer Battery Manufacturing	7,417,280	3	0.54%
Remington Inc.	6,755,010	4	0.49%
Crossings Village LLC	5,838,600	5	0.43%
Sturbridge Square Apartments	5,630,070	6	0.41%
Cleveland Retirement Properties	5,600,040	7	0.41%
OZRE Lodging II LLC	5,224,140	8	0.38%
King James Point LLC	5,165,630	9	0.38%
Village in the Park	5,147,770	10	0.38%
Total	\$ 94,366,010		6.88%
Total Real Estate Valuation	\$ 1,370,873,670		

Source: Cuyahoga County Fiscal Officer's Office

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

**PRINCIPAL TAXPAYERS
TANGIBLE PERSONAL PROPERTY AND PUBLIC UTILITY PROPERTY TAX
DECEMBER 31, 2016 AND DECEMBER 31, 2007**

December 31, 2016			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
Cleveland Electric Illuminating Co.	\$ 19,390,480	1	69.37%
Columbia Gas of Ohio	4,662,580	2	16.68%
American Transmission System	3,920,990	3	14.03%
Total	\$ 27,974,050		100.09%
Total Tangible Personal Property and Public Utility Assessed Valuation	\$ 27,951,630		

December 31, 2007			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Tangible and Public Utility Assessed Value
TA Operating Corp.	\$ 2,473,950	1	6.55%
USG Interiors Inc.	1,697,070	2	4.50%
Ohio Bell Telephone Company	1,449,080	3	3.84%
Dave & Buster	1,349,200	4	3.57%
Energizer Battery	820,520	5	2.17%
Bonnie Bell Inc.	797,670	6	2.11%
Alluminum Line Products	776,320	7	2.06%
True Value Company	774,070	8	2.05%
Patrick Obrien Chevrolet	589,038	9	1.56%
John M Lance Ford	422,337	10	1.12%
Total	\$ 11,149,255		29.55%
Total Tangible Personal Property and Public Utility Assessed Valuation	\$ 37,746,010		

Source: Cuyahoga County Fiscal Officer's Office

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

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

Tax Year/ Collection Year	Current Levy	Delinquent Levy ⁽²⁾	Total Levy	Current Collection	Percent of Current Levy Collected
2016/2017	\$ 54,725,368	\$ 1,446,059	\$ 56,171,427	\$ 52,569,485	96.06%
2015/2016	54,333,616	1,879,339	56,212,955	52,419,363	96.48%
2014/2015	53,330,410	2,080,194	55,410,604	51,421,351	96.42%
2013/2014	52,734,065	2,490,055	55,224,120	50,798,705	96.33%
2012/2013	52,510,301	2,583,953	55,094,254	48,860,615	93.05%
2011/2012	52,383,722	1,845,185	54,228,907	49,233,603	93.99%
2010/2011	51,791,950	2,462,228	54,254,178	49,535,385	95.64%
2009/2010	46,835,159	2,407,628	49,242,787	45,410,732	96.96%
2008/2009	46,531,097	1,875,415	48,406,512	44,880,351	96.45%
2007/2008	47,386,744	2,045,810	49,432,554	45,407,786	95.82%

Source: Cuyahoga County Fiscal Officer's Office

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

⁽²⁾ This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>
\$ 948,282	\$ 53,517,767	95.28%
1,013,733	53,433,096	95.05%
1,055,449	52,476,800	94.71%
1,971,970	52,770,675	95.56%
1,242,923	50,103,538	90.94%
1,447,349	50,680,952	93.46%
1,310,486	50,845,871	93.72%
1,283,853	46,694,585	94.83%
891,324	45,771,675	94.56%
1,597,512	47,005,298	95.09%

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

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

Fiscal Year	Governmental Activities			Per Capita ⁽²⁾	Per ADM ⁽²⁾	Percentage of Personal Income ⁽³⁾
	General Obligation Bonds ⁽¹⁾	Capital Leases	Total Primary Government			
2017	\$ 115,956,540	\$ 184,630	\$ 116,141,170	\$ 3,596	\$ 33,032	7.34%
2016	86,507,155	270,262	86,777,417	2,676	23,801	5.46%
2015	90,689,041	351,726	91,040,767	2,782	22,429	6.69%
2014	93,690,747	-	93,690,747	2,863	23,816	6.88%
2013	98,150,611	81,118	98,231,729	3,001	24,632	7.22%
2012	102,354,337	156,025	102,510,362	3,132	25,218	7.53%
2011	104,969,676	225,189	105,194,865	3,214	26,019	7.73%
2010	21,371,791	289,048	21,660,839	677	5,394	1.83%
2009	23,094,011	348,014	23,442,025	733	5,801	1.98%
2008	24,745,683	11,167	24,756,850	774	6,007	2.09%

Sources:

⁽¹⁾ See notes to the financial statements regarding the District's outstanding debt information. Includes accreted interest on capital appreciation bonds and unamortized premiums.

⁽²⁾ See schedule "Demographic and Economic Statistics, Last Ten Fiscal Years" for population and enrollment information.

⁽³⁾ See schedule "Demographic and Economic Statistics, Last Ten Fiscal Years" for per capita personal income and population. Personal income equals per capita personal income times population.

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

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

Fiscal Year	Total General Obligation Bonded Debt ⁽¹⁾	Net Position Restricted for Debt Service	Net General Obligation Bonded Debt	Percentage of Actual Taxable Value of Property ⁽²⁾	Per Capita ⁽³⁾
2017	\$ 115,956,540	\$ 6,687,246	\$ 109,269,294	2.68%	\$ 3,384
2016	86,507,155	6,440,435	80,066,720	1.99%	2,469
2015	90,689,041	4,195,669	86,493,372	2.24%	2,643
2014	93,690,747	4,420,547	89,270,200	2.33%	2,728
2013	98,150,611	4,502,719	93,647,892	2.42%	2,861
2012	102,354,337	6,449,616	95,904,721	2.48%	2,930
2011	104,969,676	6,177,809	98,791,867	2.54%	3,018
2010	21,371,791	4,378,630	16,993,161	0.44%	532
2009	23,094,011	4,086,581	19,007,430	0.46%	595
2008	24,745,683	3,848,916	20,896,767	0.51%	654

Sources:

⁽¹⁾ See notes to the financial statements regarding the District's outstanding debt information. Includes accreted interest on capital appreciation bonds and unamortized premiums.

⁽²⁾ See schedule "Assessed Valuation and Estimated Actual Value of Taxable Property" for assessed valuation of property.

⁽³⁾ See schedule "Demographic and Economic Statistics, Last Ten Fiscal Years" for population information.

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

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017**

Governmental Unit	Debt Attributable to Governmental Activities	Percentage Applicable to School District ⁽¹⁾	Amount of Direct and Overlapping Debt
Westlake City School District	\$ 116,141,170	100.00%	\$ 116,141,170
Overlapping debt:			
Cuyahoga County	155,317,000	5.29%	8,216,269
City of Westlake	<u>3,175,000</u>	100.00%	<u>3,175,000</u>
Total overlapping debt	<u>158,492,000</u>		<u>11,391,269</u>
Total direct and overlapping debt	<u><u>\$ 274,633,170</u></u>		<u><u>\$ 127,532,439</u></u>

Source: Ohio Municipal Advisory Council

⁽¹⁾ Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2016 collection year.

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

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

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit ⁽¹⁾	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2017	\$ 129,941,373	\$ 111,845,000	\$ 7,405,013	\$ 104,439,987	\$ 25,501,386	80.37%
2016	128,378,464	80,850,000	8,621,342	72,228,658	56,149,806	56.26%
2015	122,874,109	83,600,000	7,419,662	76,180,338	46,693,771	62.00%
2014	121,907,896	89,205,000	6,524,247	82,680,753	39,227,143	67.82%
2013	122,971,433	91,705,790	6,450,170	85,255,620	35,591,603	69.33%
2012	122,839,128	93,113,312	6,466,914	86,646,398	29,743,114	70.54%
2011	123,280,503	97,524,685	6,263,482	91,261,203	25,841,524	74.03%
2010	122,799,551	15,986,413	4,300,664	11,685,749	111,113,802	9.52%
2009	125,898,835	18,227,070	4,062,615	14,164,455	111,734,380	11.25%
2008	124,810,853	20,298,344	3,756,053	16,542,291	108,268,562	13.25%

Source: Cuyahoga County Fiscal Officer and District financial records

Voted Debt Limit Calculation for Fiscal Year 2017

Assessed Value	\$ 1,443,793,030
Debt Limit (9% of assessed value)	X 9%
Voted Debt Limit	<u>\$ 129,941,373</u>

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

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

⁽¹⁾ Excludes unamortized premiums and accreted interest on capital appreciation bonds.

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

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population ⁽¹⁾	Per Capita Personal Income ⁽¹⁾	Median Age ⁽¹⁾	School Enrollment ⁽²⁾	Unemployment Rates ⁽³⁾		
					Cuyahoga County	Ohio	United States
2017	32,293	\$ 49,009	46.2	3,516	6.6%	5.0%	4.4%
2016	32,428	49,009	46.2	3,646	5.6%	5.0%	4.9%
2015	32,729	41,588	45.0	4,059	5.0%	4.3%	5.2%
2014	32,729	41,588	45.0	3,934	7.9%	5.5%	6.1%
2013	32,729	41,588	45.0	3,988	7.3%	7.2%	7.6%
2012	32,729	41,588	45.0	4,065	6.9%	7.0%	7.8%
2011	32,729	41,588	45.0	4,043	8.8%	9.2%	9.3%
2010	31,972	37,044	42.0	4,016	9.7%	10.0%	9.6%
2009	31,972	37,044	42.0	4,041	10.2%	11.2%	10.2%
2008	31,972	37,044	42.0	4,121	5.7%	6.6%	5.5%

Sources:

⁽¹⁾ U. S. Census Bureau. 2008-2010 census data, 2011-2015 census data, 2016 and 2017 census estimate.

⁽²⁾ School District records

⁽³⁾ Bureau of Labor Statistics. Unemployment rates for month of June of respective year.

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

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	December 31, 2016		
	Employees	Rank	Percentage of Total City Employment
Hyland Software	1,712	1	10.50%
St. John Medical Center	1,526	2	9.36%
Westlake City Schools	743	3	4.56%
TA Operating, LLC	484	4	2.97%
Lutheran Home	438	5	2.69%
City of Westlake	437	6	2.68%
Equity Trust	362	7	2.22%
Premier Physicians Centers, Inc.	260	8	1.60%
Energizer Battery	240	9	1.47%
Cleveland Clinic Foundation	198	10	1.21%
Total	6,400		39.25%
Total City Employment	16,300		
Employer	December 31, 2007		
	Employees	Rank	Percentage of Total City Employment
St. John Westshore Hospital	1,197	1	7.53%
Hyland Software	710	2	4.47%
Westlake City Schools	628	3	3.95%
Energizer	450	4	2.83%
City of Westlake	425	5	2.67%
Lutheran Home	300	6	1.89%
USG Interiors/American Metals	300	7	1.89%
Harborside Healthcare	300	8	1.89%
Travel Centers of America	300	9	1.89%
Lake Erie Electric Inc.	275	10	1.73%
Total	4,885		30.72%
Total City Employees⁽¹⁾	15,900		

Source: State of Ohio Department of Job & Family Services, Ohio Labor Market Information, Civilian Labor Force Estimates

⁽¹⁾ Total revised from 2008 CAFR as more accurate information became available.

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

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

<u>Type</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Professional Staff:				
Teaching Staff:				
Elementary	90	90	88	88
Intermediate	40	44	43	41
Middle	42	42	43	48
High	75	74	75	87
Administration:				
District	20	20	20	20
Auxiliary Positions:				
Counselors	10	9	9	7
Nurses	2	2	2	2
Speech	7	7	7	7
Mental Health Specialists	4	4	4	4
Support Staff:				
Secretarial	34	34	36	42
Aides	71	69	68	68
Hall monitor/Security	10	9	9	9
Technical	3	3	3	2
Cooks	32	32	34	21
Custodial	36	36	37	38
Maintenance	7	7	7	6
Bus Driver	55	58	61	56
Mechanics	3	3	3	3
Extracurricular	200	200	200	200
Total	<u>741</u>	<u>743</u>	<u>749</u>	<u>749</u>

Source: School District records
Head-count only

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
92	92	87	87	87	87
42	43	43	43	41	41
50	50	50	50	46	45
89	89	89	89	93	93
20	22	21	20	21	21
10	10	10	10	10	10
2	2	2	2	2	2
7	8	8	8	7	6
4	4	4	4	4	4
42	42	42	42	42	42
71	72	72	68	67	67
9	9	12	12	12	12
2	2	2	2	2	2
34	33	33	33	33	33
34	34	34	35	35	35
6	6	6	6	6	6
70	73	78	76	70	69
3	3	3	3	3	3
<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>
<u>787</u>	<u>794</u>	<u>796</u>	<u>790</u>	<u>781</u>	<u>778</u>

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

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

Function	2017	2016	2015	2014
Instruction:				
Regular and Special				
Enrollment (students)	3,516	3,646	4,059	3,934
Graduates	271	321	322	357
Support services:				
Board of education				
Regular meetings per year	12	12	12	12
Administration				
Student attendance percentage	95.0%	95.8%	95.7%	95.7%
Fiscal				
Purchase orders processed	5,246	5,200	6,325	6,227
Nonpayroll checks issued	4,729	4,997	4,967	4,949
Operations and maintenance				
Work orders completed	879	965	482	558
Square footage maintained ⁽¹⁾	825,860	825,860	825,860	825,860
Extracurricular activities				
Varsity teams	23	22	22	22
Junior varsity teams	17	16	19	19
Food service operations				
Meals served to students	210,914	223,628	226,991	227,870

Source: School District records

Note: Certain indicators reported in previous CAFR's have been deemed irrelevant and removed from the above schedule

⁽¹⁾ Square footage revised from previous CAFR's. See scheule "School Building Information, Last Ten Fiscal Years" for detail on square footage maintained.

2013	2012	2011	2010	2009	2008
3,988	4,065	4,043	4,016	4,041	4,121
314	309	310	324	314	334
12	12	12	12	12	12
95.4%	95.4%	95.4%	95.0%	95.8%	95.4%
5,846	5,534	5,450	5,777	5,758	6,800
5,182	5,183	5,231	5,342	6,221	5,281
597	578	473	590	606	771
604,625	604,625	604,625	604,625	604,625	604,625
22	22	22	22	22	22
19	19	19	19	19	19
228,464	266,278	252,337	237,418	219,937	185,381

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

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Land	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
Construction in progress	1,326,990	401,514	122,167	-
Land improvements	161,463	133,606	140,847	148,088
Buildings and improvements	106,812,970	109,106,769	111,670,872	114,356,858
Furniture and equipment	1,912,312	1,852,711	2,003,405	1,696,724
Vehicles	960,670	1,045,422	1,195,607	1,405,631
Textbooks and library books	-	241,790	494,703	681,145
 Total Governmental Activities Capital Assets, net	 <u>\$ 113,643,156</u>	 <u>\$ 115,250,563</u>	 <u>\$ 118,096,352</u>	 <u>\$ 120,757,197</u>

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

2013	2012	2011	2010	2009	2008
\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751	\$ 2,468,751
66,212,623	22,561,980	3,116,957	87,881	-	-
155,329	162,570	169,811	177,052	184,293	191,534
33,804,606	34,857,016	35,905,928	36,960,053	37,949,416	38,344,229
1,797,168	1,921,098	1,959,376	2,094,293	1,989,071	1,513,032
1,594,653	1,748,308	2,039,236	1,976,914	1,830,072	1,756,596
657,790	641,484	517,196	500,521	205,999	298,672
<u>\$ 106,690,920</u>	<u>\$ 64,361,207</u>	<u>\$ 46,177,255</u>	<u>\$ 44,265,465</u>	<u>\$ 44,627,602</u>	<u>\$ 44,572,814</u>

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

SCHOOL BUILDING INFORMATION ⁽¹⁾
LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Bassett Elementary (1967)[1987,1998]				
Square feet	41,880	41,880	41,880	41,880
Capacity (students)	335	335	335	335
Enrollment	368	402	430	430
Dover Elementary (1949)[1970]				
Square feet	43,671	43,671	43,671	43,671
Capacity (students)	352	352	352	352
Enrollment	316	326	338	338
Hilliard Elementary (1954)[1998]				
Square feet	40,937	40,937	40,937	40,937
Capacity (students)	328	328	328	328
Enrollment	315	308	330	330
Holly Lane Elementary (1961)[1998]				
Square feet	35,488	35,488	35,488	35,488
Capacity (students)	283	283	283	283
Enrollment	209	242	298	298
Parkside Intermediate (1966)[1998]				
Square feet	72,521	72,521	72,521	72,521
Capacity (students)	519	519	519	519
Enrollment	-	-	-	-
Dover Intermediate Schools (1975)[1982,1998,2014] ⁽⁴⁾				
Square feet	92,256	92,256	92,256	92,256
Capacity (students)	805	805	805	805
Enrollment	553	562	600	600
Lee Burneson Middle (2013)				
Square feet	103,100	103,100	103,100	103,100
Capacity (students)	1,040	1,040	1,040	1,040
Enrollment	613	614	624	624
Westlake High School (1960)[1970,1988] ⁽²⁾				
Square feet	-	-	-	-
Capacity (students)	-	-	-	-
Enrollment	-	-	-	-
Westlake High School (2013)[1998,2004] ⁽³⁾				
Square feet	363,441	363,441	363,441	363,441
Capacity (students)	2,106	2,106	2,106	2,106
Enrollment	1,142	1,192	1,439	1,314
Administration Building (2003)				
Square feet	20,903	20,903	20,903	20,903
Transportation Facility				
Square feet	11,663	11,663	11,663	11,663
Total Square Feet	825,860	825,860	825,860	825,860
Total Capacity	5,768	5,768	5,768	5,768
Total Enrollment	3,516	3,646	4,059	3,934

Source: School District records

⁽¹⁾ The schedule has been revised from the prior CAFR to consolidate totals by building.

⁽²⁾ Building was demolished upon completion of the new Westlake High School.

⁽³⁾ In 2013, the new High School was built attached to the existing Performing Arts Center (1998) and next to the freestanding Field House (2004).

⁽⁴⁾ Former Lee Burneson Facility renamed to Dover Intermediate School- 2014

Note: Year of original construction is in parentheses. Year of major addition/renovation is in brackets.

Increases in square footage and capacity are the result of renovations and additions.

Capacity is defined by standardized guidelines. District exceeded those guidelines in some years.

2013	2012	2011	2010	2009	2008
41,880	41,880	41,880	41,880	41,880	41,880
335	335	335	335	335	335
443	436	393	386	394	384
43,671	43,671	43,671	43,671	43,671	43,671
352	352	352	352	352	352
346	353	370	383	389	395
40,937	40,937	40,937	40,937	40,937	40,937
328	328	328	328	328	328
303	334	328	315	309	316
35,488	35,488	35,488	35,488	35,488	35,488
283	283	283	283	283	283
313	352	327	328	307	324
72,521	72,521	72,521	72,521	72,521	72,521
519	519	519	519	519	519
585	586	594	590	630	642
92,256	92,256	92,256	92,256	92,256	92,256
805	805	805	805	805	805
619	641	666	680	664	672
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
245,606	245,606	245,606	245,606	245,606	245,606
1,246	1,246	1,246	1,246	1,246	1,246
1,379	1,363	1,365	1,334	1,348	1,388
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
20,903	20,903	20,903	20,903	20,903	20,903
11,663	11,663	11,663	11,663	11,663	11,663
604,925	604,925	604,925	604,925	604,925	604,925
3,868	3,868	3,868	3,868	3,868	3,868
3,988	4,065	4,043	4,016	4,041	4,121

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

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities		Enrollment
	Expenditures ⁽¹⁾	Cost per pupil	Expenses ⁽¹⁾	Cost per pupil	
2017	\$ 55,803,836	\$ 15,871	\$ 58,308,013	\$ 16,584	\$ 3,516
2016	53,578,126	14,695	55,729,634	15,285	3,646
2015	54,324,824	13,384	55,634,021	13,706	4,059
2014	73,805,674	18,761	59,591,017	15,148	3,934
2013	99,325,342	24,906	56,735,034	14,226	3,988
2012	74,621,210	18,357	56,108,545	13,803	4,065
2011	57,419,628	14,202	55,406,915	13,704	4,043
2010	53,280,301	13,267	53,391,664	13,295	4,016
2009	52,145,060	12,904	52,873,568	13,084	4,041
2008	48,751,772	11,830	49,146,549	11,926	4,121

Source: School District records

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

⁽²⁾ Full-time certificated teaching staff.

Percent Change	Teaching Staff ⁽²⁾	Pupil/Teacher Ratio	Student Attendance Percentage
-3.57%	247	14.23	95.00%
-10.17%	250	14.58	95.80%
3.18%	249	16.30	95.70%
-1.35%	264	14.90	95.70%
-1.89%	273	14.61	95.40%
0.54%	274	14.84	95.40%
0.67%	269	15.03	95.40%
-0.62%	269	14.93	95.00%
-1.94%	267	15.13	95.80%
0.27%	251	16.42	95.40%

CFO Staff

Robin Allen

Administrative Assistant

Deb Carroll

*Treasurer's Assistant-
Budgetary*

Robin Murray

Payroll Manager

Roberta Rence

Grants Management

Mary Studer

Accounts Payable-Payroll



<http://www.wlake.org>



Dave Yost • Auditor of State

WESTLAKE CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 11, 2018**