

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2008



Mary Taylor, CPA
Auditor of State

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

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**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2008
(CASH BASIS)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>						
<i>Passed Through Ohio Department of Education:</i>						
Food Donation	316401114	10.550	\$ -	\$ 127,588	\$ -	\$ 127,588
Nutrition Cluster:						
School Breakfast Program	045047-05PU-2007/2008	10.553	243,726	-	243,726	-
National School Lunch Program	045047-LLP4-2007/2008	10.555	890,502	-	890,502	-
Total National School Lunch Program			<u>890,502</u>	<u>-</u>	<u>890,502</u>	<u>-</u>
Total Nutrition Cluster			<u>1,134,228</u>	<u>-</u>	<u>1,134,228</u>	<u>-</u>
Total U.S. Department of Agriculture			<u>1,134,228</u>	<u>127,588</u>	<u>1,134,228</u>	<u>127,588</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>						
<i>Passed Through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	045047-C1S1-2007/2008	84.010	733,371	-	721,104	-
Special Education Cluster:						
Special Education - Grants to States	045047-6BSF-2007/2008	84.027	2,506,701	-	2,550,565	-
Special Education - Preschool Grant	045047-PGS1-2007/2008	84.173	43,670	-	43,306	-
Total Special Education Cluster			<u>2,550,371</u>	<u>-</u>	<u>2,593,871</u>	<u>-</u>
Safe and Drug-Free Schools and Communities - State Grants	045047-DRS1-2007/2008	84.186	33,635	-	33,094	-
State Grants for Innovative Programs	045047-C2S1-2007/2008	84.298	27,094	-	36,324	-
Education Technology State Grants	045047-TJS1-2007/2008	84.318	11,793	-	10,916	-
English Language Acquisition Grants - Limited English Proficient	045047-T3S1-2007/2008	84.365	261,872	-	251,351	-
English Language Acquisition Grants - Immigrant	045047-T3S2-2007/2008		33,240	-	32,979	-
Total English Language Acquisition Grants			<u>295,112</u>	<u>-</u>	<u>284,330</u>	<u>-</u>
Improving Teacher Quality State Grants	045047-TRS1-2007/2008	84.367	333,474	-	356,145	-
Total Ohio Department of Education			<u>3,984,850</u>	<u>-</u>	<u>4,035,784</u>	<u>-</u>
<i>Passed Through Central Ohio Special Education Regional Resource Center:</i>						
Special Education - Grants to States	045047-6BPB-2007	84.027	-	-	90	-
Total U.S. Department of Education			<u>3,984,850</u>	<u>-</u>	<u>4,035,874</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>						
<i>Passed Through Ohio Department of Education</i>						
Refugee and Immigrant Assistance - Discretionary Grants	316401114	93.576	8,598	-	13,439	-
<u>U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>						
<i>Passed Through Upper Arlington City School District</i>						
Learn and Save America - School and Community Based Programs	316401114	94.004	5,000	-	4,842	-
Total Federal Awards Receipts and Expenditures			<u>\$ 5,132,676</u>	<u>\$ 127,588</u>	<u>\$ 5,188,383</u>	<u>\$ 127,588</u>

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

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2008**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – DONATION PROGRAM

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.



Mary Taylor, CPA

Auditor of State

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

Westerville City School District
Franklin County
336 South Otterbein Street
Westerville, Ohio 43081

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio, (the District) as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 21, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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

We noted certain matters that we reported to the District's management in a separate letter dated November 21, 2008.

Compliance and Other Matters

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

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

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

Mary Taylor, CPA
Auditor of State

November 21, 2008



Mary Taylor, CPA

Auditor of State

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

Westerville City School District
Franklin County
336 South Otterbein Street
Westerville, Ohio 43081

To the Board of Education:

Compliance

We have audited the compliance of Westerville City School District, Franklin County, Ohio (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2008. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Westerville City School District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2008.

Internal Control Over Compliance

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

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A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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 that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio as of and for the year ended June 30, 2008, and have issued our report thereon dated November 21, 2008. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying federal awards receipts and expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

November 21, 2008

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2008**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster, CFDA#: 84.027 & 84.173 Nutrition Cluster, CFDA #: 10.553 & 10.555 Title I - Grants to Local Educational Agencies, CFDA #: 84.010
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
JUNE 30, 2008

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2007-001	Extracurricular activity documentation was not available.	No	Repeated in Management Letter
2007-002	Nine audit adjustments were made to basic financial statements	No	Repeated in Management Letter

Westerville City School District

Comprehensive Annual Financial Report

**For Fiscal Year Ended
June 30, 2008**



**Board of Education
Westerville City School District
Westerville, Ohio**

Westerville City School District

Westerville, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2008

Issued By:

Office of the Treasurer

Prepared By:

J. Scott Gooding II

Treasurer/CFO

Laura A. Hendricks, CPA

Assistant Treasurer

Westerville City School District

Westerville, Ohio



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WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
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For the Fiscal Year Ended June 30, 2008

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Comprehensive Annual Financial Report
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Westerville City School District

Westerville, Ohio



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Introductory Section



Board of Education
Westerville City School District
Westerville, Ohio



Westerville City Schools

336 South Otterbein Avenue, Westerville, OH 43081
Main Office (614) 797-5700 Fax (614) 797-5775

Department of Treasurer/Fiscal Services
J. Scott Gooding II, Treasurer/CFO

Vision

Our vision is
to be the benchmark
of educational
excellence.

November 21, 2008

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

Mission

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

As the Superintendent and Treasurer/CFO of the Westerville City School District (the District), it is our pleasure to present the seventh Comprehensive Annual Financial Report (CAFR) issued by the District. This CAFR, for the year ended June 30, 2008, contains financial statements, supplemental statements, and statistical information, providing complete and full disclosure of all material financial aspects of the District for the 2008 fiscal year.

Values

Respect
Inclusiveness
Community
Communication
Collaboration
Innovation
Nurturing
Trust
Accountability

The District is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, this report and 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 various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The report is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with financial reporting standards established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

The District provides a full range of traditional and non-traditional educational programs, services, and facilities. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels, a broad range of co-curricular and extracurricular activities, special education programs and facilities. In addition to providing these general activities, the District has the administrative responsibility for state funds distributed to private schools located within District boundaries; therefore, in accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, none of these organizations' financial statements are included in this report.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

THE DISTRICT AND ITS FACILITIES

The Westerville City School District (the District) is located in Central Ohio, immediately northeast of the City of Columbus. Encompassing 52 square miles, the District includes land in the City of Westerville, Village of Minerva Park, City of Columbus, Franklin County, and Delaware County. Westerville is a growing residential suburb with a school district enrollment of 14,477 (tenth largest in Ohio), and the District's estimated population is 80,404 (Mid Ohio Regional Planning Commission). The District is currently comprised of 23 schools: 16 elementary schools, four middle schools, and three high schools. The District is culturally and economically diverse, and its residents are well educated and expect a high quality education for their children. Many residents are area leaders in business, the professions, and the arts. Westerville is the home of Otterbein College, a 4-year liberal arts institution.

Westerville City Schools enjoys a reputation as a high-performing public school system. For the 16th year in a row, our district met the criteria for having "What Parents Want" in education, a designation awarded by SchoolMatch. And Expansion Management magazine again has rated Westerville City Schools as a Gold Medal District, a rank given only to the top 16% of all school districts nationwide.

Westerville City Schools considers student achievement its top priority. For its core subject areas, the district has adopted the Ohio Department of Education's Academic Content Standards, which ensure that written curriculum, classroom instruction and assessments of learning all match – an alignment that research suggests makes a powerful impact on student achievement. We use these standards as a foundation to develop our courses of study.

Westerville's collaborative focus on student achievement has paid off in ways that will open doors to a successful future for its graduates. We have implemented a number of programs that nurture the whole child by promoting safety and wellness, enhancing learning and providing a continuum of services, from prevention through intervention and family support.

We also believe that fostering character is an important part of each student's education. The Westerville Way, which focuses on one inspirational word each month, was created to support shared values. Because students are also strongly encouraged to participate in community service activities, our local, national, and global neighbors have benefited.

Partnerships are important. In the Westerville school district, parents and community members are actively encouraged to connect with their schools. In conjunction with the Westerville Area Chamber of Commerce, the Adopt-a-School program, which began in 1985, offers long-term opportunities for local businesses and schools to work together. A significant increase has occurred in the number of Adopt-a-School partners, thanks to the teamwork of civic leaders and school staff.

It takes hard work and dedication on the part of many individuals to serve the needs of 14,477 students. In addition to being educated, pupils must be transported, fed and sheltered in a safe and clean environment. Our secretaries, bus drivers, custodians, food service workers, maintenance experts and grounds crews excel at making operations run smoothly every day.

Our award-winning fiscal operations, under the direction of Treasurer/CFO J. Scott Gooding, are monitored by a Financial Accountability Community Task Force, formed as a promise tied to an operating levy passed in May 2006. Its purpose is to analyze the district budget related to the expenditure of funds generated from that levy. The committee meets regularly, using a traffic light

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2008

analogy to assess the district's progress and report to the community. So far, Westerville schools have received all green lights, which indicate we are on track to meet our commitment to voters.

With challenge comes opportunity. As our student population grows and diversifies, our enthusiastic teachers and support staff are prepared to meet the changing needs of pupils who attend Westerville City Schools. The number of students with disabilities served by the district has increased steadily over the years. We now provide a continuum of support for more than 1,600 students with disabilities in the special education programs for school-age and preschool-age children. In addition, Westerville's 1,210 non-English or limited-English speaking pupils now represent 9% of the student population. Eighty-two different languages are spoken by the district's English-as-a-Second-Language (ESL) students. They are served by a staff of 60 ESL teachers, paraprofessionals and bilingual aides.

The District has a statewide reputation as a high performing, exemplary public school district. The Westerville tradition of excellence is based on collaboration between students, staff, administrators, parents, and the community.

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

ECONOMIC DEVELOPMENT AND OUTLOOK

The City of Westerville is located in the northeast quadrant of Ohio's fastest growing metropolitan area and is a vital city of 35,318 (US Census Bureau) residents within 12.97 square miles that abut the City of Columbus, Ohio's capital. The City has immediate access to I-71 and I-270. Settled in 1806, Westerville's historic legacy serves as a constant backdrop to its steady residential and corporate growth. New and existing businesses enjoy the character of the cobblestone streets in Uptown Westerville and a business climate poised for the 21st century. Residents enjoy 335 acres of parkland in 26 different locations plus the family recreational activities along the nine-mile Hoover Reservoir, just east of the city. In *CNNMoney.com: Best Places to Live*, Westerville was ranked 46th in the top 100 list for Best Places to Live in the United States of America. The Westerville Parks & Recreation was named a National Gold Medal Winner.

The City is home to major national corporations such as J.P. Morgan Chase, Exel Corp., inChord Communications, Liebert Global Services, American Family Insurance, Worthington Industries, Cheryl's Cookies and more. Over the last several years, the City has enjoyed more success than any other central Ohio suburb in attracting major companies and employees. Much of this job growth as occurred in the Westar Center of Business, one of the fastest growing and most premier office developments in the Midwest. In addition to the first class Westar Center of Business, other factors that have helped the City attract jobs are its 1.25% income tax rate (among the lowest municipal income tax rates in Central Ohio), and its own municipal operated divisions of electricity and water.

The City and District's financial operations continue to benefit from the strength of the local economy. Taxable resources, including assessed property valuations and income levels, have shown considerable and consistent growth in recent years. The continued economic growth and expansion of the District's commercial tax base is almost certain. The District has an excellent relationship with the City of Westerville, which assures that development projects selected by the City are also

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

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

The City of Westerville is also home to Otterbein College, ranked among the top fifteen universities for master's program colleges in the Midwest by *U.S. News and World Reports*. Westerville residents and visitors continually enjoy Otterbein's world-renowned theater and music programs. Columbus State Community College and Franklin University have branch classes in the City of Westerville.

Ohio's seasonally adjusted unemployment rate increased to 6.6% in June 2008 from 6.1% in June 2007. The national unemployment rate increased to 5.7% in June 2008 from 4.5% in June 2007. The projected September 2008 labor force in the State of Ohio numbered at 6,000,283 (US Department of Labor – Bureau of Labor Statistics).

ORGANIZATION OF THE DISTRICT / PROFILE OF THE GOVERNMENT

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

Board members are elected at large for staggered four-year terms. The Board meets regularly on the second and fourth Monday of each month. At the first meeting of each year, the Board elects one of its members as president and one as vice-president to serve as such for one year. The Board members on June 30, 2008, were as follows:

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

The Superintendent of Schools is the Chief Executive and Administrative Officer for the Westerville Board of Education. Dr. J. Daniel Good, in this capacity, directs and supervises the work of all the schools, offices, and employees of the Board, except the Treasurer and the Treasurer's Assistants.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

Dr. Good (Dan) assumed the role of CEO on June 1, 2008. It is Dan's 26th year in service to public education having served in the roles of teacher, administrator, state official, and Chief Executive Officer.

The Treasurer is the chief financial officer (CFO) of the District and is responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. J. Scott Gooding II was appointed as Treasurer/CFO on June 1, 2004. Mr. Gooding has been in the government finance profession for 11 ½ years.

EMPLOYEE RELATIONS

The District currently has approximately 1,600 full-time and part-time employees. Four organizations represent District employees. For collective bargaining purposes, the Westerville Education Association (WEA) represents certificated employees, which include teachers and educational specialists. Classified employees are divided into three bargaining unions: the bus drivers and mechanics are represented by Ohio Association of Public School Employees (OAPSE #719); the custodial/maintenance staff and food service staff are represented by Ohio Association of Public School Employees (OAPSE #138); and the clerical staff is represented by the Westerville Education Support Staff Association (WESSA). In the opinion of School District officials, labor relations are good.

Certified Staff

The teaching or certified staff is represented by the Westerville Education Association (WEA), which is affiliated with the Ohio Education Association (OEA) and the National Education Association (NEA). The Board has bargained with the WEA since September 1, 1997. The Board and the WEA signed a two-year agreement effective September 1, 2007 through August 31, 2009. The settlement granted the certified staff an annual salary increase of 2.65% and 2.65%, effective September 1, 2007, and September 1, 2008, respectively.

Classified Staff

Classified employees are represented by three unions: bus drivers and mechanics are represented by the Ohio Association of Public School Employees (OAPSE #719), the custodial, maintenance and food service staff are represented by OAPSE #138, and the clerical staff is represented by Westerville Educational Support Staff Association (WESSA). The OAPSE #138 wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years. The OAPSE #719 wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years. The WESSA wage agreement for the period of July 1, 2007, through June 30, 2010, included raises of 2.65% for each of the years covered under the contract, effective July 1st each of those years.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

DISTRICT MAJOR INITIATIVES AND EVENTS

- Our vision:** To be the benchmark of educational excellence.
- Our mission:** To prepare students to contribute to the competitive and changing world in which we live.
- Our values:** The Westerville School District and those who represent it acknowledge that an educational institution must promote, uphold and reflect the values for which it stands, as well as those for which its community stands, in all work and learning environments under its care. Driven by a vision to be the benchmark of educational excellence, the Westerville School District strives daily to exemplify the following **organizational values: Respect, Inclusiveness, Community, Communication, Collaboration, Innovation, Nurturing, Trust, and Accountability.**

Our number one priority is student achievement

We believe that in the process of learning, students need support from teachers and other adults based on the student's needs and experiences, and the difficulty of the task. We recognize that children learn and master knowledge and skills at different rates and through differentiated instructional strategies as they progress through school. Through a partnership with the teacher and staff, the parent, and the student, it is our goal to help every child learn the knowledge and skills essential for success in school and life.

Our district offers a wide variety of programs and services to successfully meet the needs of our students – from special education services for preschool students with various handicaps to advanced placement classes for gifted pupils. We work closely with surrounding career centers to offer our students the opportunity to take career-technical courses, learning skills to enter a job immediately after high school or continue in college. We provide students the opportunity to work with guidance counselors, psychologists, speech pathologists, ESL paraprofessionals, and academic intervention specialists to meet their needs. We offer instruction in the summer through intervention programs for students struggling with academic needs in various subject areas such as reading and math, and through our popular Summer School Program. The Department of Academic Affairs oversees these offices and services:

- **Assessment & Accountability** - responsible for all district-wide assessments and testing protocol as well as state/district/building report card data.
- **Curriculum & Instruction** - responsible for course of study development and textbook adoptions in all curricular areas (English/Language Arts, Math, Science, Social Studies, Foreign Language, Visual & Performing Arts, Technology, Health, Physical Education), instructional strategies and teacher professional development. This also includes the **International Baccalaureate Programme** (a two-year international curriculum with a goal to provide students with the skills and attitudes necessary for success in higher education and employment); our **Magnet School Program** (schools of choice for students entering grades 1 - 5 at Emerson, Hanby, Central College and Longfellow); and our **Career-Technical Education** (16 career fields/groups of occupations and broad industries based on common characteristics).

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

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For the Fiscal Year Ended June 30, 2008

- English as a Second Language (ESL) – responsible for offering ESL classes for approximately 1,200 students with limited English proficiency. Pupils in this program come from more than 70 countries and speak some 82 languages. Qualifying students, upon enrolling in the district, are evaluated to determine the level of support needed.
- Gifted Services - responsible for identifying and working to meet the needs of our gifted students by developing, delivering and encouraging ability-appropriate academic challenges as well as social/emotional support for the student.
- Information Management Systems/Technology - responsible for all Information Technology equipment, operations, support and maintenance, including all servers, desktop computers, laptops, printers, infrastructure (such as routers, switches, and the Wide Area Network), e-mail and testing and deploying various software programs used throughout the district. The office also provides services that include integrating computer systems and negotiating/managing information technology related contracts.
- Special Education - Consistent with school districts across Ohio, twelve percent of Westerville's students have been identified as disabled and in need of special education. Students with disabilities in Westerville represent a diverse range of socio-economic and ethnic membership; of cognitive potential, from gifted to severely impaired; and type of disability, from individuals adversely affected by speech errors, to individuals with traumatic brain injury. We continue to search for the best intervention strategies to use with all children, including children with disabilities, and our goal is that we will increasingly graduate students who are ready to continue a lifetime of learning and the highest level of individual independence possible. Early identification and intervention are critical to closing the gap reflected above. With the addition of another classroom for 2008-09, we now have 21 sections of preschool and a half time teacher devoted to providing itinerant services. Whether presented with a three year old who does not speak, or a 16 year old with dyslexia, our goal is to serve students based on clearly identified individual needs. The staff of Westerville Schools is committed to identifying more efficient, compliant and effective programs for all of our students. Last year the Special Education Department received a Bette Marschall grant to purchase social skills software which features real-life workers having developmental disabilities and their employers, to be used in in-service for job coaches.

Our Goal: Every Student Achieves Educational Success

- Twenty-one International Baccalaureate diploma recipients
- First place, 8th Grade Battle of the Books competition
- Twenty state awards in the PTA Reflections contest
- First place for physics essay from the Instrument Society of America and the American Society for Metals
- Thirty top senior scholars honored at the Westerville Kiwanis 46th annual Academic Varsity Awards Banquet
- Two middle school teams advance to the National History Day competition in Washington, D.C.
- Three 2008 Westerville Parent Council PTA Memorial Scholarships; one Ohio PTA Memorial scholarship recipient
- Three superior ratings at the Central Ohio Invention Convention

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

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- Two excellent and one superior rating in the information technology category at the 2008 Heart of Ohio Tech Prep College Showcase
- Outstanding Young Woman award from the Zonta Club of Columbus
- Second prize in the national C-Span Video Documentary contest
- Two Be Wise Mathematics and Science Camp scholarship recipients
- Excellent ranking for student literary magazine from the National Council of Teachers of English
- Student presenter at the 2008 Ohio Natural History Conference
- Best video production team and first place in graphic design promotion, Region IV Business Professionals of America competition
- First place, National Future City Competition, Washington, D.C.
- Student artwork selected for display in the 2008 Ohio Art Education Association's Youth Art Month exhibition
- First place, Jerry Tollifson Art Criticism Open
- Two superior ratings and one excellent rating at the Ohio Music Education Association's State Orchestra Competition
- State finalist in the Ohio MATHCOUNTS competition
- Middle school student poetry selected for publication in the *OAGC Review*, a journal for the Ohio Association for Gifted Children
- High school student poetry published in the hardback anthology *A Celebration of Young Poets*
- Recipient of the first annual Martin Luther King Jr. Fouse Award
- Second place, Fall Chess Classic
- Three Honda-OSU Partnership Math Medal recipients
- Sixteen AP Scholar with Distinction awards; 19 AP Scholar with Honor awards; and 42 AP Scholar awards
- Four Achievement Awards in Writing from the National Council of Teachers of English
- Student selected to serve on Girls' Web Editorial Board for New Moon Publishing
- Twelve Commended Students in the 2008 National Merit Scholarship Program; three National Merit Semifinalists; one National Merit University of Chicago scholarship; one National Merit American Electric Power scholarship recipient
- National Student Spirit Award for 2008, Jostens Renaissance National Conference, Phoenix, Arizona
- Two 2008 Statewide Laws of Life Essay Contest finalists

Our Goal: Community, Parents, Students and Staff are Engaged as Partners in Education

Corporate and individual involvement plays an important role in public education. Partnerships enrich instruction and keep businesses and organizations in touch with young people. In 2007-2008, Westerville students and community members joined forces for the betterment of all.

- In conjunction with the Westerville Area Chamber of Commerce, the Adopt-a-School program, which began in 1985, continued to offer long-term opportunities for local businesses and schools to work together in a collaborative fashion for the benefit of both parties. The long-term partnerships are reciprocal in nature and both the business partner and the school benefit from the relationship. At the end of the 2007-2008 school year, a number of partnerships were in place and many schools were connected with businesses. A significant area of growth occurred in the increase of "Adopt a School" partners, thanks to

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

the teamwork of our civic leaders and school staff. There are many businesses that want to support education in our community by contributing their time, talents and energy, but they don't necessarily know how to take the first step. Likewise, our schools are always looking for ways to become more involved and visible in the community. The Adopt-A-School Program helps make these connections and build those partnerships. To inquire about partnership opportunities, please call 797-5967 or visit the district website.

- Beginning in 2009, Westerville City Schools, which enrolls and withdraws approximately 3,000 students each school year at 19 separate locations, will centralize the process and serve families more efficiently in a supportive, caring environment, thanks to the generosity of OhioHealth. The district's new Welcome Center will be located in the new OhioHealth Westerville Medical Campus at the corner of Polaris Parkway and Africa Road. OhioHealth donated a portion of its new building to the district for just \$1 per year.
- Business representatives, parents, student representatives, and educators comprised the Westerville Area Chamber of Commerce Education Committee, which met monthly to work jointly on projects that benefit both the schools and community. In 2007-2008, the group organized mentorship programs and conducted job fairs, which were hosted at each of the high schools.
- Library Link is a service to the Westerville school community being provided through the Outreach Department of the Westerville Public Library. Its primary function is to make daily deliveries and pick-ups of Westerville Library materials to all school buildings in the Westerville District. During the 2007/2008 school year, Library Link delivered 20,764 items requested by students and staff.
- In May 2008, Paula Parlett, Vice President of National City Bank, received the Westerville Education Association's 2007-2008 Business Partner of the Year award. National City Bank employees at the Schrock Road branch partnered with multiple schools, engaged in numerous activities with students, and provided financial support. Parlett also co-chaired the Education Committee.

Our Goal: The Best Staff are Recruited, Selected, Developed and Retained

As of August 27, 2008, 1,648 individuals were employed at Westerville City Schools. That number includes 985 teachers, 591 classified staff, 56 administrators, and 16 classified administrators. In addition, 284 certificated substitutes were on call, as were 173 classified substitutes.

The Westerville City School District uses an on-line application process for all positions. Vacancies are posted on the Online Application System and are accessible 24 hours a day, seven days a week.

As a result of retirements, resignations, and newly authorized FTE, the Westerville City School District hired 77 new teachers and eight new administrators for the 2008-2009 school year. Several classified positions were filled as well.

Each of these employees has an important role to play in preparing our students for the future. Their efforts met with success when it was revealed that Westerville City Schools achieved a designation of "Excellent" on the 2008 state report card. The district benefited from the new "value-added" and "growth trajectory" components on the state rating system. This marked the first year that value-

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For the Fiscal Year Ended June 30, 2008

added data could be used to increase a district's rating. It was also the first year for Adequate Yearly Progress (AYP) growth trajectory data to be incorporated into the state's rating system. The new growth component allowed the Westerville City Schools to meet AYP in every student subgroup which, when combined with value-added data, increased the district rating to "Excellent."

While we celebrate this achievement, we must temper it with the reality that we still have individual students and student groups who are not performing well enough or growing quickly enough to demonstrate Adequate Yearly Progress. "Our mission remains the same," said Superintendent Dan Good. "We must focus our energies on nurturing a year's worth of growth in each student, not just aggregates of the student body, and we must hold ourselves accountable for demonstrating improvement in every child."

Many members of our staff and school community were recognized for making a positive impact, including district GEM award winners Jerry Davis, Stephanie Martin, Jeanette Talamo, and Sandi Ziegler. The Westerville Parent Council and Roush Honda sponsor this awards program.

FINANCIAL INFORMATION

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

Internal Controls

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

Federal and State Assistance

As a recipient of federal and state financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies.

Budgetary Controls

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency

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For the Fiscal Year Ended June 30, 2008

funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are verified prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at year-end are carried forward to succeeding fiscal years and are not re-appropriated.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. As with the financial section, all amounts presented in the remainder of this letter are expressed in rounded dollar amounts.

Financial Condition

This is the seventh year that the District has prepared financial statements following *GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* GASB Statement No. 34 created basic financial statements for reporting on the District's financial activities as follows:

- **Government-wide financial statements** – These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses.
- **Fund financial statements** – These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities presented in the government-wide financial statements. Fiduciary funds use the accrual basis of accounting.
- **Statement of budgetary comparisons** – This statement presents comparisons of actual information to the legally adopted budget for the general fund. The budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the financial section of this report, following the audit opinion, and provides an assessment of the District's finances for 2008.

Cash Management

It is the policy of the Westerville City School District, that with due regard to the safety and risk of investments, all available funds shall be invested in conformance with existing legal requirements and Board-adopted policy guidelines, to the maximum extent possible, at the highest rates obtainable at the time of investment. Effective cash management is recognized as essential to good fiscal management. An investment policy has been formulated to take advantage of investment interest as a viable and material source of revenue to all funds involved. The District's investments are designed and managed in a manner responsive to public trust and consistent with state and local laws.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2008

Risk Management

The District maintains protection for its assets and employees through a comprehensive insurance program. Insurance policies for vehicle fleet liability, general liability, property loss, and boiler and machinery coverage are purchased from insurance companies licensed to do business in the State of Ohio.

For fiscal year 2008, the District was enrolled in the retrospective rating plan for workers' compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

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

The drawbacks of retrospective rating may outweigh the advantages for some employers. For example, if an employer incurred high losses in a rating year, actual premiums could double.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Westerville City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. This was the sixth year that the District has achieved this prestigious award.

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

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

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded the Certificate of Excellence on Financial Reporting to the Westerville City School District for the fiscal year ended June 30, 2007. This was the sixth year that the District has achieved this prestigious award.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2008

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

Independent Audit

State statutes require a bi-annual audit by independent accountants unless a single audit is required. The Ohio Auditor of State conducted the District's 2007 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Acknowledgments

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

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

Sincerely,



Dr. J. Daniel Good
Superintendent/CEO



J. Scott Gooding II
Treasurer/CFO

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Elected Officials and Administrative Staff
As of June 30, 2008

BOARD OF EDUCATION

President

Kevin Hoffman

Vice President

Kristi Robbins

Member

Michael Collins

Member

Cindy Crowe

Member

Jeff Gale

APPOINTED OFFICIALS

Superintendent

Dr. J. Daniel Good

Treasurer

J. Scott Gooding II

ADMINISTRATIVE STAFF

Assistant Superintendent/Human Resources

Christopher Wanner, Ph.D.

Senior Executive Director of Curriculum and Instruction

Diane Conley

Executive Director of Business Services

Jeff LeRose

Executive Director of Special Education

Glenna Cameron

Executive Director of Student Activities, Safety and
Communications

Mark Hershiser

Principal, Westerville North High School

Curt Yancey

Principal, Westerville South High School

Keith Bell

Principal, Westerville Central High School

Todd Spinner

Principal, Blendon Middle School

David Baker

Principal, Genoa Middle School

Suzanne Kile

Principal, Heritage Middle School

Felicia Harper

Principal, Walnut Springs Middle School

Matt Lutz

Principal, Alcott Elementary School

Bob Hoffman

Principal, Annehurst Elementary School

Howard Baum

Principal, Central College Elementary School

Steve Petercsak

Principal, Cherrington Elementary School

Debbie Kozlesky

Principal, Emerson Elementary School

Rebecca Carter-Bates

Principal, Fouse Elementary School

Karen McClellan

Principal, Hanby Elementary School

Jan Fedorenko, Ph.D.

Principal, Hawthorne Elementary School

Machelle Kline, Ph.D.

Principal, Huber Ridge Elementary School

Barbara Wallace

Principal, Longfellow Elementary School

Steve Petercsak

Principal, Mark Twain Elementary School

Scott Ebbrecht

Principal, McVay Elementary School

Phil Roe

Principal, Pointview Elementary School

Jeanne Roth

Principal, Robert Frost Elementary School

Sara Berka

Principal, Whittier Elementary School

Lucy Rader Brown

Principal, Wilder Elementary School

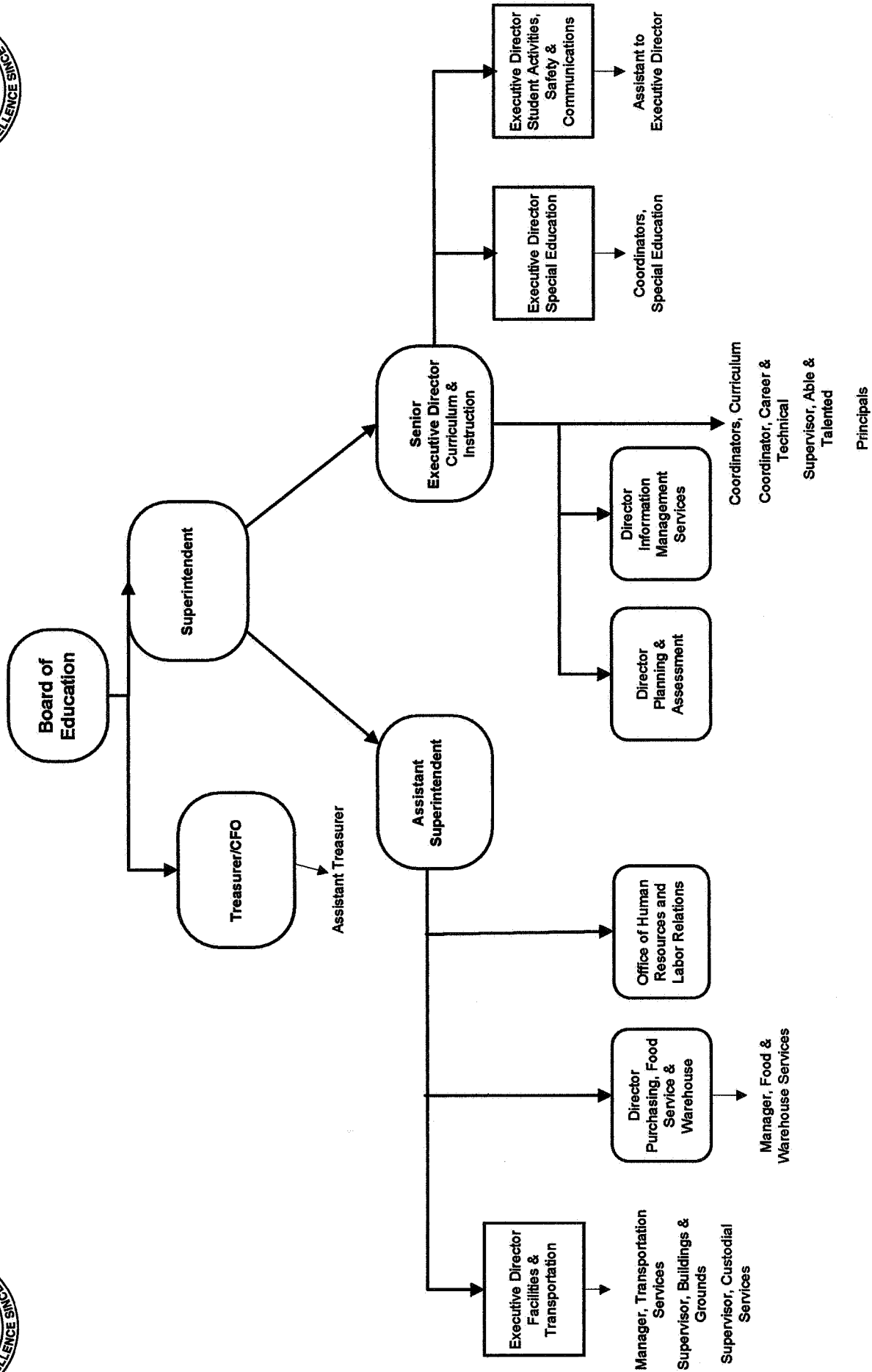
Becca Yanni



Westerville City School District, Ohio

Table of Organization for Administrators

For Fiscal Year Ended June 30, 2008



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Westerville City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

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



Charles S. Cox

President

Jeffrey R. Emer

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

WESTERVILLE CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

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

Thome E. Brendel

President

John D. Musso

Executive Director

Westerville City School District

Westerville, Ohio



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Financial Section



Board of Education
Westerville City School District
Westerville, Ohio

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westerville City School District
Franklin County
336 South Otterbein
Westerville, Ohio 43081

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio, as of June 30, 2008, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2008, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

88 E. Broad St. / Tenth Floor / Columbus, OH 43215-3506
Telephone: (614) 466-3402 (800) 443-9275 Fax: (614) 728-7199
www.auditor.state.oh.us

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

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



Mary Taylor, CPA
Auditor of State

November 21, 2008

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

The management of the Westerville City School District offers the readers of the District's Comprehensive Annual Financial Report this narrative overview and analysis of the financial activities for the year ended June 30, 2008. The District encourages readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, notes to the basic financial statements and the financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's net assets increased by \$3.3 million or 4.9%. Program revenues accounted for \$12.7 million or 7.9% of total revenues, and general revenues accounted for \$147.1 million or 92.1%.

The general fund reported a positive fund balance of \$15.2 million.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

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

REPORTING THE DISTRICT AS A WHOLE

Statement of Net Assets and Statement of Activities

While this document contains a large number of funds utilized by the School District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did the District perform financially in 2008?" The Statement of Net Assets and the Statement of Activities help to answer this question. These statements include *all assets and liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by private sector corporations. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- *Governmental Activities* – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, student transportation and extracurricular activities.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District's food service and uniform school supplies operations are reported as business-type activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 27. The fund financial statements begin on page 34 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary use different accounting approaches as further described in the notes to the financial statements.

Governmental Funds

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

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore the statements will essentially match.

Fiduciary Funds

The District is the trustee, or fiduciary for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on page 42. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

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FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$71.3 million at the close of the most recent fiscal year.

A significant portion of the District's net assets (63%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1 provides a comparative analysis of fiscal year 2008 to 2007:

(Table 1)
 Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current Assets	\$133,993,597	\$133,405,905	\$611,599	\$558,243	\$134,605,196	\$133,964,148
Capital Assets	<u>150,438,030</u>	<u>151,633,411</u>	<u>313,319</u>	<u>351,803</u>	<u>150,751,349</u>	<u>151,985,214</u>
Total Assets	284,431,627	285,039,316	924,918	910,046	285,356,545	285,949,362
Current Liabilities	93,098,151	92,458,848	395,164	378,407	93,493,315	92,837,255
Long Term Liabilities	<u>120,384,425</u>	<u>124,924,121</u>	<u>180,146</u>	<u>201,541</u>	<u>120,564,571</u>	<u>125,125,662</u>
Total Liabilities	213,482,576	217,382,969	575,310	579,948	214,057,886	217,962,917
Net Assets:						
Invested in Capital						
Assets, net of debt	44,673,445	40,493,825	313,319	351,803	44,986,764	40,845,628
Restricted	15,870,373	13,778,302	-	-	15,870,373	13,778,302
Unrestricted	<u>10,405,233</u>	<u>13,384,220</u>	<u>36,289</u>	<u>(21,705)</u>	<u>10,441,522</u>	<u>13,362,515</u>
Total Net Assets	<u>\$70,949,051</u>	<u>\$67,656,347</u>	<u>\$349,608</u>	<u>\$330,098</u>	<u>\$71,298,659</u>	<u>\$67,986,445</u>

An additional portion of the District's net assets (22%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the District's ongoing activities. The District is able to report positive balances in all areas of net assets.

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Table 2 shows the changes in net assets for fiscal year 2007 and 2006.

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program Revenues						
Charges for Services	\$ 2,592,185	\$ 2,809,742	\$ 2,991,424	\$ 2,997,897	\$ 5,583,609	\$ 5,807,639
Operating Grants	<u>5,772,699</u>	<u>5,512,705</u>	<u>1,313,957</u>	<u>1,126,557</u>	<u>7,086,656</u>	<u>6,639,262</u>
Total Program Revenues	<u>8,364,884</u>	<u>8,322,447</u>	<u>4,305,381</u>	<u>4,124,454</u>	<u>12,670,265</u>	<u>12,446,901</u>
General Revenues						
Property Taxes	93,604,826	98,344,144	-	-	93,604,826	98,344,144
Grants and Entitlements	47,212,653	44,906,266	-	-	47,212,653	44,906,266
Insurance Recoveries	3,438,753	-	-	-	3,438,753	-
Payment in lieu of taxes	680,171	-	-	-	680,171	-
Investment Income	1,417,541	1,760,239	14,917	24,810	1,432,458	1,785,049
Miscellaneous	<u>759,064</u>	<u>1,322,802</u>	-	-	<u>759,064</u>	<u>1,322,802</u>
Total General Revenues	<u>147,113,008</u>	<u>146,333,451</u>	<u>14,917</u>	<u>24,810</u>	<u>147,127,925</u>	<u>146,358,261</u>
Total Revenues	<u>\$ 155,477,892</u>	<u>\$ 154,655,898</u>	<u>\$ 4,320,298</u>	<u>\$ 4,149,264</u>	<u>\$ 159,798,190</u>	<u>\$ 158,805,162</u>
Expenses						
Program Expenses						
Instruction						
Regular	\$ 65,214,351	\$ 62,655,604	\$ -	\$ -	\$ 65,214,351	\$ 62,655,604
Special	19,601,737	17,708,534	-	-	19,601,737	17,708,534
Vocational	678,722	624,810	-	-	678,722	624,810
Other	3,482,504	3,126,170	-	-	3,482,504	3,126,170
Support Services						
Pupil	10,363,670	9,526,679	-	-	10,363,670	9,526,679
Staff	4,603,913	4,291,972	-	-	4,603,913	4,291,972
General Administration	1,536,818	1,610,376	-	-	1,536,818	1,610,376
School Administration	10,033,797	9,309,733	-	-	10,033,797	9,309,733
Fiscal	2,417,545	2,304,479	-	-	2,417,545	2,304,479
Business Operations	1,000,857	1,873,824	-	-	1,000,857	1,873,824
Operations & Maintenance	13,857,342	13,621,605	-	-	13,857,342	13,621,605
Student Transportation	7,401,674	6,921,601	-	-	7,401,674	6,921,601
Central Services	2,459,665	1,446,375	-	-	2,459,665	1,446,375
Community Services	873,719	984,663	-	-	873,719	984,663
Food Services	32,467	38,696	4,059,069	4,090,650	4,091,536	4,129,346
Extra-curricular Activities	2,845,872	2,652,863	-	-	2,845,872	2,652,863
Interest and Fiscal Charges	5,780,535	5,512,610	-	-	5,780,535	5,512,610
Uniform School Supplies	-	-	<u>241,719</u>	<u>276,304</u>	<u>241,719</u>	<u>276,304</u>
Total Expenses	<u>\$ 152,185,188</u>	<u>\$ 144,210,594</u>	<u>\$ 4,300,788</u>	<u>\$ 4,366,954</u>	<u>\$ 156,485,976</u>	<u>\$ 148,577,548</u>
Change in Net Assets	3,292,704	10,445,304	19,510	(217,690)	3,312,214	10,227,614
Net Assets, beginning of year	<u>67,656,347</u>	<u>57,211,043</u>	<u>330,098</u>	<u>547,788</u>	<u>67,986,445</u>	<u>57,758,831</u>
Net Assets, end of year	<u>\$ 70,949,051</u>	<u>\$ 67,656,347</u>	<u>\$ 349,608</u>	<u>\$ 330,098</u>	<u>\$ 71,298,659</u>	<u>\$ 67,986,445</u>

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Governmental Activities

Net assets of the District's governmental activities increased by \$3.3 million, and unrestricted net assets reflect a balance of \$10.4 million. This is a result of an increase in grants and entitlements and an insurance recovery received from construction litigation. This is offset by a decrease in tax revenue related to the phase out of personal property tax to the State CAT tax.

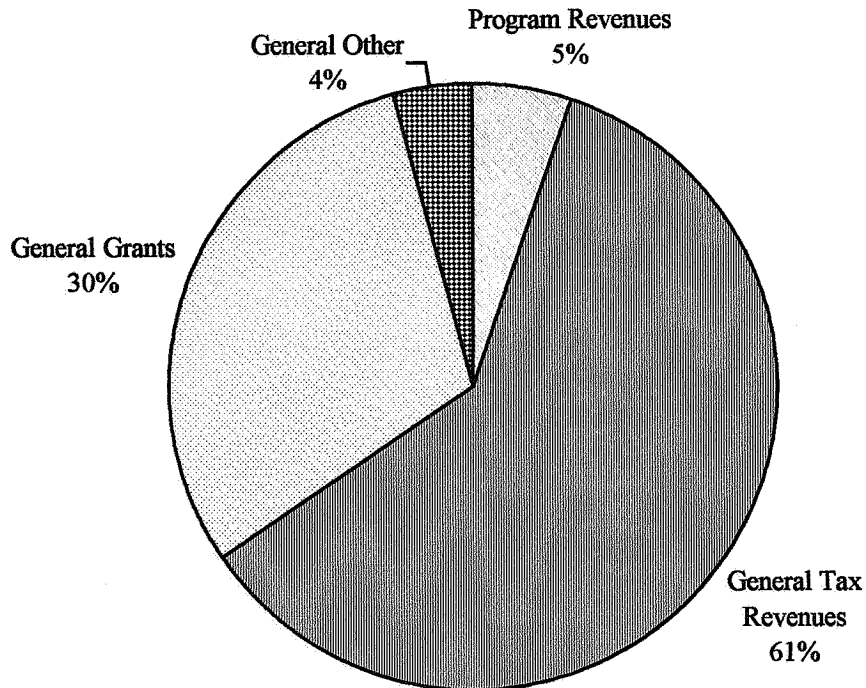
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. The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

(Table 3)

	Total Cost of Services 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
Program Expenses				
Instruction				
Regular	\$ 65,214,351	\$ 63,891,296	\$ 62,655,604	\$ 60,908,022
Special	19,601,737	17,330,209	17,708,534	15,722,923
Vocational	678,722	474,625	624,810	302,994
Other	3,482,504	3,006,133	3,126,170	2,747,586
Support Services				
Pupil	10,363,670	9,629,095	9,526,679	8,757,359
Staff	4,603,913	4,014,728	4,291,972	3,845,870
General Administration	1,536,818	1,536,818	1,610,376	1,610,376
School Administration	10,033,797	9,698,019	9,309,733	8,965,037
Fiscal	2,417,545	2,395,121	2,304,479	2,280,425
Business Operations	1,000,857	1,000,269	1,873,824	1,871,824
Operations & Maintenance	13,857,342	13,851,842	13,621,605	13,621,205
Student Transportation	7,401,674	7,331,667	6,921,601	6,796,531
Central Services	2,459,665	2,342,415	1,446,375	1,329,036
Community Services	873,719	(9,011)	984,663	145,740
Food Services	32,467	32,467	38,696	36,946
Extra-curricular Activities	2,845,872	1,514,076	2,652,863	1,433,663
Interest and Fiscal Charges	5,780,535	5,780,535	5,512,610	5,512,610
Total Expenses	<u>\$ 152,185,188</u>	<u>\$ 143,820,304</u>	<u>\$ 144,210,594</u>	<u>\$ 135,888,147</u>

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(Graph 1)



The District's reliance upon tax revenues is demonstrated by the graph above indicating 61% of total revenues from local taxes. The other large portion of general revenue support is the State Foundation program as 30% of total revenues. The reliance on general revenues is indicated by the net services column reflecting the need for \$143.8 million of support as well as the graph indicating general revenues comprise 95% of total revenues.

Business-Type Activities

Business-type activities include food service and uniform school supplies. These programs had an increase in net assets of \$19,510 for the fiscal year. Due to the rising costs of food, the District increased the price of lunch 25 cents and was able to achieve a slight increase in net assets for the current year.

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The District's Funds

The District's governmental funds (as presented on the balance sheet on page 34) reported a combined fund balance of \$34.3 million, which represents an increase of \$46,277. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2008 and 2007.

	<u>Fund Balance</u> <u>June 30, 2008</u>	<u>Fund Balance</u> <u>June 30, 2007</u>	<u>Increase</u> <u>(Decrease)</u>
General	\$ 15,154,612	\$ 17,979,303	\$ (2,824,691)
Debt Service	8,758,598	8,755,309	3,289
Permanent Improvement	5,428,272	4,935,421	492,851
Other Governmental	<u>4,974,266</u>	<u>2,599,438</u>	<u>2,374,828</u>
Total	<u>\$ 34,315,748</u>	<u>\$ 34,269,471</u>	<u>\$ 46,277</u>

General Fund

The District's general fund balance decrease is due to expenditures exceeding revenues. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

(Table 5)

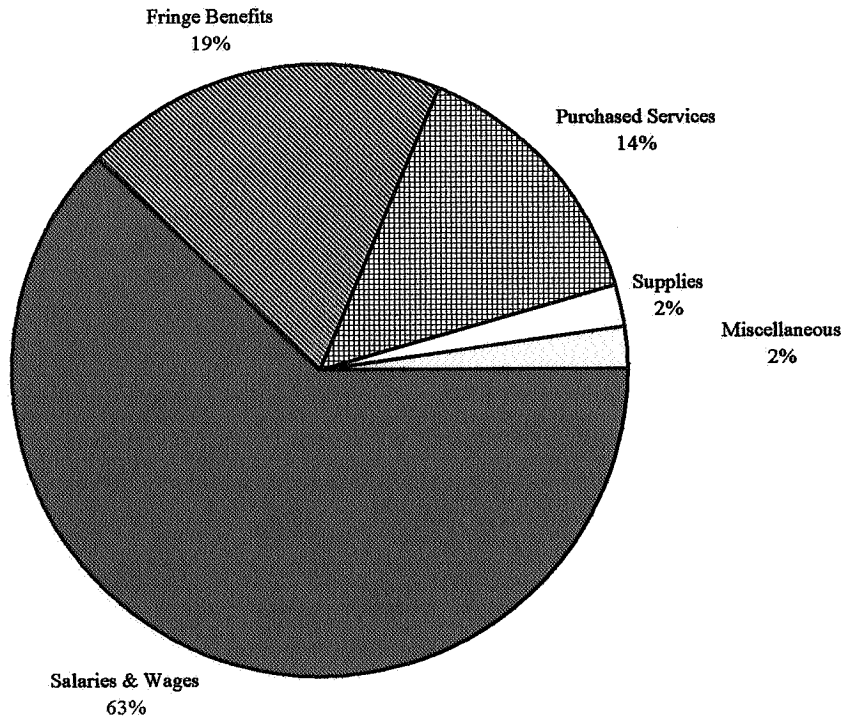
	<u>2008</u> <u>Amount</u>	<u>2007</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
Revenues			
Taxes	\$ 78,389,515	\$ 82,198,715	-4.63%
Interest Earnings	1,242,148	1,599,934	-22.36%
Intergovernmental - State	45,602,558	43,458,314	4.93%
Other Revenue	<u>2,677,056</u>	<u>2,757,508</u>	<u>-2.92%</u>
Total	<u>\$127,911,277</u>	<u>\$130,014,471</u>	<u>-1.62%</u>

The property tax revenue has decreased by \$3.8 million due to the phase out of the personal property tax to the State CAT tax. State revenues have increased due to the reimbursements of tangible personal property revenues lost due to the phase out enacted with Ohio HB66. Interest earnings have decreased \$358,000 due to decreasing interest rate yields.

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

(Graph 2)



Expenditures by Object	2008 Amount	2007 Amount	Percentage Change
Salaries and Wages	\$ 81,379,872	\$ 77,133,084	5.51%
Fringe Benefits	25,168,635	22,816,790	10.31%
Purchased Services	18,371,933	17,908,097	2.59%
Supplies	2,815,399	2,651,681	6.17%
Miscellaneous	3,000,129	2,824,349	6.22%
Total	<u>\$ 130,735,968</u>	<u>\$ 123,334,001</u>	<u>6.00%</u>

The expenditures have increased \$7.4 million over the prior year due to additional staffing positions and the rising costs of insurance.

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Other Funds

The District's debt service fund balance increased by \$3,289. The revenues of the fund are property taxes, calculated by the county auditor, and state homestead and rollback money computed as a percentage of the tax due to the fund. The expenses of the fund include debt principal and interest payments as well as county auditor and treasurer fees.

The permanent improvement fund had an increase in fund balance of \$492,851 as a result of the timing of District projects.

Other governmental funds consist of special revenue funds and the building fund. In the prior year the building fund was a separate fund. As all construction has been completed, the District has decided to present the building fund with other governmental funds for the current year. The increase in fund balance of \$2,374,828 is primarily due to the insurance recovery the District received as settlement of the outstanding claims resulting from the construction of a high school and two elementary schools.

General Fund Budget Information

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

The District amended its revenue estimates to reflect greater than originally anticipated revenues from tuition/fees/interest, but lesser than originally anticipated revenues from real estate taxes, personal property taxes, and state revenue. The appropriations or expenditure portion of the budget required changes in functional categories due to spending patterns, with the final budget for expenditures being \$255,625 more than the original budget.

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

Capital Assets

The District has \$150.8 million invested in capital assets net of depreciation, with \$150.4 million attributed to governmental activities. Acquisitions for governmental activities totaled \$4 million and depreciation was \$5.2 million. The acquisitions were for various land and building improvements, computers and buses.

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

Debt

At June 30, 2008, the District had \$109.8 million in outstanding bonds. The District paid \$5.6 million in principal on bonds outstanding and \$4.9 million in interest during the fiscal year.

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Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2008, the District's general obligation debt was below the legal limit.

For more detailed information regarding the District's debt, refer to Note 9 in the notes to the basic financial statements.

Restrictions and Other Limitations

With the passage of a 10.3 mill operating levy in May 2006 the District is still keeping its promise to maintain a positive balance through fiscal year 2010. The operating levy has provided the necessary funds for the District to manage current growth patterns while maintaining the educational program and the facilities. However, the future financial stability of the District is not without challenges.

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

The second challenge facing the District is based in the local economy. The District has experienced growth over the last 10 years. The growth patterns in student population have slowed significantly, and we may have to change the financial models upon which our assumptions have been made. Also, an economic slowdown has resulted in revenue forecasts having to be revised downward. These scenarios have caused the District to make accommodations for program offerings within existing dollars. The District is faced with a projected deficit for fiscal year 2011.

Requests for Information

This financial report is designed to provide a general overview of the Westerville City School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Westerville City Schools, Office of the Treasurer, 336 S. Otterbein Avenue, Westerville, Ohio, 43081.

Westerville City School District
Statement of Net Assets
As of June 30, 2008

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$27,119,871	\$376,994	\$27,496,865
Receivables			
Taxes - current	100,366,935	-	100,366,935
Taxes - delinquent	4,366,138	-	4,366,138
Accounts	273,742	2,229	275,971
Intergovernmental	590,893	173,971	764,864
Prepays	380,186	-	380,186
Materials & supplies inventory	69,333	58,405	127,738
Restricted cash	33,852	-	33,852
Deferred charges	792,647	-	792,647
Capital assets, non-depreciable	5,813,922	-	5,813,922
Capital assets, net of depreciation	144,624,108	313,319	144,937,427
Total assets	<u>284,431,627</u>	<u>924,918</u>	<u>285,356,545</u>
<u>LIABILITIES</u>			
Accounts payable	1,486,306	43,930	1,530,236
Accrued wages and benefits	14,736,285	166,829	14,903,114
Due to other governments	3,572,173	184,405	3,756,578
Matured bonds payable	33,852	-	33,852
Interest payable	361,452	-	361,452
Unearned revenue	72,908,083	-	72,908,083
Long-term liabilities			
Due within one year	6,329,932	18,462	6,348,394
Due in more than one year	114,054,493	161,684	114,216,177
Total liabilities	<u>213,482,576</u>	<u>575,310</u>	<u>214,057,886</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	44,673,445	313,319	44,986,764
Restricted for:			
Debt Service	5,623,305	-	5,623,305
Permanent Improvement	5,671,090	-	5,671,090
Special Revenue	314,931	-	314,931
Capital Projects	3,724,114	-	3,724,114
Other	536,933	-	536,933
Unrestricted	10,405,233	36,289	10,441,522
Total net assets	<u>\$70,949,051</u>	<u>\$349,608</u>	<u>\$71,298,659</u>

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

**Westerville City School District
Statement of Activities
For the Year Ended June 30, 2008**

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Governmental Activities			
Instruction			
Regular	\$65,214,351	\$1,068,869	\$254,186
Special	19,601,737	191,520	2,080,008
Vocational	678,722	-	204,097
Other instruction	3,482,504	-	476,371
Support services			
Pupils	10,363,670	-	734,575
Staff	4,603,913	-	589,185
General administration	1,536,818	-	-
School administration	10,033,797	-	335,778
Fiscal services	2,417,545	-	22,424
Business operations	1,000,857	-	588
Operation & maintenance	13,857,342	-	5,500
Student transportation	7,401,674	-	70,007
Central services	2,459,665	-	117,250
Community services	873,719	-	882,730
Food services	32,467	-	-
Extra-curricular activities	2,845,872	1,331,796	-
Interest and fiscal charges	5,780,535	-	-
Total governmental activities	<u>152,185,188</u>	<u>2,592,185</u>	<u>5,772,699</u>
Business-type Activities			
Food service	4,059,069	2,752,314	1,313,957
Uniform school supplies	241,719	239,110	-
Total business-type activities	<u>4,300,788</u>	<u>2,991,424</u>	<u>1,313,957</u>
Totals	<u>\$156,485,976</u>	<u>\$5,583,609</u>	<u>\$7,086,656</u>

General revenues

Property taxes levied for:

 General purposes

 Debt service

 Capital projects

Grants and entitlements not restricted to specific programs

Insurance recoveries

Payment in lieu of taxes

Investment income

Miscellaneous

Total general revenues

Change in net assets

Net assets, beginning of the year

Net assets, end of the year

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

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-type Activities	Total
(\$63,891,296)	-	(\$63,891,296)
(17,330,209)	-	(17,330,209)
(474,625)	-	(474,625)
(3,006,133)	-	(3,006,133)
(9,629,095)	-	(9,629,095)
(4,014,728)	-	(4,014,728)
(1,536,818)	-	(1,536,818)
(9,698,019)	-	(9,698,019)
(2,395,121)	-	(2,395,121)
(1,000,269)	-	(1,000,269)
(13,851,842)	-	(13,851,842)
(7,331,667)	-	(7,331,667)
(2,342,415)	-	(2,342,415)
9,011	-	9,011
(32,467)	-	(32,467)
(1,514,076)	-	(1,514,076)
(5,780,535)	-	(5,780,535)
<u>(143,820,304)</u>	<u>-</u>	<u>(143,820,304)</u>
-	7,202	7,202
-	(2,609)	(2,609)
-	<u>4,593</u>	<u>4,593</u>
<u>(\$143,820,304)</u>	<u>\$4,593</u>	<u>(\$143,815,711)</u>
78,858,985	-	78,858,985
9,537,826	-	9,537,826
5,208,015	-	5,208,015
47,212,653	-	47,212,653
3,438,753	-	3,438,753
680,171	-	680,171
1,417,541	14,917	1,432,458
759,064	-	759,064
<u>147,113,008</u>	<u>14,917</u>	<u>147,127,925</u>
3,292,704	19,510	3,312,214
67,656,347	330,098	67,986,445
<u>\$70,949,051</u>	<u>\$349,608</u>	<u>\$71,298,659</u>

**Westerville City School District
Balance Sheet
Governmental Funds
As of June 30, 2008**

	General	Debt Service	Permanent Improvement	Other Governmental	Total Governmental Funds
<u>ASSETS</u>					
Cash and cash equivalents	\$ 9,706,980	\$ 5,996,114	\$ 4,382,324	\$ 5,127,710	\$ 25,213,128
Restricted cash and investments	536,933	33,852	-	-	570,785
Receivables (net of allowances for uncollectibles):					
Taxes - current	84,586,445	10,204,859	5,575,631	-	100,366,935
Taxes - delinquent	3,677,253	446,067	242,818	-	4,366,138
Accounts	260,523	-	3,800	-	264,323
Intergovernmental	-	-	-	590,893	590,893
Interfund loan receivable	89,454	-	-	-	89,454
Prepays	380,186	-	-	-	380,186
Inventories	69,333	-	-	-	69,333
Total assets	99,307,107	16,680,892	10,204,573	5,718,603	131,911,175
<u>LIABILITIES</u>					
Accounts payable	764,218	-	460,749	118,072	1,343,039
Accrued wages and benefits	15,069,192	-	-	473,058	15,542,250
Due to other governments	3,158,573	58,472	31,813	63,753	3,312,611
Matured bonds payable	-	33,852	-	-	33,852
Interfund loan payable	-	-	-	89,454	89,454
Deferred revenue	65,160,512	7,829,970	4,283,739	-	77,274,221
Total liabilities	84,152,495	7,922,294	4,776,301	744,337	97,595,427
<u>FUND BALANCES</u>					
Reserved					
Future years' appropriation	23,184,229	2,820,956	1,534,710	-	27,539,895
Encumbrances	220,111	-	1,964,248	148,195	2,332,554
Budgetary stabilization	536,933	-	-	-	536,933
Prepays	380,186	-	-	-	380,186
Inventories	69,333	-	-	-	69,333
Unreserved, reported in:					
General	(9,236,180)	-	-	-	(9,236,180)
Debt Service	-	5,937,642	-	-	5,937,642
Permanent Improvement	-	-	1,929,314	-	1,929,314
Special Revenue	-	-	-	1,101,957	1,101,957
Capital Projects	-	-	-	3,724,114	3,724,114
Total fund balances	15,154,612	8,758,598	5,428,272	4,974,266	34,315,748
Total liabilities and fund balances	\$ 99,307,107	\$ 16,680,892	\$ 10,204,573	\$ 5,718,603	\$ 131,911,175

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

**Westerville City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 For the Year Ended June 30, 2008**

Total Governmental Fund Balances	\$34,315,748
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Amounts report for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	150,438,030
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Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	4,366,138
--	-----------

An internal service fund used by management to charge the cost of worker's compensation, print shop and self insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.	965,692
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation debt	(108,984,493)
Interest payable	(361,452)
Compensated absences	<u>(9,790,612)</u>

Net Assets of Governmental Activities	<u><u>\$70,949,051</u></u>
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The notes to the basic financial statements are an integral part of this statement.

Westerville City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2008

	General	Debt Service	Permanent Improvement	Other Governmental	Total Governmental Funds
REVENUES					
Taxes	\$ 78,389,515	\$ 9,477,327	\$ 5,174,844	\$ -	\$ 93,041,686
Tuition	934,914	-	-	-	934,914
Extra-curricular	216,796	-	-	1,115,000	1,331,796
Investment income	1,242,148	-	-	122,464	1,364,612
Classroom materials and fees	325,475	-	-	-	325,475
Intergovernmental - Local	680,171	-	-	-	680,171
Intergovernmental - State	45,602,558	1,144,008	743,288	1,284,710	48,774,564
Intergovernmental - Federal	-	-	-	4,180,663	4,180,663
Other revenue	519,700	-	3,800	265,689	789,189
Total revenues	<u>127,911,277</u>	<u>10,621,335</u>	<u>5,921,932</u>	<u>6,968,526</u>	<u>151,423,070</u>
EXPENDITURES					
Current:					
Instruction					
Regular	58,468,322	-	-	251,496	58,719,818
Special	16,655,453	-	-	1,995,678	18,651,131
Vocational	566,755	-	-	78,013	644,768
Other Instruction	2,899,793	-	-	430,677	3,330,470
Support services					
Pupils	9,234,575	-	-	1,070,156	10,304,731
Staff	4,154,214	-	-	473,594	4,627,808
General administration	1,536,818	-	-	-	1,536,818
School administration	9,296,606	-	-	352,024	9,648,630
Fiscal services	2,241,603	139,442	-	18,508	2,399,553
Business operations	969,204	-	-	34	969,238
Operation & maintenance	13,737,638	-	-	5,000	13,742,638
Student transportation	6,959,247	-	-	9,753	6,969,000
Central services	2,175,697	-	-	100,450	2,276,147
Community services	15,989	-	-	856,652	872,641
Food services	23,650	-	-	-	23,650
Extra-curricular	1,800,404	-	-	971,275	2,771,679
Capital outlay	-	-	5,429,081	1,419,141	6,848,222
Debt service:					
Principal retirement	-	5,580,000	-	-	5,580,000
Interest	-	4,898,604	-	-	4,898,604
Total expenditures	<u>130,735,968</u>	<u>10,618,046</u>	<u>5,429,081</u>	<u>8,032,451</u>	<u>154,815,546</u>
Excess (deficiency) of revenues over (under) expenditures	(2,824,691)	3,289	492,851	(1,063,925)	(3,392,476)
Other financing sources:					
Insurance recoveries	-	-	-	3,438,753	3,438,753
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,438,753</u>	<u>3,438,753</u>
Net change in fund balances	(2,824,691)	3,289	492,851	2,374,828	46,277
Fund balances, July 1	17,979,303	8,755,309	4,935,421	2,599,438	34,269,471
Fund balances, June 30	<u>\$ 15,154,612</u>	<u>\$ 8,758,598</u>	<u>\$ 5,428,272</u>	<u>\$ 4,974,266</u>	<u>\$ 34,315,748</u>

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

Westerville City School District
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2008

Net Change in Fund Balances - Total Governmental Funds \$46,277

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

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

Per Statement of Revenues, Expenditures and Changes in Fund Balance:

Capital outlay expenditures 6,848,222
 Non-capitalized expenditures reported in capital outlay (2,806,125)

Per Statement of Activities:

Depreciation expense (note 8) (5,232,284)

(1,190,187)

The net effect of transactions involving sale and retirements of capital assets decreased net assets (note 8)

(5,194)

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

563,140

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and does not result in an expense in the statement of activities.

Also, governemtnal funds report the effect of issuance costs, premiums and other similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal repayments

5,580,000

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

22,847

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

Compensated absences

(425,591)

Accretion on capital appreciation bonds

(1,294,990)

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

(3,598)

Change in Net Assets of Governmental Activities

\$3,292,704

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

**Westerville City School District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - General Fund
For the Year Ended June 30, 2008**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues:				
Real Estate Taxes	\$ 77,875,578	\$ 75,706,519	\$ 75,459,103	\$ (247,416)
Personal Property Taxes	6,043,503	5,749,725	5,545,562	(204,163)
State Revenue	34,070,778	34,053,035	33,722,002	(331,033)
Homestead/Rollback	7,477,762	7,477,762	9,117,657	1,639,895
Tuition, Fees, Interest & Misc	7,517,871	7,637,733	6,476,678	(1,161,055)
Transfers, Advances, Refund of Prior Year	240,000	240,000	207,135	(32,865)
Total Revenue and Other Sources	133,225,492	130,864,774	130,528,137	(336,637)
Expenditures:				
Salaries and Wages	82,361,692	82,359,898	81,296,541	1,063,357
Benefits & Insurance	24,859,872	24,861,466	25,142,916	(281,450)
Purchased Services	18,101,948	18,381,500	18,921,495	(539,995)
Supplies & Materials	3,397,583	3,382,783	3,036,496	346,287
New & Replacement Equipment	361,407	358,845	636,856	(278,011)
Other Expenditures	2,652,106	2,645,741	2,647,890	(2,149)
Total Expenditures and Other Uses	131,734,608	131,990,233	131,682,194	308,039
Net Change in Fund Balance	1,490,884	(1,125,459)	(1,154,057)	(28,598)
Fund Balance, July 1	9,587,983	9,587,983	9,587,983	-
Prior Year Encumbrances Appropriated	746,540	746,540	746,540	-
Fund Balance, June 30	\$ 11,825,407	\$ 9,209,064	\$ 9,180,466	\$ (28,598)

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

**Westerville City School District
Statement of Net Assets
Proprietary Funds
As of June 30, 2008**

	Aggregate Non-Major Business Type Activities	Governmental Activities - Internal Service Fund
<u>ASSETS</u>		
Current assets:		
Cash and investments	\$ 376,994	\$ 1,369,810
Receivables:		
Accounts	2,229	9,419
Intergovernmental	173,971	-
Materials & supplies inventory	58,405	-
Total current assets	611,599	1,379,229
Non-current assets:		
Capital assets, net	313,319	-
Total assets	924,918	1,379,229
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	43,930	143,267
Accrued wages and benefits	166,829	10,708
Compensated absences payable	18,462	-
Due to:		
Other governments	184,405	259,562
Total current liabilities	413,626	413,537
Non-current liabilities:		
Compensated absences payable	161,684	-
Total liabilities	575,310	413,537
<u>NET ASSETS</u>		
Invested in capital assets	313,319	-
Unrestricted	36,289	965,692
Total net assets	\$ 349,608	\$ 965,692

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

**Westerville City School District
Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year ended June 30, 2008**

	<u>Aggregate Non-Major Business Type Activities</u>	<u>Governmental Activities - Internal Service Fund</u>
<u>OPERATING REVENUES</u>		
Charges for services	\$ -	\$ 904,745
Food service sales	2,732,430	-
Class material fees	224,135	-
Other	34,859	-
Total operating revenues	<u>2,991,424</u>	<u>904,745</u>
<u>OPERATING EXPENSES</u>		
Wages and benefits	1,992,783	69,948
Purchased services	72,548	690,222
Materials and supplies	2,131,961	201,102
Depreciation	46,172	-
Other	57,324	-
Total operating expenses	<u>4,300,788</u>	<u>961,272</u>
Operating loss	(1,309,364)	(56,527)
<u>NON-OPERATING REVENUES</u>		
Grants:		
State sources	40,098	-
Federal sources	1,273,859	-
Investment income	14,917	52,929
Total non-operating revenues	<u>1,328,874</u>	<u>52,929</u>
Change in net assets	19,510	(3,598)
Net assets, beginning of year	<u>330,098</u>	<u>969,290</u>
Net assets, end of year	<u>\$ 349,608</u>	<u>\$ 965,692</u>

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

Westerville City School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2008

	<u>Aggregate Non-Major Business Type Activities</u>	<u>Governmental Activities - Internal Service Fund</u>
Cash flows from operating activities:		
Cash received from customers	\$ 2,954,336	\$ -
Cash payments for wages and benefits	(2,018,607)	(69,484)
Cash received from interfund services provided	-	907,687
Cash payments for purchased services	(72,548)	(516,234)
Cash payments for materials and supplies	(1,985,059)	(200,968)
Cash received for other revenues	34,859	-
Cash payments for other expenses	(57,324)	-
Net cash provided by (used for) operating activities	<u>(1,144,343)</u>	<u>121,001</u>
Cash flows from noncapital financing activities:		
Cash flows from operating grants	<u>1,174,326</u>	<u>-</u>
Cash flows from capital financing activities:		
Purchase of capital assets	<u>(7,688)</u>	<u>-</u>
Cash flows from investing activities:		
Investment income	<u>14,917</u>	<u>52,929</u>
Net increase in cash and cash equivalents	37,212	173,930
Cash and investments at beginning of year	<u>339,782</u>	<u>1,195,880</u>
Cash and cash equivalents at end of year	<u><u>\$ 376,994</u></u>	<u><u>\$ 1,369,810</u></u>
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	\$ (1,309,364)	\$ (56,527)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation	46,172	-
Donated commodities used	127,588	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivables	(2,229)	2,942
Increase in inventory	(1,872)	-
Increase in accounts payable	21,186	142,757
Increase in accrued wages and benefits	17,591	562
Increase (decrease) in due to other governments	(22,020)	31,267
Decrease in compensated absences payable	(21,395)	-
Net cash provided by (used for) operating activities	<u><u>\$ (1,144,343)</u></u>	<u><u>\$ 121,001</u></u>

The District received \$127,588 in donated food from the Ohio Department of Education's commodity grant program.

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

**Westerville City School District
Statement of Net Assets
Fiduciary Funds
As of June 30, 2008**

	Private-Purpose Trust	Agency
<u>ASSETS</u>		
Cash and investments	\$72,806	\$374,042
Total assets	72,806	374,042
<u>LIABILITIES</u>		
Accounts payable	-	6,674
Due to others	-	367,368
Total liabilities	-	\$374,042
<u>NET ASSETS</u>	\$72,806	

**Westerville City School District
Statement of Changes in Net Assets
Fiduciary Funds
For the Year Ended June 30, 2008**

	Private-Purpose Trust
<u>ADDITIONS</u>	
Gifts and contributions	\$17,507
Investment income	2,778
	20,285
<u>DEDUCTIONS</u>	
Scholarships awarded	16,000
	16,000
Change in net assets	4,285
Assets held in trust for scholarships, beginning of the year	68,521
Assets held in trust for scholarships, end of the year	\$72,806

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

(1) DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Westerville City School District (the District) was organized in the early 1850's and is a fiscally independent political subdivision of the State of Ohio. The District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The District operates under a locally elected five-member board and is responsible for the provision of public education to residents of the District. The District encompasses 52 square miles and provides services to approximately 14,477 students.

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

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Presentation

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Food Service and Uniform School Supplies enterprise funds and of the District's Internal Service funds are charges for sales and services. Operating expenses for enterprise funds and

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

(b) Fund Accounting

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

Enterprise Funds – The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

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

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

Fiduciary Funds

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

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

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

(c) Basis of Accounting

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

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

(d) Budgets

The District is required by state statute to adopt an annual appropriated cash basis budget for all funds other than agency funds. The specific timetable for the fiscal year 2008 was as follows:

1. Prior to January 15 of the preceding year, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The expressed purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for a tax rate determination. The original budget revenue amounts reported in the budgetary statement for the General Fund reflects the amounts set forth in this tax budget.
3. Prior to March 15, the Board of Education accepts by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's Certificate of Estimated Resources (the Certificate), which states the projected revenue for each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate. On or about July 1, the Certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The final budget amounts reported in the budgetary statement reflect the amounts set forth in the final amended Certificate issued for fiscal 2008.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Notes to Basic Financial Statements, Continued

For the Fiscal Year Ended June 30, 2008

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level for all funds, which is the legal level of budgetary control. This appropriation then serves as a basis for the original budget expenditure amounts reported in the budgetary statements for all funds. State statute permits a temporary appropriation to be effective until no later than October 1 of each year. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriation totals.
5. Any revisions that alter the total of any fund appropriations must be approved by the Board of Education.
6. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized appropriation.
7. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated, decreased or increased the originally appropriated amounts. All supplemental appropriations were legally adopted by the Board during fiscal 2008.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level for all funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in governmental funds. On the governmental funds balance sheet, encumbrances are reported as reservations of fund balance, in accordance with GAAP, since they do not constitute expenditures or liabilities.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

(e) Cash and Cash Equivalents

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

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

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner similar to Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2008.

Interim deposits are used by the District to purchase legal investments. The Ohio Revised Code authorizes the District to invest in United States and State of Ohio bonds, notes and other obligations: bank certificates of deposits; banker's acceptances; commercial paper notes rated prime and issued by United States corporations and StarOhio. During fiscal year 2008, investments were limited to repurchase agreements, federal agency securities and StarOhio.

Under existing statutes, all investment earnings accrue to the General Fund except earnings specifically related to the Building, Food Service, Self Insurance, Worker's Compensation, Private Purpose Trust and Auxiliary Funds. Interest credited to the General Fund during fiscal year 2008 was \$1,242,148 which includes \$664,798 assigned from other funds.

Restricted assets in the general fund represent cash and cash equivalents for which use is limited by legal requirements. Restricted assets include amounts required by statute to be set-aside by the District to create a reserve for budget stabilization. See note 9 for calculation of year-end restricted asset balance and the corresponding fund balance reserve.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(f) Inventories

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

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

(g) Prepaid Assets

Payments made to vendors for services that will benefit periods beyond June 30, 2008 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is recorded in the year in which services are consumed.

(h) Capital Assets and Depreciation

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

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(i) *Compensated Absences*

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

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

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

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

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

(k) *Fund Balance Reserves*

The District records reservations for portions of fund equity, which are legally segregated for specific future use or which do not represent available spendable resources and therefore are not available for appropriation for expenditures. Unreserved fund balance indicates the portion of fund equity, which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, prepaids, inventories, property tax revenue for future year's appropriations and a reserve for budget stabilization as required by state statute (see note 10).

(l) *Interfund Transactions*

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

(m) *Statement of Cash Flows*

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

(n) *Net Assets*

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

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

(3) CHANGES IN ACCOUNTING PRINCIPLES

In June 2004, the GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Plans*. The District has determined that the adoption of this statement did not an impact on the District's financial statements; however, note disclosures related to postemployment benefits have been modified.

The following other pronouncements have been issued by the GASB and have been adopted by the District; however, the District has not incurred any of the transactions described below and as a result there has been no impact on the financial statements for the note disclosures for the current period,

- In September 2006, the GASB issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*.
- In May 2007, the GASB issued Statement No. 50, *Pension Disclosures*. The information is not yet available from the retirement systems for the implementation of GASB 50.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(4) CASH AND INVESTMENTS

(a) Cash

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

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

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

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

(b) Deposits with financial institutions

Custodial credit risk is the risk that in the event of bank failure, the government’s deposits may not be returned to it. Protection of District cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105 percent of public funds deposited. State law does not require security for public deposits and investments to be maintained in the District’s name. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. During 2008, the District and public depositories complied with the provisions of these statutes.

At year-end, the carrying amount of the District deposits was \$2,716,006 and the bank balance was \$4,193,561. Of the bank balance, \$100,976 was covered by FDIC insurance and \$4,092,585 was uninsured and collateralized with securities held by the pledging institution’s trust department, but not in the District’s name.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(c) Investments

Investments are reported as fair value. As of June 30, 2008, the District had the following investments:

	Fair Value	Weighted Average Maturity (Days)
STAR Ohio	\$1,715,111	0
Repurchase		
Agreement	23,546,448	0
Total Fair Value	\$25,261,559	
 Portfolio Weighted Average Maturity		 0

Interest Rate Risk

The Ohio Revised Code and District policy limits security purchases to those that mature within five years of the settlement date. District policy requires that a draw schedule be prepared. Once cash flow requirements have been satisfied, maturity date selection will be determined by market conditions and interest rate forecasts. Investments that are expected to be subject to large interest rate fluctuations are not permitted.

Credit Risk

The District's investments at June 30, 2008 in Star Ohio are rated AAAM by Standard and Poor's. The underlying securities of the repurchase agreement were rated AAA by Standard & Poor's. The District's policy does not address credit risk.

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are in a repurchase agreement and STAR Ohio. These investments are 93% and 7%, respectively, of the District's total investments.

(5) PROPERTY TAXES

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

Real property taxes and public utility taxes are levied in April on the assessed value listed as of the prior January 1, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Real property taxes are payable annually or semi-annually. In

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

Franklin County, if paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20 with the remainder payable by June 20. In Delaware County, if paid annually, payment is due February 10; if paid semi-annually, the first payment is due February 10 with the remainder payable July 10. Settlement dates for real property taxes generally occur in the months of February and August. Amounts certified by the county auditor prior to June 30 are available to the District as an advance and should therefore be recognized as revenue in the current fiscal year.

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

Tangible personal property taxes are levied in April on the value listed as of January 1 of the current year. In prior years, tangible personal property assessments were 25 percent of true value. The tangible personal property tax is being phased out – the assessed percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable September 20. Settlement dates for tangible personal property taxes generally occur during the months of October and June.

The assessed values for collection in 2008, upon which the 2007 levies were based, were as follows:

Real Estate	
Agricultural/Residential	\$1,987,509,660
Commercial/Industrial	426,648,640
Personal Property	
General	23,161,556
Public Utility	<u>36,764,060</u>
Total	<u><u>\$2,474,083,916</u></u>

Accrued delinquent property taxes receivable represent taxes outstanding for real property, personal property and public utility taxes, and are offset by a credit to deferred revenue in the fund financial statements. Amounts from the August settlement are not intended to finance current fiscal year operations and, therefore have been recorded as a receivable offset by deferred revenue to the extent these amounts were not available as advances at June 30, 2008.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(6) RECEIVABLES

Receivables and due from other governments at June 30, 2008 consisted of taxes, accounts, accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items is as follows:

Governmental Activities	
Taxes – Current & Delinquent	\$104,733,073
Accounts	273,742
Intergovernmental – State & Federal	590,893
Business-Type Activities	
Accounts	2,229
Intergovernmental – Federal	<u>173,971</u>
Total Receivables	<u><u>\$105,773,908</u></u>

(7) INTERFUND TRANSACTIONS

Interfund balances on the fund statements at June 30, 2008 consist of the following receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
General	\$89,454	\$-
Other Governmental	-	89,454
Total	<u>\$89,454</u>	<u>\$89,454</u>

The balances that exist in these funds are funded on a reimbursement basis and the monies were not received from the grantor by June 30, 2008.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(8) CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2007</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2008</u>
<i>Governmental Activities</i>				
Capital Assets, not being Depreciated:				
Land	\$5,813,922	-	-	\$5,813,922
Total Capital Asset, not being Depreciated	<u>\$5,813,922</u>	<u>-</u>	<u>-</u>	<u>\$5,813,922</u>
Capital Assets, being Depreciated:				
Land Improvements	4,997,554	307,547	-	5,305,101
Buildings/Improvements	188,888,692	2,325,568	-	191,214,260
Furniture/Equipment	4,807,752	656,014	92,629	5,371,137
Buses	6,302,987	644,301	265,868	6,681,420
Vehicles	633,972	108,667	33,507	709,132
Total Capital Assets, being Depreciated	\$205,630,957	\$4,042,097	\$392,004	\$209,281,050
Less Accumulated Depreciation:				
Land Improvements	3,142,131	182,118	-	3,324,249
Buildings/Improvements	48,303,855	4,231,169	-	52,535,024
Furniture/Equipment	2,956,170	362,213	87,435	3,230,948
Buses	5,020,841	407,436	265,868	5,162,409
Vehicles	388,471	49,348	33,507	404,312
Total Accumulated Depreciation	<u>\$59,811,468</u>	<u>\$5,232,284</u>	<u>\$386,810</u>	<u>\$64,656,942</u>
Total Capital Assets, being Depreciated, Net	\$145,819,489	(\$1,190,187)	\$5,194	\$144,624,108
Capital Assets, Net	<u>\$151,633,411</u>	<u>(\$1,190,187)</u>	<u>\$5,194</u>	<u>\$150,438,030</u>

	Balance			Balance
	<u>June 30, 2007</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2008</u>
<i>Business-Type Activities</i>				
Furniture/Equipment	\$1,078,221	\$7,688	\$5,156	\$1,080,753
Vehicles	48,769	-	-	48,769
Total Capital Assets	1,126,990	7,688	5,156	1,129,522
Less Accumulated Depreciation	775,187	46,172	5,156	816,203
Capital Assets, Net	<u>\$351,803</u>	<u>(\$38,484)</u>	<u>\$-</u>	<u>\$313,319</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$2,953,358
Special	858,389
Vocational	33,954
Other	152,034
Support Services:	
Pupil	13,586
Staff	880
School Administration	450,323
Fiscal Services	525
Business Services	14,569
Operations & Maintenance	147,728
Student Transportation	415,750
Central Services	111,564
Community Services	1,078
Food Services	8,817
Extracurricular Activities	69,729
Total Depreciation Expense	<u>\$5,232,284</u>

(9) LONG-TERM OBLIGATIONS

All current obligation bonds outstanding, issued to provide funds for the acquisition and construction of equipment and facilities, are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund. Long-term obligations currently outstanding are reported as follows.

<u>Purpose</u>	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Final Maturity</u>	<u>Original Amount</u>	<u>Balance at June 30, 2008</u>
Construction and improvements (1)	02/01/87	6.25%	12/01/10	\$37,000,000	\$4,830,000
Construction and improvements (2)	03/15/01	5.00%	12/01/10	99,534,632	7,719,003
Advance Bond Refunding (3)	04/07/04	3.72%	12/01/22	49,970,687	48,442,155
Advance Bond Refunding (4)	12/14/06	4.13%	12/01/27	48,365,000	48,785,982
					<u>\$109,777,140</u>

- (1) Constructed new middle school and two new elementary schools. Also completed major renovations at both high schools, one middle school and one elementary school.
- (2) Constructed new high school and two new elementary schools. Also, for an addition at one middle school, renovations at all other school buildings and the purchase of land.
- (3) Refunded portions of bonds previously issued on 9/15/95, 8/01/96 and 3/15/01.
- (4) Refunded portions of bonds previously issued on 3/15/01.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds (principal amount does not include accumulated accretion of \$3,219,906):

<u>Year ending June 30,</u>	<u>Interest rates</u>	<u>Principal</u>	<u>Interest</u>
2009	3.70 – 6.25	\$5,114,139	\$5,260,024
2010	3.70 – 6.25	6,443,235	5,073,810
2011	3.70 – 6.25	4,902,242	6,947,176
2012	3.70 – 6.25	2,654,969	5,787,263
2013	3.70 – 6.25	4,405,000	3,946,956
2014-2018	3.70 – 6.25	25,520,000	16,115,156
2019-2023	3.70 – 6.25	29,385,000	9,649,331
2024-2028	3.70 – 6.25	27,340,000	3,527,734
Total		\$105,764,585	\$56,307,450

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

The total voted and non-voted non-exempt debt of the District that could be issued subject to the 9% limitation described above is \$222,667,552. The total District debt (including the Bonds) subject to this limitation is \$105,764,585. The total District unvoted debt that could be issued subject to the 1/10 of 1% limitation is \$2,474,084. The District has no debt subject to such limitation, leaving \$2,474,084 available for unvoted debt. Including the balance in the Debt Service Fund at June 30, 2008, the effects of these debt limitations at June 30, 2008 are a voted debt margin of \$125,661,565 and an unvoted debt margin of \$2,474,084.

The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with the Westerville Public Library (the Library). As of June 30, 2008, the District and the Library have complied with the requirement that unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value.

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

In April 2004, the District issued \$47,764,714 of general obligation refunding bonds, Series 2004 with interest rates ranging from 2% to 5% (maturing from December 2004 through December 2022) to advance refund a portion of the District's outstanding general obligation bonds. This issue included an additional \$2,205,973 in capital appreciation bonds, Series 2004, with a stated interest rate ranging from 10.63% to 29.25% (maturing from December 2007 through December 2011). The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2008, \$28,410,000 of the bonds remain outstanding.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

In December 2006, the District issued \$48,365,000 of general obligation refunding bonds, Series 2006 with interest rates ranging from 4% to 5% (maturing from December 2009 through December 2027) to advance refund a portion of the District's outstanding general obligation bonds. The District defeased these general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all the future debt service payments on the old bonds. The advance refunding represents both legal and in-substance defeasance and was accounted for in accordance with GASB Statement No. 7, *Advance Refundings Resulting in Defeasance of Debt*. Accordingly, the trust accounts assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2008, \$48,875,000 of the bonds are considered defeased.

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

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

	Balance at			Balance at	Amounts Due
	June 30, 2007	Increase	Decrease	June 30, 2008	In One Year
<i>Governmental Activities</i>					
General Obligation Bonds	\$114,498,190	\$904,778	\$5,625,828	\$109,777,140	\$5,114,138
Special Termination Benefits	860,000	-	860,000	-	-
Compensated Absences	<u>9,972,897</u>	<u>1,709,001</u>	<u>1,074,613</u>	<u>\$10,607,285</u>	<u>1,215,794</u>
Total Governmental Activities	<u>\$125,331,087</u>	<u>\$2,613,779</u>	<u>\$7,560,441</u>	<u>\$120,384,425</u>	<u>\$6,329,932</u>
<i>Business-Type Activities</i>					
Compensated Absences	<u>\$201,541</u>	<u>\$13,225</u>	<u>\$34,620</u>	<u>\$180,146</u>	<u>\$18,462</u>

(10) SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

	<u>Textbook Reserve</u>	<u>Capital Maintenance Reserve</u>	<u>Budget Stabilization Reserve</u>
Balance, July 1, 2007	\$134,330	\$-	\$536,933
Required Set-Aside	2,189,092	2,189,092	-
Qualifying Expenditures	(3,660,333)	(3,879,759)	-
Total	(\$1,336,911)	(\$1,690,667)	\$536,933
Balance Carried Forward at June 30, 2008	\$-	\$-	\$536,933

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

(11) BUDGET BASIS OF ACCOUNTING

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

Net Change in Fund Balance	
	<u>General</u>
GAAP basis	(\$2,824,691)
Increase (decrease):	
Due to revenues	2,616,860
Due to expenditures	38,103
Due to encumbrances	<u>(984,329)</u>
Budget basis	<u>(\$1,154,057)</u>

(12) EMPLOYEE RETIREMENT SYSTEMS

(a) *School Employees Retirement System*

Plan Description—The District contributes to School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

writing to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215 or by calling toll free (800) 878-5853. It is also posted on SERS' website, www.ohsers.org, under Forms and Publications.

Funding Policy—Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current rate is 14% for employers of annual covered payroll. For fiscal year 2008, 9.16% was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The District's required contributions for pension obligations for the fiscal years ended June 30, 2008, 2007 and 2006 were \$1,533,219, \$1,570,887, and \$1,493,390 respectively; 47.2% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

(b) State Teachers Retirement System

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

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan or a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is available to a member on or after the age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

The District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 2008, 2007 and 2006 were \$8,857,181, \$8,175,566, and \$7,773,976 respectively; 83 % has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006. Member and employer contributions made to the DC and Combined Plans for fiscal year 2008 will be provided upon written request.

(c) *Social Security System*

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Retirement System. As of June 30, 2008, two members of the Board of Education have elected Social Security. The contribution rate is 6.2% of wages.

(13) POSTEMPLOYMENT BENEFITS

(a) *School Employees Retirement System*

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

Funding Policy—State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund. For 2008, 4.18% of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount: for 2008 this amount was \$35,800.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

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

The District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$952,174, \$835,405, and \$820,468 respectively; 47.2% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2008, this actuarially required allocation was .66% of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$110,369, \$106,820, and \$118,852 respectively; 47.2% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

(b) *State Teachers Retirement System*

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

Funding Policy—Ohio law authorizes STRS to offer the Plan and give the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for the post-employment health care may be deducted from employer contributions. For the fiscal year ended June 30, 2008, the STRS allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2008, 2007 and 2006 were \$681,317, \$628,886, and \$597,994, respectively; 83% has been contributed for fiscal year 2008 and 100% for fiscal years 2007 and 2006.

(14) CONTINGENCIES

(a) *Grants*

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

(b) Litigation

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

(15) JOINTLY GOVERNED ORGANIZATIONS

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

(16) RELATED ORGANIZATION

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

(17) RISK MANAGEMENT

For fiscal year 2008, the District was enrolled in the retrospective rating plan for worker's compensation. The retrospective rating plan allows an employer to assume a portion of the risk in return for a possible reduction in premiums. The greater the assumed risk, the greater the potential reduction in premiums.

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

The District retains a balance in the Internal Service - Self Insurance Fund in the event the District ever returns to a self insurance plan for health and dental benefits.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2008

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The District contracts with an insurance carrier for property insurance and general liability insurance. Professional liability is protected by a \$1,000,000 single occurrence limit, \$3,000,000 aggregate limit and no deductible. Vehicles are also covered and have a \$500 deductible for comprehensive and a \$1,000 deductible for collision. Automotive liability has a \$1,000,000 combined single limit of liability. Settlements have not exceeded coverage in any of the last three years, and there has been no reduction in coverage from the prior years.

Post employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 13. As such, no funding is required by the District.

The District provides life insurance and accidental death and dismemberment insurance to all employees in an amount related to the employee's position, ranging from \$30,000 to \$310,000.

Westerville City School District

Westerville, Ohio



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

Debt Service Fund

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

Permanent Improvement Fund

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

**Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis)
For the Year Ended June 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Debt Service				
Total Revenue and Other Sources	\$ 12,384,034	\$ 10,946,171	\$ 10,908,188	\$ (37,983)
Total Expenditures and Other Uses	<u>13,026,654</u>	<u>10,628,604</u>	<u>10,617,400</u>	<u>11,204</u>
Net Change in Fund Balance	(642,620)	317,567	290,788	(26,779)
Fund Balance, July 1	<u>5,703,648</u>	<u>5,703,648</u>	<u>5,703,648</u>	-
Fund Balance, June 30	<u>\$ 5,061,028</u>	<u>\$ 6,021,215</u>	<u>\$ 5,994,436</u>	<u>\$ (26,779)</u>
Permanent Improvement				
Total Revenue and Other Sources	\$ 6,739,161	\$ 6,102,918	\$ 6,084,626	\$ (18,292)
Total Expenditures and Other Uses	<u>6,775,724</u>	<u>9,872,339</u>	<u>8,142,353</u>	<u>1,729,986</u>
Net Change in Fund Balance	(36,563)	(3,769,421)	(2,057,727)	1,711,694
Fund Balance, July 1	3,316,410	3,316,410	3,316,410	-
Prior Year Encumbrances Appropriated	<u>697,619</u>	<u>697,619</u>	<u>697,619</u>	-
Fund Balance, June 30	<u>\$ 3,977,466</u>	<u>\$ 244,608</u>	<u>\$ 1,956,302</u>	<u>\$ 1,711,694</u>

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

Other Governmental Funds

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

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

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

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

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

Gifted Identification – This fund is provided to account for monies received from the State of Ohio for expenses associated with the identification of students as gifted.

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

Entry Year Programs – This fund is used to account for monies received from the State of Ohio to implement entry-year programs pursuant to Section 3317.024(T) of the Revised Code.

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

School Net Professional Development – This fund is used to account for monies received from the State of Ohio for expenses supporting the professional development of teaching staff with regard to technology issues.

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

Ohio Reads – This fund is used to account for monies received from the State of Ohio for the purpose of implementing community involvement with students in the elementary grades to supplement and enhance the reading proficiency of students.

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

Poverty Based Assistance – A fund used to for monies received through the State of Ohio Foundation program for intervention programs for low income students.

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

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

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

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

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

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

Title V – This fund is provided to account for Federal monies which assist Local educational agencies in the reform of elementary and secondary education. Funds may be used for various materials, technology, and projects implementing school improvement and parental involvement activities.

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

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

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

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

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

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

SchoolNet Plus - A fund used to account for wiring to all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio.

Westerville City School District

Westerville, Ohio



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**Westerville City School District
Combining Balance Sheet
Other Governmental Funds
June 30, 2008**

	<u>Special Revenue</u>			
	<u>Public School Support</u>	<u>Other Local</u>	<u>District Managed</u>	<u>Auxiliary Services</u>
<u>ASSETS</u>				
Cash and investments	\$ 276,940	\$ 16,950	\$ 720,665	\$ 245,783
Receivables:				
Intergovernmental	-	-	-	-
Total assets	<u>276,940</u>	<u>16,950</u>	<u>720,665</u>	<u>245,783</u>
<u>LIABILITIES</u>				
Accounts payable	9,769	4,555	50,798	41,075
Accrued wages and benefits	-	-	874	69,151
Due to other governments	-	-	943	8,485
Interfund loan payable	-	996	-	-
Total liabilities	<u>9,769</u>	<u>5,551</u>	<u>52,615</u>	<u>118,711</u>
<u>FUND BALANCES</u>				
Fund balances (deficit):				
Reserved for encumbrances	19,761	141	-	6,894
Unreserved	247,410	11,258	668,050	120,178
Total fund balances	<u>267,171</u>	<u>11,399</u>	<u>668,050</u>	<u>127,072</u>
Total Liabilities and Fund Balances	<u>\$ 276,940</u>	<u>\$ 16,950</u>	<u>\$ 720,665</u>	<u>\$ 245,783</u>

Special Revenue

<u>Gifted Identification</u>	<u>Management Information System</u>	<u>Entry Year Programs</u>	<u>Data Communications</u>	<u>School Net Professional Development</u>	<u>Alternative Schools</u>
\$ 8,585	\$ 16,801	\$ -	\$ -	\$ 2,800	\$ 658
-	-	-	-	-	11,217
<u>8,585</u>	<u>16,801</u>	<u>-</u>	<u>-</u>	<u>2,800</u>	<u>11,875</u>
408	-	-	-	-	-
-	-	-	-	-	10,042
-	-	-	-	-	1,297
-	-	-	-	-	-
<u>408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,339</u>
7,388	16,800	-	-	2,800	-
789	1	-	-	-	536
<u>8,177</u>	<u>16,801</u>	<u>-</u>	<u>-</u>	<u>2,800</u>	<u>536</u>
<u>\$ 8,585</u>	<u>\$ 16,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,800</u>	<u>\$ 11,875</u>

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2008**

	<u>Special Revenue</u>			
	<u>Poverty Based Assistance</u>	<u>Other State</u>	<u>IDEA, Part B</u>	<u>Vocational Education: Carl D. Perkins</u>
<u>ASSETS</u>				
Cash and investments	\$ 13,921	\$ 473	\$ 44,547	\$ 12,355
Receivables:				
Intergovernmental	-	-	342,773	-
Total assets	<u>13,921</u>	<u>473</u>	<u>387,320</u>	<u>12,355</u>
<u>LIABILITIES</u>				
Accounts payable	-	-	392	1,786
Accrued wages and benefits	6,812	-	212,478	-
Due to other governments	-	-	31,358	-
Interfund loan payable	-	-	57,187	-
Total liabilities	<u>6,812</u>	<u>-</u>	<u>301,415</u>	<u>1,786</u>
<u>FUND BALANCES</u>				
Fund balances (deficit):				
Reserved for encumbrances	7,382	469	44,151	10,568
Unreserved	(273)	4	41,754	1
Total fund balances	<u>7,109</u>	<u>473</u>	<u>85,905</u>	<u>10,569</u>
Total Liabilities and Fund Balances	<u>\$ 13,921</u>	<u>\$ 473</u>	<u>\$ 387,320</u>	<u>\$ 12,355</u>

Special Revenue

Title III	Transition Program for Refugee Children	Title I	Title V	Title IV	Preschool Handicapped
\$ 924	\$ -	\$ 25,905	\$ -	\$ 1,018	\$ -
<u>52,788</u>	<u>8,154</u>	<u>105,086</u>	<u>5,504</u>	<u>1,744</u>	<u>5,059</u>
<u>53,712</u>	<u>8,154</u>	<u>130,991</u>	<u>5,504</u>	<u>2,762</u>	<u>5,059</u>
-	-	2,295	-	-	-
46,028	2,694	90,219	-	2,022	3,993
5,357	619	11,347	-	619	810
-	4,841	7,770	5,504	-	256
<u>51,385</u>	<u>8,154</u>	<u>111,631</u>	<u>5,504</u>	<u>2,641</u>	<u>5,059</u>
-	-	23,609	-	-	-
2,327	-	(4,249)	-	121	-
<u>2,327</u>	<u>-</u>	<u>19,360</u>	<u>-</u>	<u>121</u>	<u>-</u>
<u>\$ 53,712</u>	<u>\$ 8,154</u>	<u>\$ 130,991</u>	<u>\$ 5,504</u>	<u>\$ 2,762</u>	<u>\$ 5,059</u>

(Continued)

**Westerville City School District
Combining Balance Sheet
Other Governmental Funds, Continued
June 30, 2008**

	<u>Special Revenue</u>		<u>Capital Projects</u>		<u>Total Other Governmental Funds</u>
	<u>Title II-A</u>	<u>Other Federal</u>	<u>Building Fund</u>	<u>School Net Plus</u>	
<u>ASSETS</u>					
Cash and investments	\$ 9,279	\$ 339	\$ 3,641,699	\$ 88,068	\$ 5,127,710
Receivables:					
Intergovernmental	58,568	-	-	-	590,893
Total assets	<u>67,847</u>	<u>339</u>	<u>3,641,699</u>	<u>88,068</u>	<u>5,718,603</u>
<u>LIABILITIES</u>					
Accounts payable	1,341	-	5,653	-	118,072
Accrued wages and benefits	28,745	-	-	-	473,058
Due to other governments	2,918	-	-	-	63,753
Interfund loan payable	12,900	-	-	-	89,454
Total liabilities	<u>45,904</u>	<u>-</u>	<u>5,653</u>	<u>-</u>	<u>744,337</u>
<u>FUND BALANCES</u>					
Fund balances (deficit):					
Reserved for encumbrances	7,894	338	-	-	148,195
Unreserved	14,049	1	3,636,046	88,068	4,826,071
Total fund balances	<u>21,943</u>	<u>339</u>	<u>3,636,046</u>	<u>88,068</u>	<u>4,974,266</u>
Total Liabilities and Fund Balances	<u>\$ 67,847</u>	<u>\$ 339</u>	<u>\$ 3,641,699</u>	<u>\$ 88,068</u>	<u>\$ 5,718,603</u>

Westerville City School District

Westerville, Ohio



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Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Special Revenue</u>			
	<u>Public School Support</u>	<u>Other Local</u>	<u>District Managed</u>	<u>Auxiliary Services</u>
REVENUES				
Extra-curricular	\$ 261,852	\$ -	\$ 853,148	\$ -
Investment income	-	-	-	8,202
Intergovernmental - State	-	-	-	769,245
Intergovernmental - Federal	-	-	-	-
Other revenue	55,103	30,125	180,461	-
Total revenues	<u>316,955</u>	<u>30,125</u>	<u>1,033,609</u>	<u>777,447</u>
EXPENDITURES				
Current:				
Instruction				
Regular	191	18,071	-	-
Special	-	6,911	-	-
Vocational	-	250	-	-
Other Instruction	-	-	-	-
Support services				
Pupils	311,067	980	-	-
Staff	6,725	5,514	-	-
School administration	-	-	-	-
Fiscal services	-	-	-	18,508
Business operations	-	-	-	-
Operation & maintenance	-	5,000	-	-
Student transportation	-	1,137	-	-
Central services	-	-	-	-
Community services	-	518	-	718,594
Extra-curricular	-	-	971,275	-
Capital outlay	-	-	-	-
Total expenditures	<u>317,983</u>	<u>38,381</u>	<u>971,275</u>	<u>737,102</u>
Excess (deficiency) of revenues over (under) expenditures	(1,028)	(8,256)	62,334	40,345
Other financing sources:				
Insurance recoveries	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,028)	(8,256)	62,334	40,345
Fund balances, July 1	268,199	19,655	605,716	86,727
Fund balances, June 30	<u>\$ 267,171</u>	<u>\$ 11,399</u>	<u>\$ 668,050</u>	<u>\$ 127,072</u>

Special Revenue

Gifted Identification	Management Information System	Entry Year Programs	Data Communications	School Net Professional Development	Alternative Schools
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
37,631	48,250	32,800	69,000	7,830	65,624
-	-	-	-	-	-
-	-	-	-	-	-
<u>37,631</u>	<u>48,250</u>	<u>32,800</u>	<u>69,000</u>	<u>7,830</u>	<u>65,624</u>
-	-	-	-	-	53,516
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	19,661
29,454	-	30,400	-	5,030	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	31,450	-	69,000	-	-
-	-	2,400	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>29,454</u>	<u>31,450</u>	<u>32,800</u>	<u>69,000</u>	<u>5,030</u>	<u>73,177</u>
8,177	16,800	-	-	2,800	(7,553)
-	-	-	-	-	-
-	-	-	-	-	-
8,177	16,800	-	-	2,800	(7,553)
-	1	-	-	-	8,089
<u>\$ 8,177</u>	<u>\$ 16,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,800</u>	<u>\$ 536</u>

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2008

	Special Revenue			
	Poverty Based Assistance	Other State	IDEA, Part B	Vocational Education: Carl D. Perkins
REVENUES				
Extra-curricular	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-
Intergovernmental - State	146,840	19,422	-	-
Intergovernmental - Federal	-	-	2,527,442	118,450
Other revenue	-	-	-	-
Total revenues	146,840	19,422	2,527,442	118,450
EXPENDITURES				
Current:				
Instruction				
Regular	-	-	60	-
Special	-	3,252	1,043,201	-
Vocational	-	5,034	-	70,451
Other Instruction	133,553	2,527	294,597	-
Support services				
Pupils	-	-	708,943	-
Staff	5,804	7,853	31	39,623
School administration	-	-	352,024	-
Fiscal services	-	-	-	-
Business operations	-	-	-	34
Operation & maintenance	-	-	-	-
Student transportation	374	283	-	6,959
Central services	-	-	-	-
Community services	-	-	131,684	-
Extra-curricular	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	139,731	18,949	2,530,540	117,067
Excess (deficiency) of revenues over (under) expenditures	7,109	473	(3,098)	1,383
Other financing sources:				
Insurance recoveries	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	7,109	473	(3,098)	1,383
Fund balances, July 1	-	-	89,003	9,186
Fund balances, June 30	<u>\$ 7,109</u>	<u>\$ 473</u>	<u>\$ 85,905</u>	<u>\$ 10,569</u>

Special Revenue

Title III	Transition Program for Refugee Children	Title I	Title V	Title IV	Preschool Handicapped
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
286,530	16,261	761,689	25,139	34,000	42,515
-	-	-	-	-	-
<u>286,530</u>	<u>16,261</u>	<u>761,689</u>	<u>25,139</u>	<u>34,000</u>	<u>42,515</u>
-	-	-	-	1,196	-
249,954	16,261	649,719	-	-	26,380
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,984	16,521
39,522	-	91,491	25,026	19,700	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,120	1,410	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>289,476</u>	<u>16,261</u>	<u>742,330</u>	<u>26,436</u>	<u>33,880</u>	<u>42,901</u>
(2,946)	-	19,359	(1,297)	120	(386)
-	-	-	-	-	-
-	-	-	-	-	-
(2,946)	-	19,359	(1,297)	120	(386)
5,273	-	1	1,297	1	386
<u>\$ 2,327</u>	<u>\$ -</u>	<u>\$ 19,360</u>	<u>\$ -</u>	<u>\$ 121</u>	<u>\$ -</u>

(Continued)

Westerville City School District
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Other Governmental Funds, Continued
For the Year Ended June 30, 2008

	Special Revenue		Capital Projects		Total Other Governmental Funds
	Title II-A	Other Federal	Building Fund	SchoolNet Plus	
REVENUES					
Extra-curricular	\$ -	\$ -	\$ -	\$ -	\$ 1,115,000
Investment income	-	-	114,262	-	122,464
Intergovernmental - State	-	-	-	88,068	1,284,710
Intergovernmental - Federal	354,592	14,045	-	-	4,180,663
Other revenue	-	-	-	-	265,689
Total revenues	354,592	14,045	114,262	88,068	6,968,526
EXPENDITURES					
Current:					
Instruction					
Regular	178,462	-	-	-	251,496
Special	-	-	-	-	1,995,678
Vocational	-	2,278	-	-	78,013
Other Instruction	-	-	-	-	430,677
Support services					
Pupils	-	-	-	-	1,070,156
Staff	155,309	12,112	-	-	473,594
School administration	-	-	-	-	352,024
Fiscal services	-	-	-	-	18,508
Business operations	-	-	-	-	34
Operation & maintenance	-	-	-	-	5,000
Student transportation	-	1,000	-	-	9,753
Central services	-	-	-	-	100,450
Community services	926	-	-	-	856,652
Extra-curricular	-	-	-	-	971,275
Capital outlay	-	-	1,419,141	-	1,419,141
Total expenditures	334,697	15,390	1,419,141	-	8,032,451
Excess (deficiency) of revenues over (under) expenditures	19,895	(1,345)	(1,304,879)	88,068	(1,063,925)
Other financing sources:					
Insurance recoveries	-	-	3,438,753	-	3,438,753
Total other financing sources	-	-	3,438,753	-	3,438,753
Net change in fund balances	19,895	(1,345)	2,133,874	88,068	2,374,828
Fund balances, July 1	2,048	1,684	1,502,172	-	2,599,438
Fund balances, June 30	<u>\$ 21,943</u>	<u>\$ 339</u>	<u>\$ 3,636,046</u>	<u>\$ 88,068</u>	<u>\$ 4,974,266</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Special Revenue				
Public School Support				
Total Revenue and Other Sources	\$ 350,000	\$ 320,000	\$ 315,900	\$ (4,100)
Total Expenditures and Other Uses	<u>542,917</u>	<u>441,417</u>	<u>351,367</u>	<u>90,050</u>
Net Change in Fund Balance	(192,917)	(121,417)	(35,467)	85,950
Fund Balance, July 1	263,909	263,909	263,909	-
Prior Year Encumbrances Appropriated	<u>17,917</u>	<u>17,917</u>	<u>17,917</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 88,909</u>	<u>\$ 160,409</u>	<u>\$ 246,359</u>	<u>\$ 85,950</u>
Other Local				
Total Revenue and Other Sources	\$ 45,000	\$ 30,250	\$ 30,121	\$ (129)
Total Expenditures and Other Uses	<u>58,605</u>	<u>51,105</u>	<u>39,762</u>	<u>11,343</u>
Net Change in Fund Balance	(13,605)	(20,855)	(9,641)	11,214
Fund Balance, July 1	17,291	17,291	17,291	-
Prior Year Encumbrances Appropriated	<u>3,605</u>	<u>3,605</u>	<u>3,605</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 7,291</u>	<u>\$ 41</u>	<u>\$ 11,255</u>	<u>\$ 11,214</u>
District Managed				
Total Revenue and Other Sources	\$ 1,055,000	\$ 1,033,000	\$ 1,027,582	\$ (5,418)
Total Expenditures and Other Uses	<u>1,294,396</u>	<u>1,214,896</u>	<u>996,340</u>	<u>218,556</u>
Net Change in Fund Balance	(239,396)	(181,896)	31,242	213,138
Fund Balance, July 1	579,969	579,969	579,969	-
Prior Year Encumbrances Appropriated	<u>54,396</u>	<u>54,396</u>	<u>54,396</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 394,969</u>	<u>\$ 452,469</u>	<u>\$ 665,607</u>	<u>\$ 213,138</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Auxilliary Services				
Total Revenue and Other Sources	\$ 755,000	\$ 777,515	\$ 777,445	\$ (70)
Total Expenditures and Other Uses	<u>963,607</u>	<u>973,997</u>	<u>776,179</u>	<u>197,818</u>
Net Change in Fund Balance	(208,607)	(196,482)	1,266	197,748
Fund Balance, July 1	82,941	82,941	82,941	-
Prior Year Encumbrances Appropriated	<u>113,607</u>	<u>113,607</u>	<u>113,607</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (12,059)</u>	<u>\$ 66</u>	<u>\$ 197,814</u>	<u>\$ 197,748</u>
Gifted Identification				
Total Revenue and Other Sources	\$ -	\$ 37,631	\$ 37,631	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>37,631</u>	<u>36,842</u>	<u>789</u>
Net Change in Fund Balance	-	-	789	789
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 789</u>	<u>\$ 789</u>
Management Information System				
Total Revenue and Other Sources	\$ 48,000	\$ 49,000	\$ 49,000	\$ -
Total Expenditures and Other Uses	<u>48,000</u>	<u>49,000</u>	<u>49,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Entry Year Programs				
Total Revenue and Other Sources	\$ 28,150	\$ 32,800	\$ 32,800	\$ -
Total Expenditures and Other Uses	<u>28,150</u>	<u>32,800</u>	<u>32,800</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Data Communications				
Total Revenue and Other Sources	\$ 69,000	\$ 69,000	\$ 69,000	\$ -
Total Expenditures and Other Uses	<u>69,000</u>	<u>69,000</u>	<u>69,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School Net Professional Development				
Total Revenue and Other Sources	\$ -	\$ 7,830	\$ 7,830	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>7,830</u>	<u>7,830</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Ohio Reads				
Total Revenue and Other Sources	\$ 32,000	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	<u>40,500</u>	<u>8,500</u>	<u>8,500</u>	<u>-</u>
Net Change in Fund Balance	(8,500)	(8,500)	(8,500)	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative Schools				
Total Revenue and Other Sources	\$ 87,394	\$ 85,909	\$ 74,692	\$ (11,217)
Total Expenditures and Other Uses	<u>87,000</u>	<u>86,329</u>	<u>74,453</u>	<u>11,876</u>
Net Change in Fund Balance	394	(420)	239	659
Fund Balance, July 1	420	420	420	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 814</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 659</u></u>	<u><u>\$ 659</u></u>
Poverty Based Assistance				
Total Revenue and Other Sources	\$ 92,546	\$ 146,840	\$ 146,840	\$ -
Total Expenditures and Other Uses	<u>92,500</u>	<u>146,840</u>	<u>140,300</u>	<u>6,540</u>
Net Change in Fund Balance	46	-	6,540	6,540
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 46</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,540</u></u>	<u><u>\$ 6,540</u></u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Other State				
Total Revenue and Other Sources	\$ 49,683	\$ 20,933	\$ 20,933	\$ -
Total Expenditures and Other Uses	<u>72,354</u>	<u>43,772</u>	<u>43,772</u>	<u>-</u>
Net Change in Fund Balance	(22,671)	(22,839)	(22,839)	-
Fund Balance, July 1	89	89	89	-
Prior Year Encumbrances Appropriated	<u>22,754</u>	<u>22,754</u>	<u>22,754</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 172</u>	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ -</u>
IDEA, Part B				
Total Revenue and Other Sources	\$ 2,985,851	\$ 2,985,851	\$ 2,563,887	\$ (421,964)
Total Expenditures and Other Uses	<u>3,045,424</u>	<u>3,051,274</u>	<u>2,629,342</u>	<u>421,932</u>
Net Change in Fund Balance	(59,573)	(65,423)	(65,455)	(32)
Fund Balance, July 1	31	31	31	-
Prior Year Encumbrances Appropriated	<u>65,424</u>	<u>65,424</u>	<u>65,424</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 5,882</u>	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ (32)</u>
Vocational Education: Carl D. Perkins				
Total Revenue and Other Sources	\$ 118,450	\$ 118,450	\$ 118,450	\$ -
Total Expenditures and Other Uses	<u>128,419</u>	<u>128,419</u>	<u>128,419</u>	<u>-</u>
Net Change in Fund Balance	(9,969)	(9,969)	(9,969)	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>9,969</u>	<u>9,969</u>	<u>9,969</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Title III				
Total Revenue and Other Sources	\$ 263,466	\$ 347,910	\$ 295,112	\$ (52,798)
Total Expenditures and Other Uses	<u>260,000</u>	<u>348,041</u>	<u>294,318</u>	<u>53,723</u>
Net Change in Fund Balance	3,466	(131)	794	925
Fund Balance, July 1	131	131	131	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3,597</u>	<u>\$ -</u>	<u>\$ 925</u>	<u>\$ 925</u>
Transition Program for Refugee Children				
Total Revenue and Other Sources	\$ 8,500	\$ 16,265	\$ 13,439	\$ (2,826)
Total Expenditures and Other Uses	<u>8,500</u>	<u>16,265</u>	<u>13,439</u>	<u>2,826</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title I				
Total Revenue and Other Sources	\$ 1,064,268	\$ 1,111,347	\$ 741,141	\$ (370,206)
Total Expenditures and Other Uses	<u>1,070,887</u>	<u>1,122,234</u>	<u>752,028</u>	<u>370,206</u>
Net Change in Fund Balance	(6,619)	(10,887)	(10,887)	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>10,887</u>	<u>10,887</u>	<u>10,887</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Title V				
Total Revenue and Other Sources	\$ 33,270	\$ 46,069	\$ 32,598	\$ (13,471)
Total Expenditures and Other Uses	<u>41,727</u>	<u>54,596</u>	<u>41,125</u>	<u>13,471</u>
Net Change in Fund Balance	(8,457)	(8,527)	(8,527)	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>8,527</u>	<u>8,527</u>	<u>8,527</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 70</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title IV				
Total Revenue and Other Sources	\$ 35,500	\$ 35,499	\$ 33,635	\$ (1,864)
Total Expenditures and Other Uses	<u>35,400</u>	<u>35,976</u>	<u>33,094</u>	<u>2,882</u>
Net Change in Fund Balance	100	(477)	541	1,018
Fund Balance, July 1	477	477	477	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 577</u>	<u>\$ -</u>	<u>\$ 1,018</u>	<u>\$ 1,018</u>
Preschool Handicapped				
Total Revenue and Other Sources	\$ 46,608	\$ 48,207	\$ 43,926	\$ (4,281)
Total Expenditures and Other Uses	<u>46,600</u>	<u>48,207</u>	<u>43,926</u>	<u>4,281</u>
Net Change in Fund Balance	8	-	-	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Title II-A				
Total Revenue and Other Sources	\$ 434,270	\$ 439,101	\$ 346,374	\$ (92,727)
Total Expenditures and Other Uses	<u>465,925</u>	<u>470,826</u>	<u>378,057</u>	<u>92,769</u>
Net Change in Fund Balance	(31,655)	(31,725)	(31,683)	42
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>31,725</u>	<u>31,725</u>	<u>31,725</u>	-
Fund Balance, June 30	<u>\$ 70</u>	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ 42</u>
Other Federal				
Total Revenue and Other Sources	\$ 17,644	\$ 17,969	\$ 16,792	\$ (1,177)
Total Expenditures and Other Uses	<u>19,483</u>	<u>19,857</u>	<u>18,680</u>	<u>1,177</u>
Net Change in Fund Balance	(1,839)	(1,888)	(1,888)	-
Fund Balance, July 1	5	5	5	-
Prior Year Encumbrances Appropriated	<u>1,883</u>	<u>1,883</u>	<u>1,883</u>	-
Fund Balance, June 30	<u>\$ 49</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Projects				
Building Fund				
Total Revenue and Other Sources	\$ 70,000	\$ 3,565,100	\$ 3,554,143	\$ (10,957)
Total Expenditures and Other Uses	<u>1,590,000</u>	<u>4,990,000</u>	<u>1,440,174</u>	<u>3,549,826</u>
Net Change in Fund Balance	(1,520,000)	(1,424,900)	2,113,969	3,538,869
Fund Balance, July 1	1,502,582	1,502,582	1,502,582	-
Prior Year Encumbrances Appropriated	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	-
Fund Balance, June 30	<u>\$ 2,582</u>	<u>\$ 97,682</u>	<u>\$ 3,636,551</u>	<u>\$ 3,538,869</u>

Westerville City School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
(Non-GAAP Budgetary Basis) - Other Governmental Funds
For the Year Ended June 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
SchoolNet Plus				
Total Revenue and Other Sources	\$ -	\$ 88,068	\$ 88,068	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>88,068</u>	<u>-</u>	<u>88,068</u>
Net Change in Fund Balance	-	-	88,068	88,068
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,068</u>	<u>\$ 88,068</u>

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

Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods and services to the students on a continuing basis are financed or recovered primarily through user charges. A description of the District's Enterprise Funds follows:

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

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

**Westerville City School District
Combining Statement of Net Assets
Enterprise Funds
As of June 30, 2008**

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total</u>
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 370,699	\$ 6,295	\$ 376,994
Receivables:			
Accounts	2,229	-	2,229
Intergovernmental	173,971	-	173,971
Materials & supplies inventory	58,405	-	58,405
Total current assets	<u>605,304</u>	<u>6,295</u>	<u>611,599</u>
Non-current assets:			
Capital assets, net	313,319	-	313,319
Total assets	<u>918,623</u>	<u>6,295</u>	<u>924,918</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	39,887	4,043	43,930
Accrued wages and benefits	166,829	-	166,829
Compensated absences payable	18,462	-	18,462
Due to:			
Other governments	184,405	-	184,405
Total current liabilities	<u>409,583</u>	<u>4,043</u>	<u>413,626</u>
Non-current liabilities:			
Compensated absences payable	161,684	-	161,684
Total liabilities	<u>571,267</u>	<u>4,043</u>	<u>575,310</u>
<u>NET ASSETS</u>			
Invested in capital assets	313,319	-	313,319
Unrestricted	34,037	2,252	36,289
Total net assets	<u>\$ 347,356</u>	<u>\$ 2,252</u>	<u>\$ 349,608</u>

Westerville City School District
Combining Statement of Revenues, Expenses and
Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year ended June 30, 2008

	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Total</u>
<u>OPERATING REVENUES</u>			
Food service sales	\$ 2,732,430	\$ -	\$ 2,732,430
Class material fees	-	224,135	224,135
Other	19,884	14,975	34,859
Total operating revenues	<u>2,752,314</u>	<u>239,110</u>	<u>2,991,424</u>
<u>OPERATING EXPENSES</u>			
Wages and benefits	1,992,783	-	1,992,783
Purchased services	72,548	-	72,548
Materials and supplies	1,890,242	241,719	2,131,961
Depreciation	46,172	-	46,172
Other	57,324	-	57,324
Total operating expenses	<u>4,059,069</u>	<u>241,719</u>	<u>4,300,788</u>
Operating (loss)	(1,306,755)	(2,609)	(1,309,364)
<u>NON-OPERATING REVENUES</u>			
Grants:			
State sources	40,098	-	40,098
Federal sources	1,273,859	-	1,273,859
Investment income	14,917	-	14,917
Total non-operating revenues	<u>1,328,874</u>	<u>-</u>	<u>1,328,874</u>
Change in net assets	22,119	(2,609)	19,510
Net assets at beginning of year	<u>325,237</u>	<u>4,861</u>	<u>330,098</u>
Net assets at end of year	<u>\$ 347,356</u>	<u>\$ 2,252</u>	<u>\$ 349,608</u>

Westerville City School District
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2008

	Food Service	Uniform School Supplies	Total
Cash flows from operating activities:			
Cash received from customers	\$ 2,730,201	\$ 224,135	\$ 2,954,336
Cash payments for wages and benefits	(2,018,607)	-	(2,018,607)
Cash payments for purchased services	(72,548)	-	(72,548)
Cash payments for materials and supplies	(1,744,101)	(240,958)	(1,985,059)
Cash received for other revenues	19,884	14,975	34,859
Cash payments for other expenses	(57,324)	-	(57,324)
	Net cash used for operating activities	(1,848)	(1,144,343)
Cash flows from noncapital financing activities:			
Cash flows from operating grants	1,174,326	-	1,174,326
Cash flows from capital financing activities:			
Purchase of capital assets	(7,688)	-	(7,688)
Cash flows from investing activities:			
Investment income	14,917	-	14,917
Net increase (decrease) in cash and cash equivalents	39,060	(1,848)	37,212
Cash and investments at beginning of year	331,639	8,143	339,782
Cash and cash equivalents at end of year	\$ 370,699	\$ 6,295	\$ 376,994
Reconciliation of operating loss to net cash used for operating activities			
Operating loss	\$ (1,306,755)	\$ (2,609)	\$ (1,309,364)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation	46,172	-	46,172
Donated commodities	127,588	-	127,588
Changes in assets and liabilities:			
Increase in accounts receivable	(2,229)	-	(2,229)
Increase in inventory	(1,872)	-	(1,872)
Increase in accounts payables	20,425	761	21,186
Increase in accrued wages and benefits	17,591	-	17,591
Decrease in due to other governments	(22,020)	-	(22,020)
Decrease in compensated absences payable	(21,395)	-	(21,395)
	Net cash used for operating activities	\$ (1,848)	\$ (1,144,343)

The District received \$127,588 in donated food from the Ohio Department of Education's commodity grant program.

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

Internal Service Funds

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

Self Insurance – A fund provided to account for monies received from other funds as payment for providing medical and dental employee benefits. The District's self-funded health and dental plans are currently inactive as indicated in Note 17 to the financial statements. The Self Insurance Fund may make payments for services provided to employees, for reimbursement to employees who have paid providers, to third party administrators for claim payment administration, for stop-loss coverage, or any other reinsurance or similar purposes.

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

Worker's Compensation – This fund is used to account for Worker's Compensation Self-Insurance receipts and expenditures.

**Westerville City School District
Combining Statement of Net Assets
Internal Service Funds
As of June 30, 2008**

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
<u>ASSETS</u>				
Cash and investments	\$ 835,709	\$ 91,529	\$ 442,572	\$ 1,369,810
Receivables:				
Accounts	-	9,419	-	9,419
Total assets	<u>835,709</u>	<u>100,948</u>	<u>442,572</u>	<u>1,379,229</u>
<u>LIABILITIES</u>				
Accounts payable	-	644	142,623	143,267
Accrued wages and benefits	-	10,708	-	10,708
Due to:				
Other Governments	-	3,218	256,344	259,562
Total liabilities	<u>-</u>	<u>14,570</u>	<u>398,967</u>	<u>413,537</u>
<u>NET ASSETS</u>				
Unrestricted	835,709	86,378	43,605	965,692
Total net assets	<u>\$ 835,709</u>	<u>\$ 86,378</u>	<u>\$ 43,605</u>	<u>\$ 965,692</u>

Westerville City School District
Combining Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year ended June 30, 2008

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
<u>OPERATING REVENUES</u>				
Charges for services	\$ 1,590	\$ 295,511	\$ 607,644	\$ 904,745
Total operating revenues	1,590	295,511	607,644	904,745
<u>OPERATING EXPENSES</u>				
Wages and benefits	-	69,948	-	69,948
Purchased services	37,894	35	652,293	690,222
Materials and supplies	-	201,102	-	201,102
Total operating expenses	37,894	271,085	652,293	961,272
Operating income (loss)	(36,304)	24,426	(44,649)	(56,527)
<u>NON-OPERATING REVENUES</u>				
Investment income	33,179	-	19,750	52,929
Total non-operating revenues	33,179	-	19,750	52,929
Change in net assets	(3,125)	24,426	(24,899)	(3,598)
Net assets at beginning of year	838,834	61,952	68,504	969,290
Net assets at end of year	<u>\$ 835,709</u>	<u>\$ 86,378</u>	<u>\$ 43,605</u>	<u>\$ 965,692</u>

**Westerville City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2008**

	<u>Governmental Activities - Internal Service</u>			
	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
Cash flows from operating activities:				
Cash payments for wages and benefits	\$ -	\$ (69,484)	\$ -	\$ (69,484)
Cash received from interfund services provided	11,646	288,397	607,644	907,687
Cash payments for purchased services	(37,894)	(35)	(478,305)	(516,234)
Cash payments for materials and supplies	-	(200,968)	-	(200,968)
Net cash from (used for) operating activities	(26,248)	17,910	129,339	121,001
Cash flows from investing activities:				
Investment income	33,179	-	19,750	52,929
Net increase in cash and cash equivalents	6,931	17,910	149,089	173,930
Cash and investments at beginning of year	828,778	73,619	293,483	1,195,880
Cash and cash equivalents at end of year	\$ 835,709	\$ 91,529	\$ 442,572	\$ 1,369,810
Reconciliation of operating income (loss) to net cash from (used for) operating activities				
Operating income (loss)	\$ (36,304)	\$ 24,426	\$ (44,649)	\$ (56,527)
Adjustments to reconcile operating loss to net cash (used for) operating activities:				
Changes in assets and liabilities:				
(Increase) decrease in accounts receivables	10,056	(7,114)	-	2,942
Increase in accounts payable	-	134	142,623	142,757
Increase in accrued wages and benefits	-	562	-	562
Increase (decrease) in due to other governments	-	(98)	31,365	31,267
Net cash from (used for) operating activities	\$ (26,248)	\$ 17,910	\$ 129,339	\$ 121,001

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

Agency Funds

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

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

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

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

Westerville City School District
Combining Statement of Changes in Assets & Liabilities
Agency Funds
For the Year Ended June 30, 2008

	Beginning Balance <u>June 30, 2007</u>	<u>Additions</u>	<u>Deductions</u>	Ending Balance <u>June 30, 2008</u>
District Agency				
Assets				
Cash and investments	\$121,844	\$62,100	\$49,797	\$134,147
Total assets	<u>121,844</u>	<u>62,100</u>	<u>49,797</u>	<u>134,147</u>
Liabilities				
Accounts payable	2,425	3,314	2,425	3,314
Due to others	119,419	11,414	-	130,833
Total liabilities	<u>\$121,844</u>	<u>\$14,728</u>	<u>\$2,425</u>	<u>\$134,147</u>
Student Managed Activity				
Assets				
Cash and investments	\$241,383	\$362,633	\$379,511	\$224,505
Total assets	<u>241,383</u>	<u>362,633</u>	<u>379,511</u>	<u>224,505</u>
Liabilities				
Accounts payable	11,027	3,360	11,027	3,360
Due to others	230,356	-	9,211	221,145
Total liabilities	<u>\$241,383</u>	<u>\$3,360</u>	<u>\$20,238</u>	<u>\$224,505</u>
Section 125 Cafeteria Plan				
Assets				
Cash and investments	\$-	\$150,552	\$135,162	\$15,390
Total assets	<u>-</u>	<u>150,552</u>	<u>135,162</u>	<u>15,390</u>
Liabilities				
Due to others	-	15,390	-	15,390
Total liabilities	<u>\$-</u>	<u>\$15,390</u>	<u>\$-</u>	<u>\$15,390</u>
Total Agency Funds				
Assets				
Cash and investments	\$363,227	\$575,285	\$564,470	\$374,042
Total assets	<u>363,227</u>	<u>575,285</u>	<u>564,470</u>	<u>374,042</u>
Liabilities				
Accounts payable	13,452	6,674	13,452	6,674
Due to others	349,775	26,804	9,211	367,368
Total liabilities	<u>\$363,227</u>	<u>\$33,478</u>	<u>\$22,663</u>	<u>\$374,042</u>

Westerville City School District

Westerville, Ohio



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Statistical Section



Board of Education
Westerville City School District
Westerville, Ohio

STATISTICAL SECTION

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

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Financial Trends	106
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These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity	112
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These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.

Debt Capacity	116
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These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information	119
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information	121
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These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 for the year ended June 30, 2002; schedules presenting government-wide information include information beginning in that year.

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

	2008	2007	2006	2005	2004	2003	2002
Governmental activities							
Invested in capital assets, net of related debt	\$44,673,445	\$40,493,825	\$34,968,131	\$31,135,671	\$33,096,968	\$31,190,176	\$21,436,170
Restricted	15,870,373	13,778,302	16,559,000	16,680,835	11,404,078	9,578,075	13,896,805
Unrestricted	10,405,233	12,994,008	5,944,990	2,914,798	(4,135,831)	3,851,481	10,490,302
Total governmental activities net assets	\$70,949,051	\$67,266,135	\$57,472,121	\$50,731,304	\$40,365,215	\$44,619,732	\$45,823,277
Business-type activities							
Invested in capital assets	\$313,319	\$351,803	\$263,056	\$273,253	\$312,533	\$302,026	\$252,738
Unrestricted	36,289	(21,705)	284,732	366,058	173,740	308,730	379,390
Total business-type activities net assets	\$349,608	\$330,098	\$547,788	\$639,311	\$486,273	\$610,756	\$632,128
Primary government							
Invested in capital assets, net of related debt	\$44,986,764	\$40,845,628	\$35,231,187	\$31,408,924	\$33,409,501	\$31,492,202	\$21,688,908
Restricted	15,870,373	13,778,302	16,559,000	16,680,835	11,404,078	9,578,075	13,896,805
Unrestricted	10,441,522	12,972,303	6,229,722	3,280,856	(3,962,091)	4,160,211	10,869,692
Total primary government net assets	\$71,298,659	\$67,596,233	\$58,019,909	\$51,370,615	\$40,851,488	\$45,230,488	\$46,455,405

Source: School district financial records

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

	2008	2007	2006	2005	2004	2003	2002
Expenses:							
Governmental activities:							
Instruction							
Regular	\$65,214,351	\$62,655,604	\$58,750,899	\$58,315,571	\$61,435,413	\$51,870,597	\$62,211,281
Special	19,601,737	17,708,534	15,871,474	13,819,966	12,162,246	10,330,195	8,728,805
Vocational	678,722	624,810	526,254	404,299	2,266,230	2,550,806	2,120,629
Other instruction	3,482,504	3,126,170	2,438,333	2,337,018	1,835,688	1,656,434	1,166,761
Support services							
Pupils	10,363,670	9,526,679	8,681,922	8,100,767	7,601,627	6,443,665	5,661,710
Staff	4,603,913	4,291,972	4,031,852	4,055,364	4,431,094	4,826,578	4,144,559
General administration	1,536,818	1,610,376	1,404,573	1,413,567	1,445,681	1,397,792	1,265,245
School administration	10,033,797	9,309,733	9,419,003	8,422,107	8,383,725	9,249,706	7,784,403
Fiscal services	2,417,545	2,304,479	1,874,309	1,909,425	1,515,452	1,760,511	1,662,225
Business services	1,000,857	1,873,824	1,635,460	1,496,593	1,104,154	1,249,159	865,019
Operation & maintenance	13,857,342	13,621,605	11,689,529	11,652,334	10,977,422	10,614,195	9,536,464
Student transportation	7,401,674	6,921,601	6,596,268	6,196,437	5,771,952	5,671,020	5,317,633
Central services	2,459,665	1,446,375	1,398,019	1,022,336	1,144,924	1,738,582	1,548,397
Community services	873,719	984,663	673,863	897,810	690,830	649,801	9,112
Food services	32,467	38,696	8,818	8,818	8,817	14,657	445,488
Extra-curricular activities	2,845,872	2,652,863	2,550,715	2,357,322	2,788,686	2,024,729	1,969,421
Interest and fiscal charges	5,780,535	5,902,822	6,258,362	6,412,729	5,788,941	7,086,262	8,719,392
Total governmental activities expenses	152,185,188	144,600,806	133,809,653	128,822,463	129,352,882	119,134,689	123,156,544
Business-type activities:							
Food service	4,059,069	4,090,650	3,787,221	3,402,253	3,563,734	3,316,818	3,206,846
Uniform school supplies	241,719	276,304	248,234	240,559	234,452	220,139	215,195
Total business-type activities expenses	4,300,788	4,366,954	4,035,455	3,642,812	3,798,186	3,536,957	3,422,041
Total primary government expenses	\$156,485,976	\$148,967,760	\$137,845,108	\$132,465,275	\$133,151,068	\$122,671,646	\$126,578,585

Source: School district financial records

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

	2008	2007	2006	2005	2004	2003	2002
Program revenues							
Governmental activities:							
Charges for services and sales							
Instruction							
Regular	\$1,068,869	\$1,523,316	\$1,289,545	\$989,548	\$932,364	\$788,755	\$654,732
Special	191,520	67,226	30,487	41,937	21,623	8,400	20,138
Extra-curricular activities	1,331,796	1,219,200	1,560,020	1,866,271	1,065,844	940,944	1,036,497
Operating grants and contributions	5,772,699	5,512,705	5,477,002	5,537,321	4,700,516	4,283,660	3,240,167
Capital grants and contributions	-	-	-	-	319,871	6,547	13,375
Total governmental activities program revenues	8,364,884	8,322,447	8,357,054	8,435,077	7,040,218	6,028,306	4,964,909
Business-type activities:							
Charges for services and sales							
Food service	2,752,314	2,739,899	2,748,022	2,754,240	2,744,280	2,713,577	2,797,923
Uniform school supplies	239,110	257,998	243,017	237,103	236,264	221,005	214,735
Operating grants and contributions	1,313,957	1,126,557	923,233	790,065	697,187	542,087	457,399
Total business-type activities program revenues	4,305,381	4,124,454	3,914,272	3,781,408	3,677,731	3,476,669	3,470,057
Total primary government program revenues	\$12,670,265	\$12,446,901	\$12,271,326	\$12,216,485	\$10,717,949	\$9,504,975	\$8,434,966
Net (expense)/revenue							
Governmental activities	(\$143,820,304)	(\$136,278,359)	(\$125,452,599)	(\$120,387,386)	(\$122,312,664)	(\$113,106,383)	(\$118,191,635)
Business-type activities	4,593	(242,500)	(121,183)	138,596	(120,455)	(60,288)	48,016
Total primary government net expense	(\$143,815,711)	(\$136,520,859)	(\$125,573,782)	(\$120,248,790)	(\$122,433,119)	(\$113,166,671)	(\$118,143,619)
General revenues and other changes in net assets							
Governmental activities:							
Property taxes levied for:							
General purposes	\$78,858,985	\$82,850,463	\$70,312,884	\$69,808,534	\$58,753,446	\$56,040,935	57,705,984
Debt service	9,537,826	10,092,937	10,310,165	11,008,652	10,796,918	9,699,373	9,786,788
Capital projects	5,208,015	5,400,744	5,577,545	5,335,310	4,308,694	3,938,029	4,201,615
Grants and entitlements not restricted to specific programs	47,212,653	44,906,266	43,015,156	43,063,290	42,954,970	40,769,790	40,380,438
Insurance recoveries	3,438,753	-	-	-	-	-	-
Payment in lieu of taxes	680,171	-	-	-	-	-	-
Investment income	1,417,541	1,760,239	1,258,932	742,797	395,572	1,385,301	4,849,723
Loss on sale of capital assets	-	-	-	(45,647)	-	-	(267,424)
Miscellaneous	759,064	1,322,802	1,718,734	840,539	848,547	981,987	1,160,909
Total governmental activities	147,113,008	146,333,451	132,193,416	130,753,475	118,058,147	112,815,415	117,818,033
Business-type activities:							
Investment income	14,917	24,810	29,660	14,442	7,318	11,703	14,142
Miscellaneous	-	-	-	-	-	-	2,681
Total Business-type activities	14,917	24,810	29,660	14,442	7,318	11,703	16,823
Total primary government	\$147,127,925	\$146,358,261	\$132,223,076	\$130,767,917	\$118,065,465	\$112,827,118	\$117,834,856
Change in net assets							
Governmental activities	\$3,292,704	\$10,055,092	\$6,740,817	\$10,366,089	(\$4,254,517)	(\$290,968)	(\$373,602)
Business-type activities	19,510	(217,690)	(91,523)	153,038	(113,137)	(48,585)	64,839
Total primary government	\$3,312,214	\$9,837,402	\$6,649,294	\$10,519,127	(\$4,367,654)	(\$339,553)	(\$308,763)

Source: School district financial records

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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General fund										
Reserved	\$24,390,792	\$27,249,394	\$20,576,711	\$15,852,554	\$8,204,760	\$7,900,865	\$8,477,909	\$8,264,561	\$14,340,834	\$18,002,511
Unreserved	(9,236,180)	(9,270,091)	(9,277,879)	(6,143,828)	(5,406,906)	3,337,746	9,187,046	10,208,219	8,918,974	8,175,983
Total General fund	<u>\$15,154,612</u>	<u>\$17,979,303</u>	<u>\$11,298,832</u>	<u>\$9,708,726</u>	<u>\$2,797,854</u>	<u>\$11,238,611</u>	<u>\$17,664,955</u>	<u>\$18,472,780</u>	<u>\$23,259,808</u>	<u>\$26,178,494</u>
All other governmental funds										
Reserved	\$6,468,109	\$4,958,172	\$5,044,945	\$4,410,538	\$3,180,380	\$13,222,679	\$41,233,162	\$5,527,228	\$2,429,671	\$3,398,773
Unreserved, reported in:										
Debt service	5,937,642	5,646,821	5,461,983	5,583,530	5,989,550	4,686,069	6,913,995	7,085,491	4,332,604	4,984,100
Capital projects	5,653,428	4,746,920	5,204,516	5,815,624	4,586,996	6,187,802	26,677,330	91,426,168.00	2,477,320.00	1,712,685.00
Special revenue	1,101,957	938,255	924,487	897,141	726,239	564,240	634,504	730,065	172,388	(124,594)
Total all other governmental funds	<u>\$19,161,136</u>	<u>\$16,290,168</u>	<u>\$16,635,931</u>	<u>\$16,706,833</u>	<u>\$14,483,165</u>	<u>\$24,660,790</u>	<u>\$75,458,991</u>	<u>\$104,768,952</u>	<u>\$9,411,983</u>	<u>\$9,970,964</u>

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

	2008	2007	2006	2005	2004
Revenues:					
From local sources					
Taxes	\$93,041,686	\$97,695,620	\$86,402,046	\$86,602,416	\$74,289,634
Tuition	934,914	938,607	772,984	598,107	410,603
Extra-curricular	1,331,796	1,219,200	1,560,020	1,866,271	1,065,844
Investment income	1,364,612	1,690,559	1,197,757	710,785	386,471
Classroom materials and fees	325,475	-	-	-	-
Intergovernmental - local	680,171	693,505	578,351	462,653	582,604
Intergovernmental - state	48,774,564	46,359,783	44,256,443	44,760,578	44,748,270
Intergovernmental - federal	4,180,663	4,017,618	4,204,412	3,810,758	2,871,146
Other revenue	789,189	1,322,802	1,946,141	840,539	1,165,268
Total revenues	151,423,070	153,937,694	140,918,154	139,652,107	125,519,840
Expenditures:					
Instructional					
Regular	58,719,818	56,444,508	54,660,424	52,316,796	55,807,436
Special	18,651,131	16,798,447	15,232,634	12,956,491	11,437,291
Vocational	644,768	593,501	540,118	648,594	2,129,010
Continuing	-	-	-	-	-
Other	3,330,470	2,984,481	2,326,826	2,225,747	1,753,098
Support Services					
Pupils	10,304,731	9,508,798	8,697,619	7,944,046	7,604,487
Staff	4,627,808	4,343,114	4,147,768	3,997,020	4,349,735
General administration	1,536,818	1,610,376	1,404,573	1,413,567	1,445,681
School administration	9,648,630	8,980,999	9,081,411	8,104,318	8,110,849
Fiscal services	2,399,553	2,294,423	1,869,542	1,895,357	2,020,073
Business services	969,238	952,574	879,293	816,282	914,221
Operation & maintenance	13,742,638	13,458,198	11,555,153	11,302,331	10,903,355
Student transportation	6,969,000	6,463,492	6,068,975	5,666,923	5,307,951
Central services	2,276,147	2,053,622	1,804,761	1,678,114	1,740,896
Community services	872,641	983,610	673,140	896,865	690,830
Food services	23,650	29,878	-	-	-
Extra-curricular activities	2,771,679	2,586,588	2,694,027	2,322,628	2,750,499
Capital outlay	6,848,222	6,905,754	6,852,241	4,575,532	17,378,934
Debt Service:					
Principal retirement	5,580,000	5,445,000	5,300,000	5,915,000	4,705,000
Interest	4,898,604	5,607,656	5,610,445	5,841,956	5,559,608
Total expenditures	154,815,546	148,045,019	139,398,950	130,517,567	144,608,954
Excess (deficiency) of revenues over (under) expenditures	(3,392,476)	5,892,675	1,519,204	9,134,540	(19,089,114)
Other financing sources (uses):					
Proceeds from sale of bonds	-	-	-	-	-
Proceeds from refunding bonds	-	48,365,000	-	-	49,499,954
Premium on issuance of bonds	-	2,657,888	-	-	7,102,634
Payment to bond agent	-	(50,580,855)	-	-	(56,131,856)
Proceeds on sale of assets	-	-	-	-	-
Transfers in	-	-	-	-	36,000
Transfers out	-	-	-	-	(36,000)
Insurance recoveries	3,438,753	-	-	-	-
Other	-	-	-	-	-
Total other financing sources (uses)	3,438,753	442,033	-	-	470,732
Net change in fund balances	\$46,277	\$6,334,708	\$1,519,204	\$9,134,540	(\$18,618,382)
Debt service as a percentage of noncapital expenditures	7.47%	8.25%	8.79%	10.04%	8.65%

Source: School district financial records

	2003	2002	2001	2000	1999
Revenues:					
From local sources					
Taxes	\$69,252,976	\$71,166,995	\$54,379,386	\$55,439,262	\$56,299,337
Tuition	488,196	399,296	446,027	261,034	953,350
Extra-curricular	940,944	1,036,497	1,120,434	1,073,524	937,878
Investment income	1,373,429	4,825,857	3,906,256	2,095,540	2,124,961
Classroom materials and fees	-	-	-	-	-
Intergovernmental - local	388,214	423,073	335,052	322,044	314,299
Intergovernmental - state	42,552,850	41,929,676	37,073,140	32,679,365	30,938,056
Intergovernmental - federal	2,427,892	1,556,805	1,747,645	1,345,344	1,227,599
Other revenue	981,987	1,160,909	770,637	379,066	717,528
Total revenues	118,406,488	122,499,108	99,778,577	93,595,179	93,513,008
Expenditures:					
Instructional					
Regular	51,772,472	50,352,696	47,616,427	45,452,537	41,965,460
Special	9,901,261	8,740,977	8,376,039	7,015,481	7,018,430
Vocational	2,392,716	2,138,402	1,954,732	2,230,460	2,084,844
Continuing	-	-	980	5,263.00	-
Other	1,607,521	1,166,761	945,198	755,637	780,973
Support Services					
Pupils	6,448,953	5,592,025	4,213,268	3,665,902	3,611,082
Staff	4,771,434	4,164,763	3,493,873	3,252,031	2,880,158
General administration	1,397,792	1,265,245	1,363,605	1,124,098	1,073,368
School administration	8,663,698	7,529,232	6,505,300	6,280,557	5,658,571
Fiscal services	1,709,155	1,650,788	1,595,175	1,466,850	1,677,271
Business services	1,051,841	858,308	1,195,663	1,269,586	941,022
Operation & maintenance	10,258,280	9,394,710	9,003,486	8,514,621	7,261,397
Student transportation	4,994,803	4,911,727	4,625,427	4,194,683	3,630,510
Central services	1,747,849	1,553,428	1,222,709	1,252,079	1,109,605
Community services	649,801	445,488	624,950	454,701	413,717
Food services	2,923	-	-	-	-
Extra-curricular activities	1,991,739	1,950,979	1,886,554	1,722,802	1,508,227
Capital outlay	53,580,974	40,481,842	9,795,662	3,419,427	7,286,615
Debt Service:					
Principal retirement	6,115,000	2,328,533	2,410,000	2,505,000	2,415,000
Interest	6,790,573	8,115,314	2,584,128	2,514,441	2,653,260
Total expenditures	175,848,785	152,641,218	109,413,176	97,096,156	93,969,510
Excess (deficiency) of revenues over (under) expenditures	(57,442,297)	(30,142,110)	(9,634,599)	(3,500,977)	(456,502)
Other financing sources (uses):					
Proceeds from sale of bonds	-	-	99,718,574	-	-
Proceeds from refunding bonds	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Payment to bond agent	-	-	-	-	-
Proceeds on sale of assets	-	24,326	1,083	21,990	-
Transfers in	36,000	36,000	36,000	36,000	3,679,751
Transfers out	(36,000)	(36,000)	(36,000)	(36,000)	(3,679,751)
Insurance recoveries	-	-	-	-	-
Other	-	-	-	-	3,117
Total other financing sources (uses)	-	24,326	99,719,657	21,990	3,117
Net change in fund balances	(\$57,442,297)	(\$30,117,784)	\$90,085,058	(\$3,478,987)	(\$453,385)
Debt service as a percentage of noncapital expenditures	11.59%	9.33%	5.19%	5.66%	6.21%

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

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)		Total		Tax Rate (d)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2008	\$2,414,158,300	\$6,897,595,143	\$23,161,556	\$370,584,896	\$36,764,060	\$105,040,171	\$2,474,083,916	\$7,373,220,210	42.29
2007	2,418,908,970	6,911,168,486	39,390,964	315,127,712	53,557,100	153,020,286	2,511,857,034	7,379,316,484	42.69
2006	2,379,600,480	6,798,858,514	53,636,288	223,484,533	53,702,010	153,434,314	2,486,938,778	7,175,777,362	37.41
2005	2,074,038,900	5,925,825,429	73,858,548	307,743,950	55,563,540	158,752,971	2,203,460,988	6,392,322,350	42.29
2004	2,024,458,100	5,784,166,000	76,287,708	317,865,450	54,084,170	154,526,200	2,154,829,978	6,256,557,650	37.06
2003	1,961,931,150	5,605,517,571	112,285,098	449,140,312	56,031,920	160,091,200	2,130,248,148	6,214,749,083	37.64
2002	1,708,441,740	4,881,262,114	115,766,508	463,066,032	54,993,020	157,122,914	1,879,201,268	5,501,451,060	41.05
2001	1,624,735,960	4,642,102,743	117,792,551	471,170,204	64,511,420	184,318,343	1,807,039,931	5,297,591,290	40.68
2000	1,545,832,520	4,416,664,543	102,497,145	409,988,580	62,846,340	179,560,971	1,711,176,005	5,006,214,094	36.91
1999	1,338,755,350	3,825,015,286	94,171,271	376,685,084	61,625,950	176,074,143	1,494,552,571	4,377,774,513	40.87

Source: Franklin County Auditor

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

(b) Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of the true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007 and 6.25% for 2008.

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

(d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

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

Tax Year/ Collection Year	Franklin County	Delaware County	City of Westerville	City of Columbus	Westerville City School District			Total	Blendon Township	Genoa Township	Plain Township	Sharon Township	Minerva Park Corp.	Westerville Corp. (Genoa)		
					Voted Gen. Fd.	Bond	Permanent Improvement									
2007/2008 Res/Agr Comm/Ind	18.49 13.78 16.21	5.65 5.33 5.41	17.64 10.21 12.18	3.14 3.14 3.14	3.14	61.60 31.02 34.18	4.40 4.40 4.40	2.70 2.32 2.70	3.80 3.80 3.80	72.50 41.54 45.08	26.51 14.96 18.03	9.40 8.38 9.40	12.85 7.14 5.70	23.50 14.77 16.39	15.95 15.36 14.76	17.64 10.21 12.18
2006/2007	18.44	5.65	17.60	3.14	3.14	61.60	4.40	2.70	3.80	72.50	26.55	10.10	13.15	23.50	16.09	17.60
2005/2006	18.44	5.67	17.97	3.14	3.14	56.30	4.51	2.70	3.80	67.31	25.02	10.10	13.27	23.50	16.09	17.97
2004/2005	18.44	5.61	17.95	3.14	3.14	56.30	5.21	2.70	3.80	68.01	25.05	12.80	13.37	23.50	16.08	17.95
2003/2004	17.64	5.61	18.06	3.14	3.14	52.30	5.40	2.70	3.80	64.20	25.07	12.80	13.12	23.50	16.13	18.06
2002/2003	17.64	5.61	17.85	3.14	3.14	51.30	5.40	2.70	3.80	63.20	25.40	12.80	13.43	23.50	16.13	17.85
2001/2002	17.64	5.61	14.50	3.14	3.14	51.30	5.60	2.70	3.80	63.40	22.00	12.80	13.52	19.00	16.32	14.50
2000/2001	17.64	5.92	14.54	3.14	3.14	51.30	5.70	2.70	3.80	63.50	22.16	12.80	13.58	19.08	16.32	14.54
1999/2000	17.64	6.72	14.57	3.14	3.14	51.30	1.86	2.70	3.80	59.66	22.41	10.80	10.72	19.10	12.32	14.57
1998/1999	17.54	6.12	14.65	3.14	3.14	51.30	3.35	2.70	3.80	61.15	22.43	11.20	9.34	13.10	16.31	14.65

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

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

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

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

	<u>Total Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>		<u>Total Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
June 30, 2008			June 30, 1999		
<u>Public Utilities</u>			<u>Public Utilities</u>		
1. Columbus Southern Power Co.	\$19,939,230	0.81%	1. Columbus Southern Power Co	\$19,005,150	1.27%
2. Columbia Gas Of Ohio, Inc.	3,236,990	0.13%	2. Ohio Bell Telephone Co	16,454,390	1.10%
			3. Columbia Gas of Ohio Inc	9,240,380	0.62%
			4. Nextel West Corporation	4,342,100	0.29%
<u>Real Estate</u>			<u>Real Estate</u>		
1. Banc One Management Corp.	15,880,000	0.64%	1. Banc One Management Corp	18,788,700	1.26%
2. NRI Brookside LLC	9,812,350	0.40%	2. Partners at Brookside	11,171,200	0.75%
3. Chestnut Hill Apartments	9,002,860	0.36%	3. Eastrich No 167 Corp	7,137,880	0.48%
4. Eastrich no 167 Corp.	7,700,010	0.31%	4. Corporate Exchange Building IV & V LP	6,860,300	0.46%
5. Remington Station	7,525,020	0.30%	5. AAC Funding Partnership	5,005,000	0.33%
6. St. Ann's Hospital	6,889,060	0.28%	6. CASA 94 LP	4,906,340	0.33%
7. Westminster Corporate	6,825,010	0.28%	7. Richard J Solove & John J Chester	4,007,290	0.27%
8. Otterbein College	6,497,340	0.26%	8. Associated Estates Realty Corp	3,893,000	0.26%
9. AAC Funding Partnership	5,355,000	0.22%	9. CASNA LP	3,851,950	0.26%
10. CRI Easton Square LLC	5,133,870	0.21%	10. Simon Property Group L P	3,643,420	0.24%
<u>Tangible Personal Property</u> ¹			<u>Tangible Personal Property</u>		
1. Ohio Bell Telephone Co	1,852,600	0.15%	1. I B M Credit Corporation	13,241,630	0.89%
2. Sprint Nextel Corporation	1,092,700	0.09%	2. Bank One Corporation	10,321,530	0.69%
3. Roush Equipment Company	748,815	0.06%	3. Kroger Company	1,924,340	0.13%
4. Road Runner Holdco LLC	482,825	0.04%	4. West-Camp Press Inc	1,642,390	0.11%
5. Intellirisk Management Corp.	446,700	0.04%	5. Time Warner Entertainment Company	1,535,270	0.10%
6. Mid-Ohio Imported Car Company, Inc.	419,670	0.03%	6. Mettler Toledo Inc	1,422,800	0.10%
7. Kroger Company	396,070	0.03%	7. Cutler-Hammer 1Dt Inc	1,411,200	0.09%
8. Home Depot USA, Inc.	373,770	0.03%	8. Roush Equipment Company Inc	1,252,840	0.08%
9. Germain Nissan of New Albany	358,315	0.03%	9. Symix Systems Inc.	1,232,240	0.08%
10. Time Warner Entertainment Company LP	350,770	0.03%	10. Mid-Ohio Imported Cars Company Inc	1,168,980	0.08%
All Others	<u>2,357,242,706</u>	<u>95.28%</u>	All Others	<u>1,341,092,251</u>	<u>89.73%</u>
Total Assessed Valuation	<u>\$2,474,083,916</u>	<u>100.00%</u>	Total Assessed Valuation	<u>\$1,494,552,571</u>	<u>100.00%</u>

Source: Franklin County Auditor

¹ HB66 has begun the phase out of the Tangible Personal Property Tax in the next three years. To reflect this phase out, the assessed valuation listed above for TPP is 50% of the 2007 Actual Assessed Valuation.

Assessed values are for the valuation year of 2007 and 1998 respectively.

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

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection (1)	Percent of Current Levy Collected	Delinquent Collection (2)	Total Collection	Total Collection As a Percent of Total Levy	Delinquent Taxes Receivable
2007/08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2006/07	\$71,785,121	\$3,336,015	\$75,121,136	\$69,060,721	96.20%	\$1,905,792	\$70,966,513	94.47%	3,515,477
2005/06	62,554,612	2,798,410	65,353,022	60,761,825	97.13%	1,460,370	62,222,195	95.21%	3,101,187
2004/05	62,996,400	2,865,996	65,862,396	60,619,247	96.23%	1,616,810	62,236,057	94.49%	2,755,789
2003/04	55,139,660	3,225,688	58,365,348	53,587,683	97.19%	1,642,476	55,230,159	94.63%	2,742,699
2002/03	55,118,475	3,580,141	58,698,616	53,913,651	97.81%	1,927,176	55,840,827	95.13%	3,168,633
2001/02	55,511,182	3,051,334	58,562,516	53,514,087	96.40%	1,541,579	55,055,666	94.01%	3,544,953
2000/01	54,652,124	2,669,250	57,321,374	54,107,821	99.00%	1,532,826	55,640,647	97.07%	2,859,562
1999/00	49,423,043	2,410,391	51,833,434	48,087,673	97.30%	1,257,745	49,345,518	95.20%	1,986,166
1998/99	47,835,965	1,859,890	49,695,855	47,058,116	98.37%	1,148,512	48,206,628	97.00%	2,304,262

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

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

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

N/A - The information was not available at the time of the document's preparation.

Westerville City School District
 Percent of Net General Obligation Bonded Debt to
 Assessed Value and Bonded Debt Per Capita
 Last Ten Years

Year	(a)	(b)	(c)	% of Net Bonded Debt to Assessed Valuation	(d)	(d)	(d)	
	Assessed Value	Gross Bonded Debt	Less Debt Service		Net Bonded Debt	Percentage of Personal Income	Net Bonded Debt Per Capita	Net Bonded Debt Per ADM
2008	\$2,474,083,916	\$105,764,585	\$8,758,598	\$97,005,987	0.0392	4.10%	1,206	6,701
2007	2,511,857,034	111,139,583	8,755,309	102,384,274	0.0408	4.36%	1,282	7,184
2006	2,486,938,778	117,094,585	8,328,474	108,766,111	0.0437	4.73%	1,391	7,650
2005	2,203,460,988	122,394,585	7,835,634	114,558,951	0.0520	5.00%	1,469	8,169
2004	2,154,829,978	127,962,429	7,276,551	120,685,878	0.0560	5.30%	1,559	8,525
2003	2,130,248,148	133,155,446	5,490,715	127,664,731	0.0599	5.66%	1,665	9,091
2002	1,879,201,268	138,949,070	7,720,099	131,228,971	0.0698	6.38%	1,876	9,486
2001	1,807,059,931	140,174,487	7,144,043	133,030,444	0.0736	6.58%	1,933	9,706
2000	1,711,176,005	43,049,855	4,350,532	38,699,323	0.0226	1.63%	479	2,844
1999	1,494,552,571	45,554,855	5,011,856	40,542,999	0.0271	3.01%	539	3,028

Sources:

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

Westerville City School District
 Computation of Direct and Overlapping General Obligation Bonded Debt
 as of June 30, 2008

<u>Governmental Unit</u>	<u>Gross Debt Outstanding</u>	<u>Percent Applicable to Westerville City School District</u>	<u>Amount Applicable to Westerville City School District</u>
Westerville City School District	\$105,764,585	100.00%	\$105,764,585
Delaware County	52,936,400	14.08%	7,453,445
Franklin County	201,685,000	5.63%	11,354,866
City of Columbus	1,209,892,243	3.59%	43,435,132
City of Westerville	27,810,000	97.81%	27,200,961
Plain Township	1,814,998	0.78%	14,157
Minerva Park Corporation	185,000	100.00%	185,000
New Albany Plain Local Park District Misc.	<u>14,559,990</u>	0.55%	<u>80,080</u>
	<u>\$1,614,648,216</u>		<u>\$195,488,226</u>

Source: Ohio Municipal Advisory Council

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

Overlapping governments with no outstanding debt are not reflected.

Westerville City Schools
 Legal Debt Margin Information
 as of June 30, 2008

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Assessed Valuation										
Voted and Unvoted Debt Limit - 9% of Assessed Valuation				\$222,667,552						
Balance in Debt Service Fund				\$8,758,598						
Total Debt Outstanding				\$105,764,585						
Less: Exempted Debt				\$0						
Net subject to 9% limit				\$105,764,585						
Total Legal Voted Debt Margin				<u>\$125,661,565</u>						
Debt Limit	\$231,426,150	\$234,822,442	\$232,152,964	\$206,147,123	\$201,211,249	\$197,213,048	\$176,096,190	\$162,633,594	\$154,005,840	\$134,509,731
Total Net Debt Applicable to Limit	<u>\$105,764,585</u>	<u>111,139,583</u>	<u>117,094,585</u>	<u>122,394,585</u>	<u>127,962,429</u>	<u>133,155,446</u>	<u>137,845,954</u>	<u>140,174,487</u>	<u>43,049,855</u>	<u>45,554,855</u>
Legal Debt Margin	<u>\$125,661,565</u>	<u>\$123,682,859</u>	<u>\$115,058,379</u>	<u>\$83,752,538</u>	<u>\$73,248,820</u>	<u>\$64,057,602</u>	<u>\$38,250,236</u>	<u>\$22,459,107</u>	<u>\$110,955,985</u>	<u>\$88,954,876</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	45.70%	47.33%	50.44%	59.37%	63.60%	67.52%	78.28%	86.19%	27.95%	33.87%

Source: Franklin County Auditor and School District financial records

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

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

Westerville City School District
 Demographic and Economic Statistics
 Last Ten Years

Year	(a) MORPC Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate	(b) % of Population 25 Years & older with Bachelor's Degree or Higher	(d) Enrollment Membership
2008	80,404	\$29,401	\$2,363,958,004	4.0%	44.6%	14,477
2007	79,891	\$29,401	\$2,348,875,291	3.9%	44.6%	14,252
2006	78,213	\$29,401	\$2,299,540,413	4.1%	44.6%	14,217
2005	77,964	\$29,401	\$2,292,219,564	4.4%	44.6%	14,023
2004	77,415	\$29,401	\$2,276,078,415	4.2%	44.6%	14,156
2003	76,680	\$29,401	\$2,254,468,680	3.7%	44.6%	14,043
2002	69,939	\$29,401	\$2,056,276,539	2.5%	44.6%	13,834
2001	68,805 *	\$29,401	\$2,022,935,805	1.7%	44.6%	13,706
2000	80,761	\$29,401	\$2,374,454,161	1.6%	44.6%	13,609
1999	75,273	\$17,898	\$1,347,236,154	1.3%	40.2%	13,390

Sources:

(a) Mid Ohio Regional Planning Commission

* Population figures prior to 2001 were estimated by MORPC. 2001 is an actual number specified by the 2000 census as the population of Westerville City School District.

(b) US Census Bureau 2000 and 1990 Census Demographic Profiles for the City of Westerville

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

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

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

2008

Employer	Employees	Percentage of Total Employment	Type of Business
1 J. P. Morgan Chase (Bank One)	3,837	2.49%	Banking & Financial Services
2 Mount Carmel Health	2,366	1.5%	Health Care
3 Westerville City Schools	2,195	1.4%	Public Education
4 Otterbein College	1,810	1.2%	Private College
5 CMS Subsidiary	1,591	1.0%	Membership Services
6 Alliance Data Systems, Inc.	1,433	0.9%	Finance Credit Services
7 Cheryl's Cookies (1-800 Flowers)	959	0.6%	Retail Food
8 City of Westerville	862	0.6%	Municipal Government
9 Heartland Employment	797	0.5%	Financial Services
10 Meijer's	597	0.4%	Retail Groceries
Total	16,447	10.59%	

1999

Employer	Employees	Percentage of Total Employment	Type of Business
1 Bank One	7,468	N/A	Banking & Financial Services
2 CMS Subsidiary	2,015	N/A	Membership Services
3 Westerville City Schools	1,912	N/A	Public Education
4 Otterbein College	1,564	N/A	Private College
5 St. Ann's Hospital	1,399	N/A	Health Care
6 Alliance Data Systems, Inc.	1,232	N/A	Finance Credit Services
7 Cheryl's Cookies (1-800-Flowers)	1,018	N/A	Retail Food
8 Worthington Industries	887	N/A	Manufacturing
9 City of Westerville	556	N/A	Municipal Government
10 Krogers	452	N/A	Retail Groceries
Total	18,503		

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

Source: City of Westerville Division of Taxation, December 1998 and December 2007

N/A: Percentage information not available for 1999

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

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

<u>Function</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities:					
Instruction	908.46	859.00	803.50	767.50	840.50
Support services:					
Pupils	112.01	111.00	98.00	95.00	93.00
Instructional staff	70.04	71.50	65.50	65.50	65.50
School administration	112.92	107.50	98.00	100.00	100.00
Fiscal services	11.00	10.00	10.00	10.00	10.00
Business services	11.50	11.50	11.50	11.50	11.50
Operation & maintenance	114.25	113.50	108.50	108.50	108.50
Student transportation	90.10	90.00	87.00	86.00	95.00
Central services	17.00	17.00	13.00	13.00	13.00
Community services	0.75	1.00	1.00	0.00	0.00
Extra-curricular activities	6.00	6.00	6.00	6.00	6.00
Total governmental activities	<u>1,454.03</u>	<u>1,398.00</u>	<u>1,302.00</u>	<u>1,263.00</u>	<u>1,343.00</u>
Business-type activities:					
Food service	56.11	56.00	60.00	56.25	57.00
Total primary government	<u>1,510.14</u>	<u>1,454.00</u>	<u>1,362.00</u>	<u>1,319.25</u>	<u>1,400.00</u>

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

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities				
Instruction				
Regular and special				
Enrollment (Students)	14,477	14,467	14,217	14,023
Graduation rate	N/A	95.8%	94.6%	94.6%
Support services - pupil				
% of students going on to higher education	84.5%	79.0%	79.0%	84.0%
% of students with disabilities	12.1%	11.6%	11.2%	11.3%
% of limited English proficient students	7.1%	7.4%	6.3%	4.2%
School administration				
Student attendance rate	95.6%	95.6%	95.4%	95.4%
Fiscal				
Purchase orders processed	9,895	9,876	9,477	9,173
Nonpayroll checks issued	10,991	11,571	11,628	11,459
Business				
Facility rentals permits issued	312	303	265	268
Maintenance				
Maintenance work orders completed	7,172	7,192	5,913	5,330
District square footage maintained by custodians and maintenance staff	2,112,955	2,115,276	2,115,276	2,115,276
District acreage maintained by grounds staff	403	403	403	403
Transportation				
Avg. public and parochial students transported daily	10,671	8,401	8,502	7,939
Avg. daily bus stops	6,216	4,961	6,126	5,836
Central				
Information technology services work orders completed	4,126	2,857	2,785	2,526
Extra-curricular activities				
High school varsity teams	60	60	60	60
Business-Type Activities				
Food service operations				
Breakfasts served to students	177,601	138,900	105,625	85,587
Lunches served to students	620,376	628,488	622,037	602,386

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

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

Information not available prior to 2005.

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

	2008	2007	2006	2005	2004
Governmental Activities					
Regular Instruction					
Land/improvements	\$9,653,688	\$9,396,188	\$9,396,188	\$9,392,188	\$9,392,188
Buildings/improvements	187,065,017	184,756,845	182,885,105	179,800,709	178,855,973
Furniture/equipment	2,313,267	2,194,641	2,032,256	2,082,672	2,003,496
Vehicles	5,100	-	-	-	-
Special Instruction					
Furniture/equipment	85,091	79,469	73,094	68,314	57,196
Vocational Instruction					
Buildings/improvements	110,873	110,873	110,873	127,357	127,357
Furniture/equipment	5,038	5,038	5,038	5,038	5,038
Vehicles	17,279	17,279	-	-	-
Pupil Support					
Land/improvements	3,550	3,550	3,550	-	-
Buildings/improvements	312,235	312,235	312,235	-	-
Furniture/equipment	33,599	33,599	25,142	31,934	31,934
Instructional Support Staff					
Furniture/equipment	24,279	10,579	10,579	10,379	10,379
School Administration					
Furniture/equipment	240,967	127,921	53,916	63,258	73,850
Fiscal Services					
Furniture/equipment	13,376	13,376	13,376	13,376	13,376
Business services					
Buildings/improvements	96,600	96,600	96,600	96,600	96,600
Furniture/equipment	33,907	49,015	49,015	61,810	61,810
Vehicles	101,065	101,065	101,065	48,769	48,769
Operation & maintenance					
Land/improvements	368,112	365,607	248,620	28,926	28,926
Buildings/improvements	2,764,203	2,751,812	2,705,699	2,701,530	2,701,530
Furniture/equipment	646,064	529,916	521,797	483,329	482,499
Vehicles	585,688	515,627	529,779	510,504	597,563
Student transportation					
Land/improvements	294,083	294,084	294,084	294,084	294,084
Buildings/improvements	34,648	34,648	31,700	31,700	31,700
Furniture/equipment	82,602	73,277	48,277	48,277	48,277
Buses	6,681,420	6,302,986	6,259,176	6,078,877	6,505,227
Central services					
Buildings/improvements	288,201	288,201	288,201	288,201	288,201
Furniture/equipment	1,407,719	1,262,331	1,259,306	1,203,668	1,201,070
Food services					
Furniture/equipment	131,257	131,257	131,257	131,257	131,257
Community services					
Furniture/equipment	6,832	6,832	3,942	-	-
Extra-curricular activities					
Land/improvements	799,590	752,047	282,237	194,420	22,511
Buildings/improvements	542,483	537,478	537,478	537,478	537,478
Furniture/equipment	347,139	290,503	270,938	258,376	237,111
Total governmental activities capital assets					
	<u>\$215,094,972</u>	<u>\$211,444,879</u>	<u>\$208,580,523</u>	<u>\$204,593,031</u>	<u>\$203,885,400</u>
Business-type Activities					
Food service					
Furniture/equipment	\$1,080,753	\$1,078,221	\$944,879	\$944,885	\$942,130
Vehicles	48,769	48,769	48,769	48,769	48,769
	<u>\$1,129,522</u>	<u>\$1,126,990</u>	<u>\$993,648</u>	<u>\$993,654</u>	<u>\$990,899</u>

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

Westerville City School District
School Building Information
Last Seven Fiscal Years

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

Source: School District Records, information not available prior to 2002.

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

*This building is not district owned and is being leased by Westerville City Schools.

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

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

		2007	2006	2005	2004	2003	2002
Robert Frost Elementary (1974)							
Square feet	45,763	45,763	45,763	45,763	45,763	45,763	39,527
Capacity (students)	437	437	461	350	350	350	350
Enrollment	387	371	384	388	396	454	594
Whittier Elementary (1952)							
Square feet	46,097	46,097	46,097	46,097	46,097	46,097	39,548
Capacity (students)	377	377	419	355	355	355	355
Enrollment	284	313	323	365	365	343	461
Wilder Elementary (1989)							
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	483	483	493	570	570	570	570
Enrollment	474	492	492	495	522	544	676
Blendon Middle School (1969)							
Square feet	79,025	79,025	79,025	79,025	79,025	79,025	77,402
Capacity (students)	564	581	624	650	650	650	650
Enrollment	574	578	572	591	642	682	697
Genoa Middle School (1998)							
Square feet	143,955	143,955	143,955	143,955	143,955	143,955	127,950
Capacity (students)	960	892	821	750	750	750	750
Enrollment	961	897	935	907	909	862	817
Heritage Middle School (1989)							
Square feet	117,945	117,945	117,945	117,945	117,945	117,945	115,485
Capacity (students)	749	633	686	835	835	835	835
Enrollment	851	862	901	874	911	946	912
Walnut Springs Middle School (1965)							
Square feet	99,068	99,068	99,068	99,068	99,068	99,068	91,713
Capacity (students)	799	733	693	716	716	716	716
Enrollment	880	951	920	925	893	843	824
Westerville Central High School (2003)							
Square feet	326,102	326,102	326,102	326,102	326,102	N/A	N/A
Capacity (students)	1,746	1,751	1,605	1,605	1,605	N/A	N/A
Enrollment	1,548	1,536	1,444	1,117	733	N/A	N/A
Westerville North High School (1975)							
Square feet	266,928	266,928	266,928	266,928	266,928	266,928	266,928
Capacity (students)	1,556	1,487	1,470	1,515	1,515	1,515	1,515
Enrollment	1,533	1,624	1,596	1,729	1,900	2,269	2,254
Westerville South High School (1960)							
Square feet	254,583	254,583	254,583	254,583	254,583	254,583	254,583
Capacity (students)	1,415	1,255	1,312	1,467	1,467	1,467	1,467
Enrollment	1,478	1,449	1,448	1,572	1,760	2,092	2,030
Administration Building (1974)							
Square feet	8,580	8,580	8,580	8,580	8,580	8,580	8,580
White House (1873)							
Square feet	2,596	2,596	2,596	2,596	2,596	2,596	2,596
Warehouse (1980)							
Square feet	3,239	3,239	3,239	3,239	3,239	3,239	3,239
Buildings & Grounds (1987)							
Square feet	8,700	8,700	8,700	8,700	8,700	8,700	8,700
Farmhouse (1905)							
Square feet	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Transportation (1954)							
Square feet	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Vine Street (1922)							
Square feet	3,502	3,502	3,502	3,502	3,502	3,502	3,502
Eastwind *							
Square feet	7,196	7,196	7,196	7,196	7,196	7,196	7,196

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

	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
3rd Grade Achievement Tests:							(a)			
Reading	N/A	N/A	N/A	N/A	N/A	87%	85%	87%	88%	87%
Math	N/A	N/A	N/A	N/A	N/A	N/A	77%	83%	90%	89%
4th Grade Proficiency/Achievement Tests:							(a)			
Writing	73%	92%	88%	83%	87%	88%	88%	90%	86%	87%
Reading	69%	73%	70%	77%	78%	83%	88%	84%	90%	91%
Mathematics	66%	71%	77%	78%	73%	78%	72%	86%	85%	81%
Citizenship	81%	79%	76%	81%	77%	74%	77%	N/A	N/A	N/A
Science	65%	68%	68%	77%	69%	75%	66%	N/A	N/A	N/A
5th Grade Achievement Tests							(a)			
Reading	N/A	N/A	N/A	N/A	N/A	N/A	84%	85%	88%	82%
Mathematics	N/A	N/A	N/A	N/A	N/A	N/A	N/A	69%	67%	67%
Science	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	75%	74%
Social Studies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	69%	73%
6th Grade Proficiency/Achievement Tests:							(a)			
Writing	81%	85%	89%	92%	85%	95%	90%	N/A	N/A	N/A
Reading	62%	57%	66%	66%	74%	71%	76%	89%	81%	86%
Mathematics	64%	65%	72%	71%	66%	72%	72%	76%	79%	83%
Citizenship	80%	79%	79%	82%	83%	80%	82%	N/A	N/A	N/A
Science	57%	64%	70%	71%	78%	73%	73%	N/A	N/A	N/A
7th Grade Achievement Tests:							(a)			
Reading	N/A	N/A	N/A	N/A	N/A	N/A	N/A	88%	85%	84%
Math	N/A	N/A	N/A	N/A	N/A	N/A	74%	81%	84%	79%
Writing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	91%	87%
8th Grade Achievement Tests:							(a)			
Reading	N/A	N/A	N/A	N/A	N/A	N/A	89%	86%	88%	88%
Math	N/A	N/A	N/A	N/A	N/A	N/A	78%	80%	83%	82%
Science	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	69%	70%
Social Studies	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	60%	68%
9th Grade Proficiency Tests:							(a)			
Writing	97%	97%	95%	88%	97%	98%	N/A	N/A	N/A	N/A
Reading	94%	93%	93%	78%	97%	98%	N/A	N/A	N/A	N/A
Mathematics	82%	83%	80%	94%	89%	92%	N/A	N/A	N/A	N/A
Citizenship	92%	90%	88%	90%	94%	96%	N/A	N/A	N/A	N/A
Science	87%	86%	83%	81%	91%	94%	N/A	N/A	N/A	N/A
10th Grade Ohio Graduation Test:							(a)			
Writing	N/A	N/A	N/A	N/A	N/A	N/A	86%	93%	94%	93%
Reading	N/A	N/A	N/A	N/A	N/A	N/A	77%	96%	90%	92%
Mathematics	N/A	N/A	N/A	N/A	N/A	N/A	69%	91%	87%	89%
Social Studies	N/A	N/A	N/A	N/A	N/A	N/A	90%	90%	84%	91%
Science	N/A	N/A	N/A	N/A	N/A	N/A	84%	84%	79%	85%
ACT Scores (Averages)										
Westerville	22.4	22.6	22.5	22.4	22.3	22.5	22.1	22.7	22.2	23.0
National	21.0	21.0	21.0	20.8	20.8	20.9	20.9	20.1	21.2	21.1
SAT Scores (Averages)										
Westerville										
Verbal	536	541	533	540	542	541	539	537	538	544
Mathematics	555	551	558	563	529	561	551	561	571	569
National										
Verbal	505	505	506	504	507	508	508	503	502	505
Mathematics	511	514	514	516	519	518	520	518	515	511
National Merit Scholars (Percent of Senior Class)	2.57	2.28	2.60	2.76	2.40	2.50	1.51	1.90	1.47	1.50

Source: School District Student Records and Ohio Department of Education

N/A = Not Available/Not Applicable

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

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

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

	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>
ODE Per Pupil Costs										
Westerville	\$6,519	\$6,895	\$7,400	\$7,696	\$8,071	\$8,330	\$8,356	\$8,608	\$9,236	\$9,874
State Avg.	\$6,642	\$7,057	\$7,602	\$8,073	\$8,435	\$8,775	\$9,028	\$9,356	\$9,587	\$9,939
Cost to Educate Graduate										
Westerville	N/A	N/A	\$70,533	\$74,468	\$78,379	\$82,436	\$86,727	\$90,590	\$94,531	\$98,815
State Avg.	\$64,002	\$67,621	\$71,601	\$75,655	\$79,741	\$84,130	\$88,685	\$93,017	\$97,362	\$101,948
Average Tacher Salary										
Westerville	N/A	N/A	\$51,733	\$53,104	\$55,925	\$58,291	\$59,403	\$59,695	\$61,487	\$63,000
State Avg.	\$40,835	\$41,833	\$42,995	\$43,755	\$45,645	\$47,659	\$49,438	\$50,772	\$53,536	\$53,410
Teacher Experience										
% of Teachers with 0-4 Years	14.0	15.0	19.2	23.5	19.9	21.9	19.5	15.7	16.0	21.7
% of Teachers with 5-9 Years	13.4	16.1	15.4	18.1	17.7	16.3	18.4	22.8	19.3	22.9
% of Teachers with 10+ Years	72.6	68.9	65.4	58.4	62.4	61.8	62.1	61.4	64.7	55.3
Percentage of Teachers with a Master's Degree or Higher	N/A	N/A	N/A	N/A	N/A	N/A	75.8	76.8	72.0	74.1
ODE Teacher/Pupil Ratio										
Westerville	19.9	19.9	18.8	18.0	18.1	20.4	22.0	21.2	21.5	20.3
State Avg.	18.6	18.1	18.0	16.9	16.5	18.5	18.5	18.6	19.6	18.6
Percentage of Students on Free/Reduced Lunch	N/A	N/A	6.7	8.6	10.7	12.4	14.9	15.4	22.2	22.0

Westerville City School District

Westerville, Ohio



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Mary Taylor, CPA
Auditor of State

WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 31, 2008