



Dave Yost • Auditor of State

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Federal Awards of Receipts and Expenditures Schedule.....	1
Notes to the Federal Awards of Receipts and Expenditures Schedule	2
Independent Accountants' Report on Internal Control over Financial Reporting and On Compliance and Other Matters Required by <i>Government Auditing Standards</i>	3
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.....	5
Schedule of Findings.....	7

THIS PAGE INTENTIONALLY LEFT BLANK

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012
(CASH BASIS)**

<u>Federal Grantor/ Pass Through Grantor Program Title</u>	<u>Grant Award Year</u>	<u>Federal CFDA Number</u>	<u>Receipts</u>	<u>Disbursements</u>
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
Non-Cash Assistance (Food Distribution) National School Lunch Program	2012	10.555	\$ 157,752	\$ 157,752
Nutrition Cluster:				
School Breakfast Program	2012	10.553	601,767	601,767
National School Lunch Program	2012	10.555	1,804,567	1,804,567
Summer Food Service Program for Children	2012	10.559	39,774	39,774
Total Nutrition Cluster			<u>2,603,860</u>	<u>2,603,860</u>
Total U.S. Department of Agriculture			<u>2,603,860</u>	<u>2,603,860</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education:</i>				
Title I Grants to Local Educational Agencies	2011/2012	84.010	2,575,920	2,579,949
Title I Grants to Local Educational Agencies - ARRA	2011/2012	84.389	175,524	179,532
Total Title I Grants to Local Educational Agencies			<u>2,751,444</u>	<u>2,759,481</u>
Special Education Cluster:				
Special Education - Grants to States	2011/2012	84.027	2,775,979	2,256,931
Special Education - Grants to States - ARRA	2012	84.391	132,148	271,823
Total Special Education - Grants to States			<u>2,908,127</u>	<u>2,528,754</u>
Special Education - Preschool Grant	2011/2012	84.173	31,603	31,626
Special Education - Preschool Grant - ARRA	2012	84.392	89,028	90,028
Total Special Education - Preschool Grant			<u>120,631</u>	<u>121,654</u>
Total Special Education Cluster			<u>3,028,758</u>	<u>2,650,408</u>
Education Technology Grants	2011/2012	84.318	9,026	9,946
Race to the Top Grant - ARRA	2012	84.395	10,850	10,850
English Language Acquisition Grants	2011/2012	84.365	334,444	331,404
Improving Teacher Quality State Grants	2011/2012	84.367	284,396	289,149
Education Jobs Fund	2012	84.410	1,437,774	1,434,338
Total U.S. Department of Education			<u>7,856,692</u>	<u>7,485,576</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Jobs and Family Service:</i>				
Refugee and Immigrant Assistance - Discretionary Grants	2011/2012	93.576	10,179	4,834
Total U.S. Department of Health and Human Services			<u>10,179</u>	<u>4,834</u>
<u>U.S. DEPARTMENT OF CORPORATION FOR NATIONAL AND COMMUNITY SERVICES</u>				
<i>Passed Through Ohio Department of Education:</i>				
Learn and Save America	2012	94.004	3,484	1,380
Total U.S. Department of Corporation for National and Community Services			<u>3,484</u>	<u>1,380</u>
Total Federal Awards of Receipts and Expenditures			<u>\$ 10,474,215</u>	<u>\$ 10,095,650</u>

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

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**NOTES TO THE FEDERAL AWARDS OF RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2012**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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



Dave Yost • 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
936 Eastwind Drive
Westerville, Ohio 43081

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 16, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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

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

Dave Yost
Auditor of State

November 16, 2012



Dave Yost • Auditor of State

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

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

To the Board of Education:

Compliance

We have audited the compliance of Westerville City School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Westerville City School District's major federal programs for the year ended June 30, 2012. 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 opine on the District's compliance based on our audit.

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

In our opinion, the Westerville City School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2012.

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, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

Federal Awards of Receipts and Expenditures Schedule

We have also audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Westerville City School District (the District) as of and for the year ended June 30, 2012, and have issued our report thereon dated November 16, 2012. Our audit was performed to form an opinion on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards of Receipts and Expenditures Schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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.



Dave Yost
Auditor of State

November 16, 2012

**WESTERVILLE CITY SCHOOL DISTRICT
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	Education Jobs (CFDA #84.410) Special Education Cluster (CFDA # 84.027, 84.173, 84.391 and 84.392) English Language Acquisition (CFDA # 84.365) Nutrition Cluster (CFDA #10.553, 10.555,#10.556 and 10.559)
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,461 Type B: all others
(d)(1)(ix)	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

This page intentionally left blank.

Westerville City School District

Westerville, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2012

Issued By:

Office of the Treasurer

Prepared By:

Bart Griffith

Treasurer/CFO

Laura A. Hendricks

Assistant Treasurer

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents
For the Fiscal Year Ended June 30, 2012

	<u>Page</u>
I. INTRODUCTORY SECTION	
Letter of Transmittal	1
Elected Officials and Administrative Staff	7
Table of Organization for Administrators	8
Certificate of Achievement, Government Finance Officers Association	9
II. FINANCIAL SECTION	
Independent Accountants' Report	11
Management's Discussion and Analysis	13
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Assets	23
Statement of Activities	24
Fund Financial Statements	
Balance Sheet – Governmental Funds	25
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities	26
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	27
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund	29
Combined Statement of Net Assets – Proprietary Funds	30
Combined Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds	31
Combined Statement of Cash Flows – Proprietary Funds	32
Combined Statement of Net Assets – Fiduciary Funds	33
Statement of Changes in Net Assets – Fiduciary Funds	34

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents, Continued
For the Fiscal Year Ended June 30, 2012

Notes to Basic Financial Statements	35
Supplementary Information	
Combining Statements and Individual Fund Schedules	
Description of Funds – Debt Service and Permanent Improvement	69
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) –Debt Service Fund	70
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) –Permanent Improvement Fund	70
Description of Funds – Other Governmental Funds	71
Combining Balance Sheet – Other Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Other Governmental Funds	78
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – Other Governmental Funds	82
Description of Funds – Internal Service Funds	89
Combining Statement of Net Assets – Internal Service Funds	90
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets – Internal Service Funds	91
Combining Statement of Cash Flows – Internal Service Funds	92
Description of Funds – Agency Funds	93
Combining Statement of Changes in Assets & Liabilities – Agency Funds	94
III. STATISTICAL SECTION	
Table	95
Net Assets by Component – Last Ten Fiscal Years	96
Change in Net Assets – Last Ten Fiscal Years	97
Fund Balances, Governmental Funds – Last Ten Fiscal Years	100

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Comprehensive Annual Financial Report
Table of Contents, Continued
For the Fiscal Year Ended June 30, 2012

Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	102
Assessed Valuation and Estimated Actual Value of Taxable Property – Last Ten Collection Years	104
Property Tax Rates Direct and Overlapping Governments – Last Ten Collection Years	105
Principal Taxpayers – Current Year and Nine Years Ago	106
Property Tax Levies and Collections – Real, Public Utility Tax And Tangible Personal Property – Last Ten Calendar Years	107
Ratios of General Bonded Debt Outstanding – Last Ten Years	108
Computation of Direct and Overlapping General Obligation Bonded Debt as of June 30, 2012	109
Legal Debt Margin Information as of June 30, 2012	110
Demographic and Economic Statistics – Last Ten Years	111
Principal Employers – Current Year and Nine Years Ago	112
Staffing Statistics – Full Time Equivalents (FTE) by Type and Function – Last Nine Years	113
Operating Indicators by Function – Last Eight Years	114
Capital Assets by Function/Program – Last Nine Fiscal Years	115
School Building Information– Last Ten Years	116
Educational and Operating Statistics– Last Ten Years	118

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)



Westerville City Schools

Department of Treasurer/Fiscal Services
Bart Griffith, Treasurer/CFO

936 Eastwind Dr., Westerville, OH 43081
Main Office (614) 797-5700 Fax (614) 797-5775

Vision

Our vision is
to be the benchmark
of educational
excellence.

November 16, 2012

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 the Treasurer of the Westerville City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2012. This CAFR is prepared by the Treasurer and in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). Management is responsible for the contents of this report, and we believe the data presented is complete and accurate in all material respects.

Values

Respect
Inclusiveness
Community
Communication
Collaboration
Innovation
Nurturing
Trust
Accountability

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

Management is also required to prepare a narrative introduction and overview of the financial statements in the form of Management's Discussion and Analysis, which can be found on page 13. This letter of transmittal is designed and should be read in conjunction with that analysis. Comments on the report are welcome and requests for additional financial information can be obtained by contacting the Office of the Treasurer.

This report will be 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, 2012

REPORTING ENTITY

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the 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.

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 14,844, and the District's estimated population is 92,959 (Mid Ohio Regional Planning Commission). The District is currently comprised of 24 schools: 1 preschool, 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.

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

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

ORGANIZATION OF THE DISTRICT / 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, 2012, were as follows:

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2012

Board Member	Service as a Board Member		
	Began	Expires	
Kevin Hoffman	01/01/02	12/31/13	President
Denise Pope	01/01/09	12/31/13	Vice President
Kristi Robbins	01/01/06	12/31/13	Member
Dr. Carol French	01/01/12	12/31/14	Member
Cindy Crowe	01/01/00	12/31/14	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 staff. Dr. Good (Dan) assumed the role of CEO on June 1, 2008. It is Dan's 30th 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. Bart Griffith was appointed as Treasurer/CFO on August 15, 2011. Mr. Griffith has been in the government finance profession for 19 years.

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 39,000 residents within 11.5 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.

Employment in Westerville has improved slightly with unemployment in June of 2011 of approximately 6.8% decreasing to 6.6% as of June 2012. Employment in the District is diversified with a majority in the finance and insurance sector.

The District has an excellent relationship with the City of Westerville, which assures that development projects selected by the City are also 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 District was successful on March 6, 2012 with a 6.71 mill property tax emergency levy request. This levy was for general operating expenses. The five-year forecast approved in October 2012 is projecting a positive balance through June 30, 2017.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2012

EMPLOYEE RELATIONS

The District currently has approximately 1,800 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, 2010 through August 31, 2012. In August 2012, the Board of Education and the Westerville Education Association signed a three year agreement effective September 1, 2012 through August 31, 2015. The agreement provides no raises September 1, 2012 and 2013 and a 3.0% raise September 1, 2014.

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, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. The OAPSE #719 wage agreement for the period of July 1, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. The WESSA wage agreement for the period of July 1, 2010, through June 30, 2012, included raises of 2.5% and 1.75%, effective September 1, 2010, and September 1, 2011, respectively. In June of 2012, all three unions approved to a two year extension of their agreements that included no raises for fiscal year 2013 and 2014.

DISTRICT MAJOR ACCOMPLISHMENTS

The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the ninth consecutive year.

All employees and volunteers played an important role in preparing our students for the future. Their efforts were met with success when the preliminary 2012 State Report Card announced that Westerville City Schools met 26 of 26 state indicators and earned the rating of "Excellent with Distinction," the highest designation awarded by the Ohio Department of Education. The district also earned a Performance Index score of 102.9, which is up from last year's score of 101.9 and the highest score achieved by the district since the Performance Index was implemented in 2000-01. Westerville City Schools met Adequate Yearly Progress (AYP) requirements for three consecutive years and its Value Added Rating over that same three-year period has been designated as "Above."

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2012

This means that students have demonstrated academic growth that exceeds state-level growth expectations.

On the “Best High Schools” report by *U. S. News & World Report* all three high schools earned a silver rating.

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.

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 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.

Financial Planning and Policies

As required by Ohio Revised Code, the District adopts a five-year financial forecast annually to ensure long term financial success. It serves as a planning tool to certify if funds are available for future expenditures and to strategize when the District will need to return to voters for additional funds or to reduce expenditures accordingly. Management and the board implemented various staff and expenditure reductions for the 2011-12 school year and passed a levy in March 2012. The most recent forecast, approved in October 2012, shows a positive available fund balance through 2017.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2012

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada 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, 2010. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

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 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.

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 2011 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, 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



Bart Griffith
Treasurer/CFO

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Elected Officials and Administrative Staff

As of June 30, 2012

BOARD OF EDUCATION

President

Kevin Hoffman

Vice President

Denise Pope

Member

Cindy Crowe

Member

Dr. Carol French

Member

Kristi Robbins

APPOINTED OFFICIALS

Superintendent

Dr. J. Daniel Good

Interim Treasurer

Bart Griffith

ADMINISTRATIVE STAFF

Chief of Administrative Services

Mark Hershiser

Chief of Academic Affairs

Karen McClellan

Executive Director, Human Relations

Curt Jackowski

Executive Director, Business Services

Jeff LeRose

Executive Director, Pupil Services/Special Education

Barbara Wallace

Executive Director, Communications

Greg Viebranz

Executive Director, Elementary Academic Affairs

David Baker

Executive Director, Secondary Academic Affairs

Scott Reeves

Principal, Westerville North High School

Kurt Yancey

Principal, Westerville South High School

Steve Andersson

Principal, Westerville Central High School

Todd Spinner

Principal, Blendon Middle School

Kendall Harris

Principal, Genoa Middle School

Barry Ackerman

Principal, Heritage Middle School

Joseph Kacsandi

Principal, Walnut Springs Middle School

Leslie Kelly

Principal, Alcott Elementary School

Bob Hoffman

Principal, Annehurst Elementary School

Howard Baum

Principal, Central College Elementary School

Dr. Scott Ebbrecht

Principal, Cherrington Elementary School

Andy Heck

Principal, Emerson Elementary School

Vicki Jarrell

Principal, Fouse Elementary School

Brian Orrenmaa

Principal, Hanby Elementary School

Jan Fedorenko, Ph.D.

Principal, Hawthorne Elementary School

Fred Tombaugh

Principal, Huber Ridge Elementary School

Jonathan Langhals

Principal, Longfellow Elementary School

Dr. Scott Ebbrecht

Principal, Mark Twain Elementary School

Vicki Moss

Principal, McVay Elementary School

Amy Miller

Principal, Pointview Elementary School

Jeanne Roth

Principal, Robert Frost Elementary School

Sara Berka

Principal, Whittier Elementary School

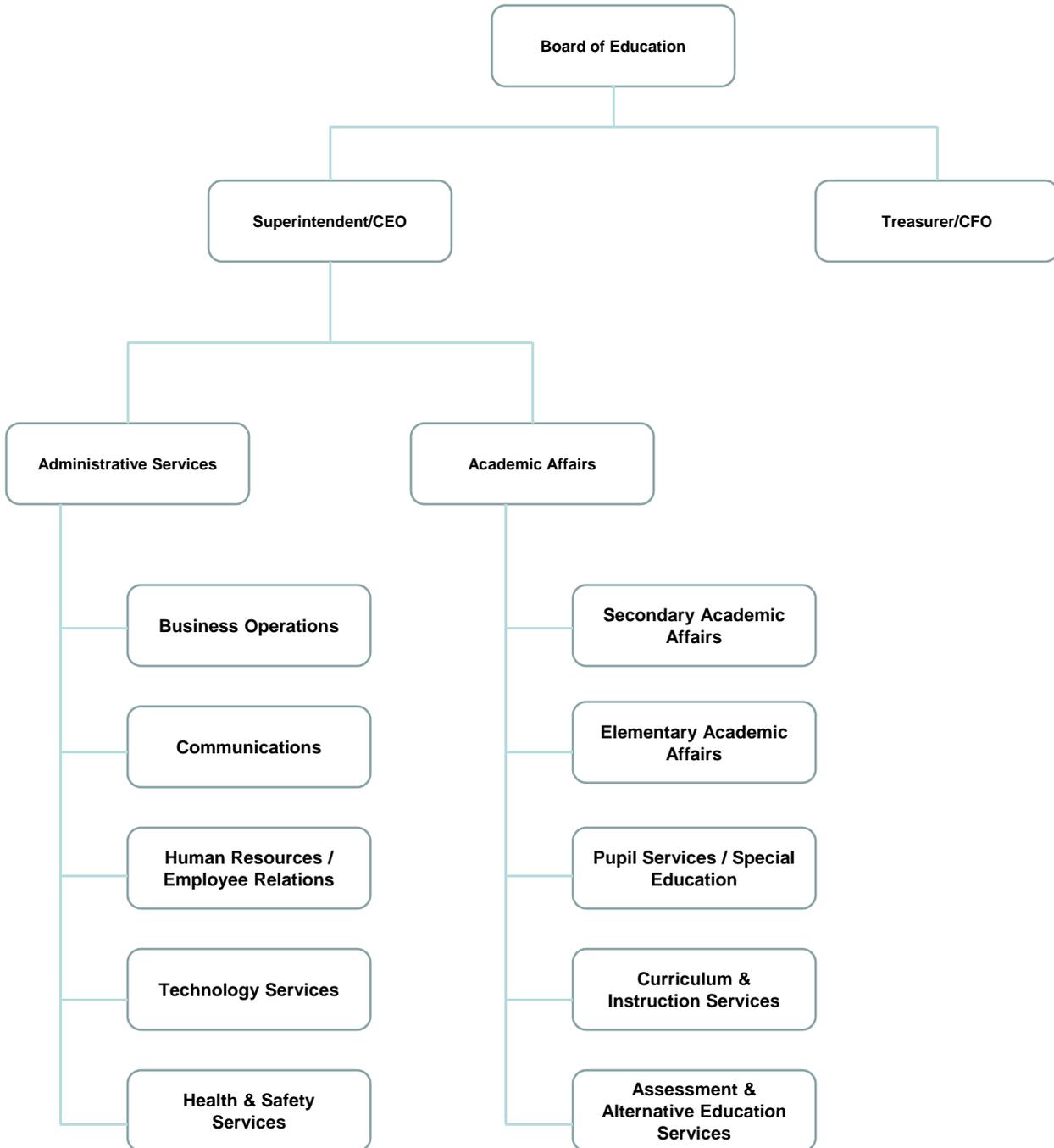
Kim Woosley

Principal, Wilder Elementary School

Victoria Hazlett

Westerville City School District, Ohio

Table of Organization for Administrators
For Fiscal Year ended June 30, 2012



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, 2011

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.



Linda C. Sandison

President

Jeffrey R. Emer

Executive Director

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Westerville City School District
Franklin County
936 Eastwind Drive
Westerville, Ohio 43081

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Westerville City School District, Franklin County, Ohio, as of June 30, 2012, 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 16, 2012, 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.

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

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

November 16, 2012

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
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, 2012. 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 \$1.4 million or 1.6%. Program revenues accounted for \$19.9 million or 11.2% of total revenues, and general revenues accounted for \$158.3 million or 88.8%.

The general fund reported a positive fund balance of \$20.1 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 2012?" 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

In the Statement of Net Assets and the Statement of Activities, all of the District's activities are reported as governmental including instruction, support services, operation and maintenance of plant, student transportation and extracurricular activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

Our analysis of the District's major funds begins on page 19. The fund financial statements begin on page 25 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 accrual basis of accounting, the same as on the entity-wide statements. The District uses an internal service fund to account for the Intra-District Services Fund which provides copy and print services to other funds, as well as an internal service fund to account for a self-insurance program and one for workers compensation insurance. The assets, liabilities, and net assets of the internal service funds have been included within the governmental activities.

Fiduciary Funds

The District 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 33-34. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

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 \$85 million at the close of the most recent fiscal year.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

A significant portion of the District's net assets (57.4%) 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 2012 to 2011:

(Table 1)
Net Assets

	Governmental Activities	
	2012	2011
Current assets	\$152,869,785	\$147,590,985
Capital assets	<u>158,604,776</u>	<u>159,980,173</u>
Total assets	311,474,561	307,571,158
Current liabilities	103,328,325	94,024,022
Long term liabilities	<u>123,130,743</u>	<u>129,897,624</u>
Total liabilities	226,459,068	223,921,646
Net assets:		
Invested in capital assets, net of debt	48,788,494	46,260,204
Restricted for:		
Debt service	8,265,083	5,004,565
Capital projects	8,494,373	12,244,546
Locally funded programs	18,263	1,497
State funded programs	135,078	50,003
Federally funded programs	63,957	34,637
Student activities	689,088	764,931
Other purposes	1,225,611	1,199,126
Unrestricted	17,335,546	18,090,003
Total net assets	<u>\$85,015,493</u>	<u>\$83,649,512</u>

An additional portion of the District's net assets (22.2%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (20.4%) may be used to meet the District's ongoing activities. The District is able to report positive balances in all areas of net assets.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 2 shows the changes in net assets for fiscal year 2012 and 2011.

(Table 2)
Changes in Net Assets

	Governmental Activities	
Revenues	2012	2011
Program revenues		
Charges for services	\$ 6,124,156	\$ 5,922,986
Operating grants	13,775,709	10,502,282
Capital grants	3,800	-
Total program revenues	19,903,665	16,425,268
General revenues		
Property taxes	109,454,808	112,814,737
Grants and entitlements	45,138,161	52,556,276
Payment in lieu of taxes	2,385,150	1,279,078
Investment income	35,235	87,739
Win-Win settlement	933,687	-
Miscellaneous	374,973	931,842
Total general revenues	158,322,014	167,669,672
Total revenues	\$ 178,225,679	\$ 184,094,940
Expenses		
Instruction		
Regular	\$ 77,038,152	\$ 69,983,172
Special	22,144,035	23,747,901
Vocational	252,328	915,477
Other	855,741	4,970,334
Support services		
Pupil	12,320,476	12,816,822
Staff	9,133,132	6,401,728
Board of Education	1,424,003	1,728,752
School administration	12,508,555	11,888,608
Fiscal	2,628,335	2,804,650
Business operations	818,150	1,194,774
Operations & maintenance	12,980,201	16,024,885
Student transportation	8,816,149	8,815,697
Central services	2,392,018	2,741,374
Other non-instructional services	1,081,274	1,048,002
Food service operations	4,540,831	4,498,897
Extra-curricular activities	3,333,926	3,320,713
Interest and fiscal charges	4,592,392	5,627,155
Total expenses	\$ 176,859,698	\$ 178,528,941
Change in net assets	1,365,981	5,565,999
Net assets, beginning of year	83,649,512	78,083,513
Net assets, end of year	\$ 85,015,493	\$ 83,649,512

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

Governmental Activities

Net assets of the District's governmental activities increased by \$1.4 million, and unrestricted net assets reflect a balance of \$17.3 million. In fiscal year 2012 the District faced decreasing tax revenues as re result of the poor housing market and a shrinking tax base. Also, the District was unsuccessful with a levy request on the November 2011 ballot. Grant revenue declined as the federal ARRA programs ended in June 2011. The District was able to offset these losses by significant reductions in staff and programs.

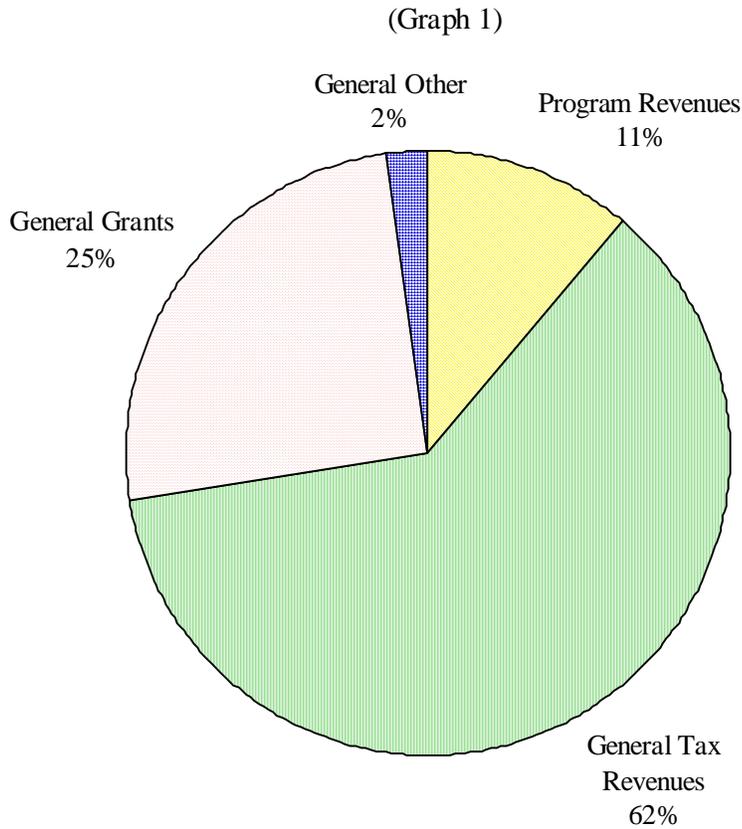
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the governmental activities. The 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		Net Cost of Services	
	2012	2011	2012	2011
Program expenses				
Instruction				
Regular	\$ 77,038,152	\$ 69,983,172	\$ 74,632,908	\$ 68,194,464
Special	22,144,035	23,747,901	15,654,570	19,454,463
Vocational	252,328	915,477	78,155	696,130
Other	855,741	4,970,334	567,485	4,582,490
Support services				
Pupil	12,320,476	12,816,822	11,766,940	12,218,599
Staff	9,133,132	6,401,728	7,478,713	4,706,444
General administration	1,424,003	1,728,752	1,424,003	1,728,752
School administration	12,508,555	11,888,608	12,263,573	11,637,388
Fiscal	2,628,335	2,804,650	2,605,278	2,784,298
Business operations	818,150	1,194,774	818,150	1,194,774
Operations & maintenance	12,980,201	16,024,885	12,355,653	16,024,885
Student transportation	8,816,149	8,815,697	8,340,727	8,808,466
Central services	2,392,018	2,741,374	2,350,618	2,680,630
Other non-instructional services	1,081,274	1,048,002	139,699	202,417
Food service operations	4,540,831	4,498,897	(154,074)	(270,140)
Extra-curricular activities	3,333,926	3,320,713	2,041,243	1,832,458
Interest and fiscal charges	4,592,392	5,627,155	4,592,392	5,627,155
Total expenses	\$ 176,859,698	\$ 178,528,941	\$ 156,956,033	\$ 162,103,673

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

The District's reliance upon tax revenues is demonstrated by the graph below indicating 62% of total revenues from local taxes. The other large portion of general revenue support is the State Foundation program as 25% of total revenues. The reliance on general revenues is indicated by the net services column reflecting the need for \$157 million of support as well as the graph indicating general revenues comprise 89% of total revenues.



WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 25) reported a combined fund balance of \$38.5 million, which represents a decrease of \$7.95 million. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2012 and 2011.

	Fund Balance June 30, 2012	Fund Balance June 30, 2011 (as restated)	Increase (Decrease)
	<u> </u>	<u> </u>	<u> </u>
General	\$ 20,148,122	\$ 24,713,940	\$ (4,565,818)
Debt Service	8,447,429	7,964,302	483,127
Permanent Improvement	7,818,103	11,866,584	(4,048,481)
Other Governmental	<u>2,130,878</u>	<u>1,950,036</u>	<u>180,842</u>
Total	<u>\$ 38,544,532</u>	<u>\$ 46,494,862</u>	<u>\$ (7,950,330)</u>

General Fund

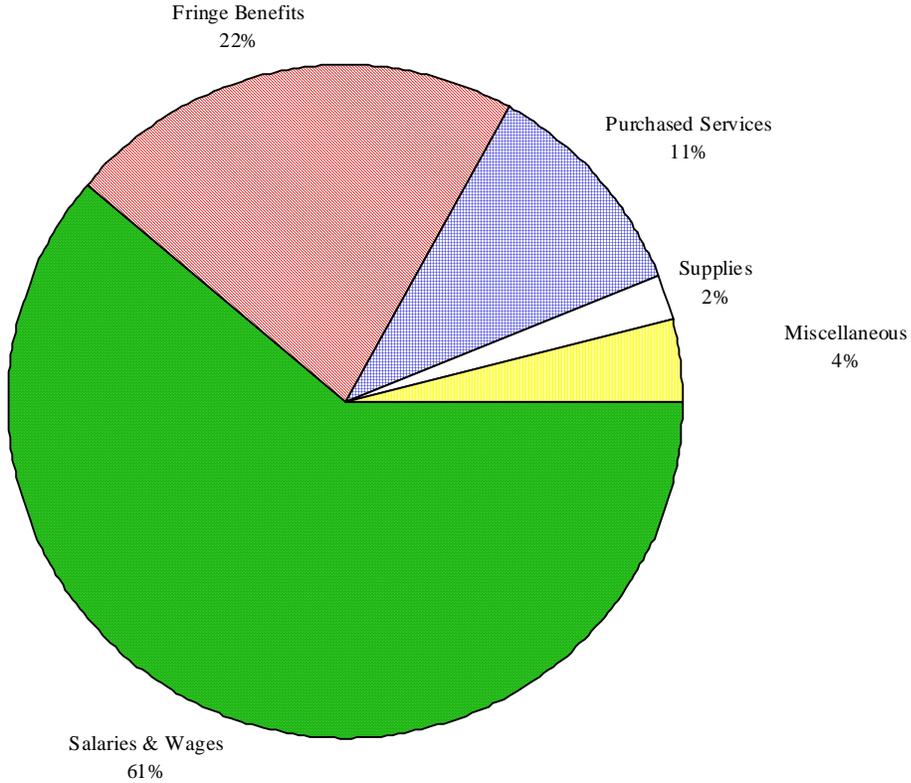
The District's general fund balance decrease is due to expenditures exceeding revenues. Property tax revenue decreased \$3.9 million due a shrinking tax base and an unsuccessful levy attempt in November 2011. Intergovernmental – State revenue decreased as a result of the continued phase out of the tangible personal property tax and the electric deregulation replacement funds. The tables and graphs that follow assist in illustrating the financial activities and balance of the general fund.

Revenues by Source	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Revenues			
Taxes	\$ 92,827,847	\$ 96,767,909	-4.07%
Payment in lieu of taxes	2,385,150	1,279,078	86.47%
Intergovernmental - State	45,377,104	48,519,306	-6.48%
Other Revenue	<u>3,409,653</u>	<u>2,451,749</u>	<u>39.07%</u>
Total	<u>\$ 143,999,754</u>	<u>\$ 149,018,042</u>	<u>-3.37%</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

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)



(Table 6)

Expenditures by Object	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Salaries and Wages	\$ 90,625,000	\$ 89,714,756	1.01%
Fringe Benefits	32,684,426	29,815,509	9.62%
Purchased Services	16,342,213	17,321,215	-5.65%
Supplies	2,971,311	2,895,449	2.62%
Miscellaneous	<u>5,942,623</u>	<u>6,713,219</u>	<u>-11.48%</u>
Total	<u>\$148,565,572</u>	<u>\$ 146,460,148</u>	<u>1.44%</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

Expenditures have increased \$2.1 million over the prior year. Salaries and wages and fringe benefits have increased \$3.8 million due to increases in base salaries and steps and the continued rising costs of insurance despite staff reductions in January 2012. Purchased services decreased \$1 million due to the District purchasing some special education programs through the Educational Service Center in fiscal year 2011, but providing the services with District staff in fiscal year 2012.

Other Funds

The District's debt service fund balance increased by \$483 thousand. 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 a decrease in fund balance of \$4 million due to the completion of spending of the \$25 million of Tax Anticipation Notes issued in March 2010.

Other governmental funds consist of special revenue funds. The decrease in fund balance of \$80 thousand is primarily due to timing of expenditures in the State and Federal grants.

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 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 \$158.6 million invested in capital assets net of depreciation. Acquisitions totaled \$5.3 million and depreciation was \$6.5 million. The acquisitions were for various land and building improvements, equipment and buses.

For more detailed information regarding the District's capital assets, refer to Note 8 in the notes to the basic financial statements.

Debt

At June 30, 2012, the District had \$110.7 million in outstanding bonds. The District paid \$6.5 million in principal on bonds outstanding and \$4.9 million in interest during the fiscal year.

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, 2012, 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Management's Discussion & Analysis, Continued
For the Fiscal Year Ended June 30, 2012
Unaudited

Restrictions and Other Limitations

The District was unsuccessful on November 8, 2011 with a levy request of .5% earned income tax and 4.06 mill property tax. Both of these were for general operating expenses. The District made a number of reductions to staff and programs beginning January 1, 2012. Plans were also developed for eliminating staffing and programs for school year 2012-2013. The District passed a five year, 6.71 mill emergency levy request on March 6, 2012. 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 on the economy. The District had experienced growth in property valuation for many years, but this year's decrease of 6.79% is the second year of decrease in a row. The growth patterns in student population have slowed down. Also, the 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.

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, 936 Eastwind Drive, Westerville, Ohio, 43081.

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS
JUNE 30, 2012

	Governmental Activities
Assets:	
Equity in pooled cash and investments.	\$ 25,888,273
Receivables:	
Property taxes	121,160,466
Payment in lieu of taxes	2,044,562
Accounts.	145,602
Intergovernmental	2,274,972
Prepayments	339,870
Materials and supplies inventory.	111,128
Restricted cash.	32,946
Deferred charges.	871,966
Capital assets:	
Non-depreciable capital assets.	5,813,922
Depreciable capital assets, net.	152,790,854
Capital assets, net	158,604,776
 Total assets.	 311,474,561
 Liabilities:	
Accounts payable.	1,362,765
Accrued wages and benefits	15,354,460
Pension obligation payable.	3,254,944
Intergovernmental payable	996,783
Unearned revenue	81,680,712
Accrued interest payable	403,810
Claims payable.	241,905
Matured bonds payable.	32,946
Long-term liabilities:	
Due within one year.	9,297,775
Due in more than one year.	113,832,968
 Total liabilities	 226,459,068
 Net Assets:	
Invested in capital assets, net of related debt.	48,788,494
Restricted for:	
Capital projects	8,265,083
Debt service.	8,494,373
Locally funded programs	18,263
State funded programs.	135,078
Federally funded programs	63,957
Student activities	689,088
Other purposes	1,225,611
Unrestricted.	17,335,546
 Total net assets	 \$ 85,015,493

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular	\$ 77,038,152	\$ 1,330,006	\$ 1,075,238	\$ -	\$ (74,632,908)
Special	22,144,035	384,891	6,104,574	-	(15,654,570)
Vocational	252,328	-	174,173	-	(78,155)
Other	855,741	-	288,256	-	(567,485)
Support services:					
Pupil	12,320,476	285,892	267,644	-	(11,766,940)
Instructional staff	9,133,132	-	1,654,419	-	(7,478,713)
Board of education	1,424,003	-	-	-	(1,424,003)
Administration	12,508,555	-	244,982	-	(12,263,573)
Fiscal	2,628,335	-	23,057	-	(2,605,278)
Business	818,150	-	-	-	(818,150)
Operations and maintenance	12,980,201	620,748	-	3,800	(12,355,653)
Pupil transportation	8,816,149	-	475,422	-	(8,340,727)
Central	2,392,018	-	41,400	-	(2,350,618)
Operation of non-instructional services:					
Other non-instructional services	1,081,274	-	941,575	-	(139,699)
Food service operations	4,540,831	2,286,224	2,408,681	-	154,074
Extracurricular activities	3,333,926	1,216,395	76,288	-	(2,041,243)
Interest and fiscal charges	4,592,392	-	-	-	(4,592,392)
Total governmental activities	\$ 176,859,698	\$ 6,124,156	\$ 13,775,709	\$ 3,800	(156,956,033)

General Revenues:

Property taxes levied for:	
General purposes	93,253,033
Debt service	8,098,833
Capital projects	8,102,942
Payment in lieu of taxes	2,385,150
Grants and entitlements not restricted to specific programs	45,138,161
Investment earnings	35,235
Win-Win Settlement	933,687
Miscellaneous	374,973
Total general revenues	158,322,014
Change in net assets	1,365,981
Net assets at beginning of year	83,649,512
Net assets at end of year	\$ 85,015,493

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and investments	\$ 10,350,157	\$ 5,882,146	\$ 6,094,396	\$ 2,511,103	\$ 24,837,802
Receivables:					
Property taxes	103,712,981	8,754,957	8,692,528	-	121,160,466
Payment in lieu of taxes	2,044,562	-	-	-	2,044,562
Accounts	116,370	-	-	23,837	140,207
Interfund loans	5,859	-	-	-	5,859
Intergovernmental	1,529,307	-	-	745,665	2,274,972
Prepayments	339,870	-	-	-	339,870
Materials and supplies inventory	82,317	-	-	28,811	111,128
Restricted cash	-	32,946	-	-	32,946
Total assets	<u>\$ 118,181,423</u>	<u>\$ 14,670,049</u>	<u>\$ 14,786,924</u>	<u>\$ 3,309,416</u>	<u>\$ 150,947,812</u>
Liabilities:					
Accounts payable	\$ 364,116	\$ -	\$ 817,907	\$ 179,669	\$ 1,361,692
Accrued wages and benefits	14,587,233	-	-	752,589	15,339,822
Compensated absences payable	2,148,646	-	-	-	2,148,646
Interfund loans payable	-	-	-	5,859	5,859
Intergovernmental payable	852,215	-	-	9,279	861,494
Unearned revenue	70,237,858	5,738,920	5,703,934	-	81,680,712
Deferred revenue	6,822,800	450,754	446,980	-	7,720,534
Pension obligation payable	3,020,433	-	-	231,142	3,251,575
Matured bonds payable	-	32,946	-	-	32,946
Total liabilities	<u>98,033,301</u>	<u>6,222,620</u>	<u>6,968,821</u>	<u>1,178,538</u>	<u>112,403,280</u>
Fund Balances:					
Nonspendable:					
Materials and supplies inventory	82,317	-	-	28,811	111,128
Prepays	339,870	-	-	-	339,870
Restricted:					
Debt service	-	8,447,429	-	-	8,447,429
Capital improvements	-	-	7,818,103	-	7,818,103
Food service operations	-	-	-	1,196,800	1,196,800
Non-public schools	-	-	-	133,714	133,714
Special education	-	-	-	10,739	10,739
Targeted academic assistance	-	-	-	21,435	21,435
Vocational education	-	-	-	19,893	19,893
Extracurricular	-	-	-	689,088	689,088
Other purposes	-	-	-	31,517	31,517
Assigned:					
Student instruction	103,054	-	-	-	103,054
Student and staff support	820,340	-	-	-	820,340
Subsequent year appropriations	1,420,662	-	-	-	1,420,662
Unassigned (deficit)	17,381,879	-	-	(1,119)	17,380,760
Total fund balances	<u>20,148,122</u>	<u>8,447,429</u>	<u>7,818,103</u>	<u>2,130,878</u>	<u>38,544,532</u>
Total liabilities and fund balances	<u>\$ 118,181,423</u>	<u>\$ 14,670,049</u>	<u>\$ 14,786,924</u>	<u>\$ 3,309,416</u>	<u>\$ 150,947,812</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2012

Total governmental fund balances		\$	38,544,532
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			158,604,776
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes receivable	\$	6,229,422	
Intergovernmental receivable		1,491,112	
Total		7,720,534	7,720,534
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net assets.			659,592
Deferred charges are not recognized in the funds.			871,966
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(403,810)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(110,688,248)	
Compensated absences		(10,293,849)	
Total		(120,982,097)	(120,982,097)
Net assets of governmental activities		\$	85,015,493

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
From local sources:					
Property taxes	\$ 92,827,847	\$ 8,018,642	\$ 8,033,924	\$ -	\$ 108,880,413
Payment in lieu of taxes	2,385,150	-	-	-	2,385,150
Tuition	1,145,130	-	-	-	1,145,130
Earnings on investments	34,940	-	-	717	35,657
Charges for services	-	-	-	2,283,149	2,283,149
Extracurricular	590,962	-	-	889,119	1,480,081
Classroom materials and fees	569,767	-	-	-	569,767
Rental income	605,189	-	15,559	-	620,748
Contributions and donations	100,712	-	3,800	142,212	246,724
Other local revenues	362,953	-	-	14,721	377,674
Intergovernmental - state	45,377,104	1,010,022	1,195,309	948,696	48,531,131
Intergovernmental - federal	-	-	-	9,819,993	9,819,993
Total revenues	<u>143,999,754</u>	<u>9,028,664</u>	<u>9,248,592</u>	<u>14,098,607</u>	<u>176,375,617</u>
Expenditures:					
Current:					
Instruction:					
Regular	70,113,609	-	-	1,087,818	71,201,427
Special	16,872,003	-	-	3,912,928	20,784,931
Vocational	157,997	-	-	54,197	212,194
Other	552,380	-	-	288,256	840,636
Support services:					
Pupil	12,109,540	-	-	189,511	12,299,051
Instructional staff	7,430,607	-	-	1,654,512	9,085,119
Board of education	1,424,110	-	-	-	1,424,110
Administration	11,054,502	-	-	244,982	11,299,484
Fiscal	2,392,547	103,306	104,067	20,660	2,620,580
Business	860,314	-	-	-	860,314
Operations and maintenance	12,927,669	-	-	-	12,927,669
Pupil transportation	8,174,272	-	-	9,519	8,183,791
Central	2,281,001	-	-	41,651	2,322,652
Operation of non-instructional services:					
Operation of non-instructional	115,503	-	-	862,607	978,110
Food service operations	-	-	-	4,498,250	4,498,250
Extracurricular activities	2,099,518	-	-	1,052,874	3,152,392
Facilities acquisition, construction and maintenance	-	-	10,212,668	-	10,212,668
Debt service:					
Principal retirement	-	6,535,000	-	-	6,535,000
Interest and fiscal charges	-	4,887,569	-	-	4,887,569
Total expenditures	<u>148,565,572</u>	<u>11,525,875</u>	<u>10,316,735</u>	<u>13,917,765</u>	<u>184,325,947</u>
(Deficiency) of revenues (under) expenditures	<u>(4,565,818)</u>	<u>(2,497,211)</u>	<u>(1,068,143)</u>	<u>180,842</u>	<u>(7,950,330)</u>
Other financing sources (uses):					
Transfers in	-	2,980,338	-	-	2,980,338
Transfers (out)	-	-	(2,980,338)	-	(2,980,338)
Total other financing sources (uses)	<u>-</u>	<u>2,980,338</u>	<u>(2,980,338)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(4,565,818)	483,127	(4,048,481)	180,842	(7,950,330)
Fund balances at beginning of year (restated) .	<u>24,713,940</u>	<u>7,964,302</u>	<u>11,866,584</u>	<u>1,950,036</u>	<u>46,494,862</u>
Fund balances at end of year	<u>\$ 20,148,122</u>	<u>\$ 8,447,429</u>	<u>\$ 7,818,103</u>	<u>\$ 2,130,878</u>	<u>\$ 38,544,532</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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, 2012

Net change in fund balances - total governmental funds \$ (7,950,330)

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

Governmental funds report capital outlays as expenditures.

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

Capital asset additions	\$	5,276,871	
Current year depreciation		(6,536,646)	
Total			(1,259,775)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net assets. (115,622)

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

Property taxes		574,395	
Intergovernmental		1,491,112	
Total			2,065,507

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets. Principal payments during the year were: 6,535,000

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in less interest being reported in the statement of activities:

Decrease in accrued interest payable		347,415	
Accreted interest on capital appreciation bonds		(157,526)	
Amortization of bond issuance costs		(75,842)	
Amortization of bond premiums		635,693	
Amortization of deferred charges		(454,563)	
Total			295,177

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 1,314,436

An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 481,588

Change in net assets of governmental activities \$ 1,365,981

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Real Estate Taxes	\$ 90,500,000	\$ 90,798,402	\$ 73,652,401	\$ (17,146,001)
Personal Property Taxes	3,000,000	2,647,860	2,647,859	(1)
State Revenue	30,428,387	31,188,437	31,244,918	56,481
Homestead/Rollback & TPP	14,494,558	14,093,998	14,093,992	(6)
Tuition, Fees, Interest & Misc.	4,696,100	4,884,949	4,937,158	52,209
Transfers, Advances, Refund of Prior Year	296,884	492,884	492,376	(508)
Total revenues	<u>143,415,929</u>	<u>144,106,530</u>	<u>127,068,704</u>	<u>(17,037,826)</u>
Expenditures:				
Salaries and Wages	89,709,460	89,600,075	89,285,714	314,361
Benefits & Insurance	30,670,702	32,121,098	32,181,982	(60,884)
Purchased Services	23,300,789	18,108,707	16,933,908	1,174,799
New & Replacement Equipment	318,914	308,949	269,798	39,151
Other Expenditures	3,147,217	7,764,894	6,991,805	773,089
Total expenditures	<u>150,719,320</u>	<u>151,482,275</u>	<u>148,652,048</u>	<u>2,830,227</u>
Net change in fund balance	(7,303,391)	(7,375,745)	(21,583,344)	(14,207,599)
Fund balance at beginning of year	28,304,540	28,304,540	28,304,540	-
Prior year encumbrances appropriated	1,272,931	1,272,931	1,272,931	-
Fund balance at end of year	<u>\$ 22,274,080</u>	<u>\$ 22,201,726</u>	<u>\$ 7,994,127</u>	<u>\$ (14,207,599)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2012

	<u>Governmental Activities - Internal Service Funds</u>
Assets:	
Current assets:	
Equity in pooled cash and investments.	\$ 1,050,471
Receivables:	
Accounts	<u>5,395</u>
Total assets.	<u>1,055,866</u>
Liabilities:	
Accounts payable.	1,073
Accrued wages and benefits	14,638
Pension obligation payable.	3,369
Intergovernmental payable	135,289
Claims payable	<u>241,905</u>
Total liabilities	<u>396,274</u>
Net assets:	
Unrestricted.	<u>659,592</u>
Total net assets	<u>\$ 659,592</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges for services	\$ 1,422,199
Total operating revenues	<u>1,422,199</u>
Operating expenses:	
Wages and benefits	102,540
Purchased services	646,899
Materials and supplies	191,467
Total operating expenses	<u>940,906</u>
Operating income	<u>481,293</u>
Non-operating revenues:	
Investment income	295
Total non-operating revenues	<u>295</u>
Change in net assets	481,588
Net assets at beginning of year	<u>178,004</u>
Net assets at end of year	<u><u>\$ 659,592</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		Governmental Activities - Internal Service Funds
Cash flows from operating activities:		
Cash received from interfund services provided	\$	1,411,129
Cash payments for wages and benefits.		(104,380)
Cash payments for purchased services		(624,559)
Cash payments for materials and supplies		(194,187)
		<hr/>
Net cash provided by operating activities		488,003
		<hr/>
Cash flows from investing activities:		
Interest received		295
		<hr/>
Net cash provided by investing activities		295
		<hr/>
Net increase in cash and cash equivalents.		488,298
		<hr/>
Cash and investments at beginning of year.		562,173
Cash and investments at end of year.	\$	1,050,471
		<hr/> <hr/>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$	481,293
Changes in assets and liabilities:		
Decrease in accounts receivable.		4,035
(Decrease) in accounts payable.		(2,322)
(Decrease) in accrued wages and benefits		(599)
(Decrease) in intergovernmental payable.		(239,678)
Increase in pension obligation payable.		3,369
Increase in claims payable.		241,905
		<hr/>
Net cash provided by operating activities.	\$	488,003
		<hr/> <hr/>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	Private Purpose Trust	
	Scholarship	Agency
Assets:		
Current assets:		
Equity in pooled cash and investments.	\$ 55,521	\$ 398,591
Total assets.	55,521	\$ 398,591
Liabilities:		
Accounts payable.	995	\$ 2,360
Due to others.	-	396,231
Total liabilities.	995	\$ 398,591
Net assets:		
Held in trust for scholarships	54,526	
Total net assets	\$ 54,526	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Private Purpose Trust
	Scholarship
Additions:	
Gifts and contributions.	\$ 18,354
Total additions.	18,354
Deductions:	
Scholarships awarded	12,995
Change in net assets.	5,359
Net assets at beginning of year	49,167
Net assets at end of year.	\$ 54,526

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Notes to Basic Financial Statements For the Fiscal Year Ended June 30, 2012

(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 14,844 students.

The accompanying basic financial statements comply with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service and student related activities of the District.

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

(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 proprietary funds, except those that conflict with a GASB pronouncement. The District's significant accounting policies are described below.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(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 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 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 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 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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 non-operating 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 District's Internal Service funds are charges for services. Operating expenses for internal service funds include the cost of services. 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. Agency funds do not report a measurement focus as they do not report operations.

(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 – This Fund is the general operating fund of the District and is used to account for and report all financial resources except those required to be accounted for and reported in another fund.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO

Notes to Basic Financial Statements, Continued

For the Fiscal Year Ended June 30, 2012

Debt Service Fund - This 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 - This Fund is used to account for financial resources to be used for the maintenance of capital facilities, technology and curriculum.

Other governmental funds of the District are used to account for specific revenue sources that are restricted or committed to an expenditure for specific purposes other than debt service or capital projects.

Proprietary Funds

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

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. Charges are intended only to recoup the total costs of such services.

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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(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 proprietary fund and private purpose trust fund of the fiduciary fund financial statements. The agency funds of the fiduciary funds do not have a measurement focus, but are reported using the *accrual basis of accounting*. 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.

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 2012 was as follows:

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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 2012.
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 2012.
8. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be reappropriated.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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.

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.

	<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 “Equity in Pooled 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, 2012.

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 STAR Ohio. During fiscal year 2012, investments were limited to STAR Ohio and repurchase agreements.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

Under existing statutes, all investment earnings accrue to the General Fund except earnings specifically related to the Food Service, Worker's Compensation, Private Purpose Trust and Auxiliary Funds. Interest credited to the General Fund during fiscal year 2012 was \$34,940 which includes \$16,575 assigned from other funds.

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.

(f) *Inventories*

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method which means that the costs of inventory items are recorded as expenditures in the governmental funds when consumed.

On the fund financial statements, reported material and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food, purchased food and non-food supplies.

(g) *Prepaid Assets*

Payments made to vendors for services that will benefit periods beyond June 30, 2012 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.

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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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 Improvements	20 years
Buildings & Improvements	10-50 years
Furniture & Equipment	5-15 years
Buses & Vehicles	7-10 years

(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) *Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss*

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

For bond refunds resulting in the defeasance of the debt reported in the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(k) *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.

(l) *Interfund Transactions*

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.

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

(m) *Fund Balances*

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

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

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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

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

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

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

(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.

(o) 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(p) Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. For the fiscal year 2012, the District reported no extraordinary or special items.

(3) ACCOUNTABILITY AND COMPLIANCE

(a) Change in Accounting Principles

For fiscal year 2012, the District has implemented GASB Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and GASB Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions - an Amendment of GASB Statement No. 53".

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the District.

GASB Statement No. 64 clarifies the circumstances in which a hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. The implementation of GASB Statement No. 64 did not have an effect on the financial statements of the District.

(b) Fund Reclassifications

A fund reclassification is required in order to report funds in accordance with the Ohio Auditor of State Bulletin 2011-004. This fund reclassification had the following effect on the District's governmental fund balances as previously reported:

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental</u>
Fund balance as previously reported	\$24,453,341	\$ 7,964,302	\$ 11,866,584	\$ 2,210,635	\$ 46,494,862
Fund reclassification:					
Uniform school supplies	1,497	-	-	(1,497)	-
Public school support	<u>259,102</u>	<u>-</u>	<u>-</u>	<u>(259,102)</u>	<u>-</u>
Restated fund balance at July 1, 2011	<u>\$24,713,940</u>	<u>\$ 7,964,302</u>	<u>\$ 11,866,584</u>	<u>\$ 1,950,036</u>	<u>\$ 46,494,862</u>

The fund reclassifications did not have an effect on net assets as previously reported.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(c) Deficit Fund Balance

Fund balances at June 30, 2012 included the following individual fund deficit:

<u>Nonmajor fund</u>	<u>Deficit</u>
Miscellaneous State Grants	\$1,119

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

(4) DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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

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

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

(a) Deposits with Financial Institutions

At June 30, 2012, the carrying amount of all District deposits was \$3,800,119 exclusive of the \$20,833,556 in repurchase agreements included below. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2012, \$3,750,000 of the District's bank balance of \$4,000,000 was exposed to custodial risk as discussed below, while \$250,000 was covered by the FDIC.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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

(b) Investments

As of June 30, 2012, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	Investment Maturity 6 Months or Less
STAR Ohio	\$ 1,741,656	\$ 1,741,656
Repurchase agreement	<u>20,833,556</u>	<u>20,833,556</u>
Total	<u>\$ 22,575,212</u>	<u>\$22,575,212</u>

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

Credit Risk: The federal agency securities that underlie the District's repurchase agreement were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State statute.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the District's \$20,833,556 investment in repurchase agreements, the entire balance is collateralized by underlying securities that are held by the investment's counterparty, not in the name of the District. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of securities subject to a repurchase agreement by 2%. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2012:

<u>Investment Type</u>	<u>Fair Value</u>	<u>% to Total</u>
STAR Ohio	\$ 1,741,656	7.71
Repurchase agreement	<u>20,833,556</u>	<u>92.29</u>
Total	<u>\$ 22,575,212</u>	<u>100.00</u>

(c) Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2012:

<u>Cash and Investments per Note</u>	
Carrying Amount of Deposits	\$3,800,119
Investments	<u>22,575,212</u>
Total	<u><u>\$26,375,331</u></u>

<u>Cash and Investments per Note</u>	
Governmental Activities	\$25,921,219
Private-Purpose Trust Fund	55,521
Agency Funds	<u>398,591</u>
Total	<u><u>\$26,375,331</u></u>

(5) PROPERTY TAXES

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed values as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Public utility real and personal property taxes received in calendar year 2012 became a lien on December 31, 2010, were levied after April 1, 2011, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Franklin and Delaware Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available as an advance at June 30, 2012 was \$30,260,837 in the general fund, \$2,565,283 in the debt service fund and \$2,541,614 in the permanent improvement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2011 was \$13,733,250 in the general fund, \$923,776 in the debt service fund and \$938,560 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

The assessed values upon which the fiscal year 2012 taxes were collected are:

Real Estate	
Agricultural/Residential	\$1,857,114,630
Commercial/Industrial	404,704,100
Personal Property	
Public Utility	<u>36,661,360</u>
Total	<u>\$2,298,480,090</u>

(6) RECEIVABLES

Receivables and due from other governments at June 30, 2012 consisted of taxes, accounts, payments in lieu of taxes 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.

The District has an ongoing tax sharing agreement with Columbus City School District. It was determined in fiscal year 2012 that there had been several years of inadvertent billing miscalculations and the District was owed \$933,687. This amount will be repaid in three equal installments in October 2012, May 2013 and May 2014 and is included as part of the intergovernmental receivables.

A summary of the principal items is as follows:

Governmental Activities	
Taxes - Current & Delinquent	\$121,160,466
Payment in Lieu of Taxes	2,044,562
Accounts	145,602
Intergovernmental	<u>2,274,972</u>
Total Receivables	<u>\$125,625,602</u>

(7) INTERFUND TRANSACTIONS

(a) Interfund balances at June 30, 2012 as reported on the fund statements, consist of the following amounts receivable/payable from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	\$5,859

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2012 are reported on the statement of net assets.

- (b) Interfund transfers for the fiscal year ended June 30, 2012, consisted of the following, as reported on the fund statements:

<u>Transfers from:</u>	<u>Transfer to:</u>	<u>Amount</u>
Permanent Improvement	Debt Service	\$2,980,338

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers consisted of \$2,980,338 from the permanent improvement fund to the debt service fund in order to cover a debt payment.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(8) CAPITAL ASSETS

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

	Balance			Balance
	<u>06/30/11</u>	<u>Additions</u>	<u>Deductions</u>	<u>06/30/12</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,813,922	\$ -	\$ -	\$ 5,813,922
Total capital assets, not being depreciated	<u>5,813,922</u>	<u>-</u>	<u>-</u>	<u>5,813,922</u>
<i>Capital assets, being depreciated:</i>				
Land Improvements	7,197,388	1,374,955	-	8,572,343
Buildings and Improvements	208,975,842	799,904	(162,447)	209,613,299
Furniture, Fixtures and Equipment	8,070,223	1,638,866	(114,828)	9,594,261
Vehicles	<u>7,749,568</u>	<u>1,463,146</u>	<u>(84,799)</u>	<u>9,127,915</u>
Total capital assets, being depreciated	<u>231,993,021</u>	<u>5,276,871</u>	<u>(362,074)</u>	<u>236,907,818</u>
<i>Less: accumulated depreciation</i>				
Land Improvements	(3,944,642)	(293,322)	-	(4,237,964)
Buildings and Improvements	(64,725,150)	(4,724,668)	73,247	(69,376,571)
Furniture, Fixtures and Equipment	(3,861,335)	(829,227)	88,406	(4,602,156)
Vehicles	<u>(5,295,643)</u>	<u>(689,429)</u>	<u>84,799</u>	<u>(5,900,273)</u>
Total accumulated depreciation	<u>(77,826,770)</u>	<u>(6,536,646)</u>	<u>246,452</u>	<u>(84,116,964)</u>
Governmental activities capital assets, net	<u>\$ 159,980,173</u>	<u>\$ (1,259,775)</u>	<u>\$ (115,622)</u>	<u>\$ 158,604,776</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$3,317,496
Special	758,077
Vocational	20,391
Other	15,105
Support Services:	
Pupil	14,658
Staff	4,005
General Administration	771
School Administration	638,174
Fiscal Services	25
Business Services	26,037
Operations & Maintenance	213,012
Student Transportation	683,264
Central Services	569,316
Food Service Operations	45,362
Community Services	3,786
Extracurricular Activities	227,167
Total Depreciation Expense	<u>\$6,536,646</u>

(9) LONG-TERM OBLIGATIONS

All current obligation bonds outstanding were issued to provide funds for the acquisition and construction of equipment and facilities. The tax anticipation notes are related to various long-term capital projects and are accounted for as long-term obligations. All bonds and notes 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, 2012</u>
Advance Bond Refunding (1)	04/07/04	3.72%	12/01/22	\$49,970,687	\$41,517,554
Advance Bond Refunding (2)	12/14/06	4.13%	12/01/27	48,365,000	45,741,786
Tax Anticipation Notes (3)	3/23/10	2.82%	12/01/20	24,415,000	23,428,908
					<u>\$110,688,248</u>

- (1) Refunded portions of bonds previously issued on 9/15/95, 8/01/96 and 3/15/01.
- (2) Refunded portions of bonds previously issued on 3/15/01.
- (3) Notes issued in anticipation of the collection of proceeds of the 3.95 mill permanent improvement levy approved by the electors of the school district at the election held May 5, 2009. Proceeds to be used for the acquisition and construction of various long-term permanent improvements projects.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

The following is a summary of the District's future annual debt service requirements to maturity for general obligation bonds and notes (principal amount does not include unamortized premium on note/bond issuance of \$7,323,020, and deferred charges of \$5,529,772):

<u>Year ending June 30,</u>	<u>Interest rates</u>	<u>Principal</u>	<u>Interest</u>
2013	2.0 - 6.25	\$6,615,000	\$4,716,255
2014	2.0 - 6.25	6,875,000	4,448,668
2015	2.25 - 6.25	7,155,000	4,166,093
2016	3.0 - 6.25	7,435,000	3,853,300
2017	3.7 - 6.25	7,775,000	3,511,582
2018-2022	3.7 - 6.25	39,460,000	11,918,147
2023-2027	3.7 - 6.25	27,560,000	4,826,413
2028	3.7 - 6.25	6,020,000	150,500
Total		<u>\$108,895,000</u>	<u>\$37,590,958</u>

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 \$215,310,637. The total District debt (including the Notes) subject to this limitation is \$108,895,000. The total District unvoted debt that could be issued subject to the 1/10 of 1% limitation is \$2,298,480. The District has no debt subject to such limitation, leaving \$2,298,480 available for unvoted debt. Including the balance in the Debt Service Fund at June 30, 2012, the effects of these debt limitations at June 30, 2012 are a voted debt margin of \$106,415,637 and an unvoted debt margin of \$2,298,480.

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, 2012, 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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, 2012, all of these bonds had matured.

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, 2012, all of these bonds had matured.

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 (a nonmajor governmental fund).

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

<i>Governmental Activities</i>	Balance at			Balance at	Amounts Due
	<u>June 30, 2011</u>	<u>Increase</u>	<u>Decrease</u>	<u>June 30, 2012</u>	<u>In One Year</u>
General Obligation Bonds	\$117,246,852	\$157,526	\$(6,716,130)	\$110,688,248	\$6,796,131
Compensated Absences	<u>12,650,772</u>	<u>1,237,912</u>	<u>(1,446,189)</u>	<u>12,442,495</u>	<u>2,501,644</u>
Total Governmental Activities	<u>\$129,897,624</u>	<u>\$1,395,438</u>	<u>\$(8,162,319)</u>	<u>\$123,130,743</u>	<u>\$9,297,775</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(10) SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

	<u>Capital Improvements</u>
Set-Aside Balance, July 1, 2011	\$ -
Current Year Set-Aside Requirement	2,486,676
Contributions in Excess of the Current Fiscal Year Set-Aside Requirement	-
Current Year Qualifying Expenditures	(729,274)
Excess Qualified Expenditures from Prior Years	-
Current Year Offsets	(4,892,533)
Waiver granted by ODE	-
Prior Year Offset from Bond Proceeds	-
Total	<u>\$ (3,135,131)</u>
Balance Carried Forward to Fiscal Year 2013	<u>\$ -</u>
Set-Aside Balance June 30, 2012	<u><u>\$ -</u></u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(11) BUDGET BASIS OF ACCOUNTING

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

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

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

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

Net Change in Fund Balance

Net Change in Fund Balance	
	<u>General fund</u>
Budget basis	\$(21,583,344)
Net adjustment for revenue accruals	16,312,332
Net adjustment for expenditure accruals	(1,391,275)
Funds budgeted elsewhere	(5,831)
Adjustment for encumbrances	<u>2,102,300</u>
GAAP basis	<u><u>\$(4,565,818)</u></u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies and the public school support fund.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(12) EMPLOYEE RETIREMENT SYSTEMS

(a) *School Employees Retirement System*

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

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2012, 12.65 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2012, 2011 and 2010 were \$2,323,325, \$2,255,906 and \$2,348,656, respectively; 71.33 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

(b) *State Teachers Retirement System of Ohio*

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

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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

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

Funding Policy - For fiscal year 2012, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for 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 Ohio for the fiscal years ended June 30, 2012, 2011 and 2010 were \$9,878,070, \$10,061,429 and \$9,476,887, respectively; 81.13 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. Contributions to the DC and Combined Plans for fiscal year 2012 were \$465,406 made by the District and \$332,433 made by the plan members.

(c) *Social Security System*

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2012, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(13) POSTEMPLOYMENT BENEFITS

(a) *School Employees Retirement System*

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 (latest information available) was \$96.40 for most participants, but could be as high as \$369.10 per month depending on their income and the SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under "*Employers/Audit Resources*".

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2012, 0.55 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2012, 2011 and 2010 were \$320,613, \$500,788 and \$362,075, respectively; 71.33 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2012, this actuarially required allocation was 0.75 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$137,204, \$145,173 and \$139,670, respectively; 71.33 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

(b) State Teachers Retirement System of Ohio

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2012, 2011 and 2010 were \$759,852, \$773,956 and \$728,991, respectively; 81.13 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010.

(14) CONTINGENCIES

(a) Grants and ADM

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2012, if applicable, cannot be determined at this time.

(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 2012, 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.

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

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's Workers' Compensation program is accounted for in the workers' compensation internal service fund which pays for all claims, claim reserves and administrative costs of the program. The general fund generates revenues by charging each fund a percentage rate determined by the Bureau for the payroll during the reporting period. The claims liability of \$241,905 is recorded based on an actuarial determination of future claims. The claims liability is expected to be paid within one year. Changes in claims activity for current and prior fiscal year are as follows:

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, \$2,000,000 general aggregate limit, \$2,000,000 umbrella aggregate limit and no deductible. Vehicles are also covered and have a \$500 deductible for comprehensive and a \$2,000 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 \$392,000.

(18) CONTRACTUAL COMMITMENTS

The District had the following outstanding contractual commitments at fiscal year end:

<u>Vendor</u>	<u>Purpose</u>	<u>Amount</u>
Cardinal Bus Sales	Bus Purchase	\$897,176
Design-Build Solutions, Inc.	Renovations	398,837
Capital City Electric	Renovations	349,750
Heiberger Paving, Inc.	Renovations	321,336
McGraw-Hill	Textbooks	127,368
Total		<u>\$2,094,467</u>

WESTERVILLE CITY SCHOOL DISTRICT, OHIO
Notes to Basic Financial Statements, Continued
For the Fiscal Year Ended June 30, 2012

(19) OTHER COMMITMENTS

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

<u>Fund Type</u>	<u>Year-End Encumbrances</u>
General Fund	\$671,196
Permanent Improvement Fund	1,577,774
Nonmajor Governmental Funds	<u>180,069</u>
Total	<u><u>\$2,429,039</u></u>

(20) SUBSEQUENT EVENT

On August 30, 2012 the District issued \$27,320,000 in Series 2012 Refunding Bonds. The issuance includes \$27,200,000 in Current Interest Bonds, with interest rates ranging 0.45% to 3.04%, and \$120,000 in Capital Appreciation Bonds with a stated interest rate of 65.58%. These bonds will be used to advance refund a portion of the Series 2004 General Obligation Bonds.

COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES

THIS PAGE IS INTENTIONALLY LEFT BLANK

**WESTERVILLE CITY SCHOOL DISTRICT
MAJOR FUNDS**

General Fund

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

Other Major Funds

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 FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Debt Service				
Total revenue and other sources	\$ 10,387,000	\$ 11,805,510	\$ 10,367,494	\$ (1,438,016)
Total expenditures and other uses	11,557,569	11,557,569	11,525,874	31,695
Net change in fund balance	(1,170,569)	247,941	(1,158,380)	(1,406,321)
Fund balance at beginning of year	7,040,526	7,040,526	7,040,526	-
Fund balance at end of year	<u>\$ 5,869,957</u>	<u>\$ 7,288,467</u>	<u>\$ 5,882,146</u>	<u>\$ (1,406,321)</u>
Permanent Improvement				
Total revenue and other sources	\$ 7,665,844	\$ 9,035,584	\$ 7,649,339	\$ (1,386,245)
Total expenditures and other uses	14,782,901	17,782,901	15,863,192	1,919,709
Net change in fund balance	(7,117,057)	(8,747,317)	(8,213,853)	533,464
Fund balance at beginning of year	7,118,342	7,118,342	7,118,342	-
Prior year encumbrances appropriated	4,771,283	4,771,283	4,771,283	-
Fund balance at end of year	<u>\$ 4,772,568</u>	<u>\$ 3,142,308</u>	<u>\$ 3,675,772</u>	<u>\$ 533,464</u>

**WESTERVILLE CITY SCHOOL DISTRICT
OTHER GOVERNMENTAL FUNDS**

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

Food Service

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

Other Local

This fund is used to account for 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.

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).

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.

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.

Other State

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

Education Jobs

This fund accounts for federal monies whose purpose is to create education jobs for the 2010-2011 school year. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

Race to the Top

A fund used to account for revenues that are restricted to provide for either a new program or expansion of an existing program to support initiatives in the following areas: standards and assessments; using data to improve instruction; great teachers and leaders; and turning around the lowest achieving schools.

IDEA, Part B

This fund is provided to account for Federal monies which assist in providing an appropriate public education to all children with disabilities.

**WESTERVILLE CITY SCHOOL DISTRICT
OTHER GOVERNMENTAL FUNDS**

Nonmajor Special Revenue Funds (Continued)

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 II-D

This fund is provided to improve State academic achievement through technology in schools, to assist student in becoming technologically literate by the end of eighth grade, and; to encourage effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.

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 Federal monies to provide educational services to meet educational needs of refugee children who are enrolled in public elementay 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 deproved children.

Preschool Handicapped

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

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.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

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.

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.

THIS PAGE IS INTENTIONALLY LEFT BLANK

WESTERVILLE CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>Special Revenue</u>			
	<u>Food Service</u>	<u>Other Local</u>	<u>District Managed</u>	<u>Auxilliary Services</u>
Assets:				
Equity in pooled cash and investments.	\$ 1,468,790	\$ 23,603	\$ 711,901	\$ 265,591
Receivables:				
Accounts	23,837	-	-	-
Intergovernmental.	-	-	-	-
Materials and supplies inventory.	28,811	-	-	-
Total assets	<u>\$ 1,521,438</u>	<u>\$ 23,603</u>	<u>\$ 711,901</u>	<u>\$ 265,591</u>
Liabilities:				
Accounts payable	\$ 4,923	\$ 5,340	\$ 21,493	\$ 70,368
Accrued wages and benefits.	166,328	-	515	53,088
Interfund loans payable.	-	-	-	-
Intergovernmental payable	2,061	-	2	646
Pension obligation payable	122,515	-	803	7,775
Total liabilities.	<u>295,827</u>	<u>5,340</u>	<u>22,813</u>	<u>131,877</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory.	28,811	-	-	-
Restricted:				
Food service operations	1,196,800	-	-	-
Non-public schools	-	-	-	133,714
Special education	-	-	-	-
Targeted academic assistance	-	-	-	-
Vocational education.	-	-	-	-
Extracurricular.	-	-	689,088	-
Other purposes.	-	18,263	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>1,225,611</u>	<u>18,263</u>	<u>689,088</u>	<u>133,714</u>
Total liabilities and fund balances	<u>\$ 1,521,438</u>	<u>\$ 23,603</u>	<u>\$ 711,901</u>	<u>\$ 265,591</u>

Special Revenue

<u>Alternative Schools</u>	<u>Other State</u>	<u>Education Jobs</u>	<u>Race to the Top</u>	<u>IDEA, Part B</u>	<u>Title I</u>	<u>Vocational Education: Carl D. Perkins</u>	<u>Title II-D</u>
\$ 206	\$ 130	\$ 3,435	\$ -	\$ 7,723	\$ -	\$ 22,583	\$ -
-	-	-	-	-	-	-	-
7,119	4,031	103,074	-	259,448	-	-	6,905
-	-	-	-	-	-	-	-
<u>\$ 7,325</u>	<u>\$ 4,161</u>	<u>\$ 106,509</u>	<u>\$ -</u>	<u>\$ 267,171</u>	<u>\$ -</u>	<u>\$ 22,583</u>	<u>\$ 6,905</u>
\$ -	\$ -	\$ -	\$ -	\$ 16,517	\$ -	\$ 2,690	\$ -
5,802	4,841	93,247	-	197,284	-	-	-
-	-	-	-	-	-	-	800
70	65	1,101	-	2,425	-	-	-
803	374	11,447	-	40,872	-	-	-
<u>6,675</u>	<u>5,280</u>	<u>105,795</u>	<u>-</u>	<u>257,098</u>	<u>-</u>	<u>2,690</u>	<u>800</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	10,073	-	-	-
-	-	-	-	-	-	19,893	-
-	-	-	-	-	-	-	-
650	-	714	-	-	-	-	6,105
-	(1,119)	-	-	-	-	-	-
<u>650</u>	<u>(1,119)</u>	<u>714</u>	<u>-</u>	<u>10,073</u>	<u>-</u>	<u>19,893</u>	<u>6,105</u>
<u>\$ 7,325</u>	<u>\$ 4,161</u>	<u>\$ 106,509</u>	<u>\$ -</u>	<u>\$ 267,171</u>	<u>\$ -</u>	<u>\$ 22,583</u>	<u>\$ 6,905</u>

- - continued

WESTERVILLE CITY SCHOOL DISTRICT
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2012

	Special Revenue			
	Title III	Transition Program for Refugee Children	Title I	Preschool Handicapped
Assets:				
Equity in pooled cash and investments	\$ 4,105	\$ -	\$ 88	\$ 4
Receivables:				
Accounts	-	-	-	-
Intergovernmental	49,969	5,059	277,519	5,662
Materials and supplies inventory	-	-	-	-
Total assets	\$ 54,074	\$ 5,059	\$ 277,607	\$ 5,666
Liabilities:				
Accounts payable	\$ 8,972	\$ -	\$ 46,692	\$ -
Accrued wages and benefits	33,468	-	172,815	4,340
Interfund loans payable	-	5,059	-	-
Intergovernmental payable	413	-	2,166	58
Pension obligation payable	5,436	-	37,303	602
Total liabilities	48,289	5,059	258,976	5,000
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Restricted:				
Food service operations	-	-	-	-
Non-public schools	-	-	-	-
Special education	-	-	-	666
Targeted academic assistance	-	-	18,631	-
Vocational education	-	-	-	-
Extracurricular	-	-	-	-
Other purposes	5,785	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	5,785	-	18,631	666
Total liabilities and fund balances	\$ 54,074	\$ 5,059	\$ 277,607	\$ 5,666

<u>Special Revenue</u>		
<u>Title II - A</u>	<u>Other Federal</u>	<u>Total Other Governmental Funds</u>
\$ 2,944	\$ -	\$ 2,511,103
-	-	23,837
26,879	-	745,665
-	-	28,811
<u>\$ 29,823</u>	<u>\$ -</u>	<u>\$ 3,309,416</u>
\$ 2,674	\$ -	\$ 179,669
20,861	-	752,589
-	-	5,859
272	-	9,279
3,212	-	231,142
<u>27,019</u>	<u>-</u>	<u>1,178,538</u>
-	-	28,811
-	-	1,196,800
-	-	133,714
-	-	10,739
2,804	-	21,435
-	-	19,893
-	-	689,088
-	-	31,517
-	-	(1,119)
<u>2,804</u>	<u>-</u>	<u>2,130,878</u>
<u>\$ 29,823</u>	<u>\$ -</u>	<u>\$ 3,309,416</u>

WESTERVILLE CITY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Special Revenue</u>			
	<u>Food Service</u>	<u>Other Local</u>	<u>District Managed</u>	<u>Auxilliary Services</u>
Revenues:				
From local sources:				
Earnings on investments	\$ 599	\$ -	\$ -	\$ 118
Charges for services	2,283,149	-	-	-
Extracurricular	-	-	889,119	-
Contributions and donations	5,200	60,724	76,288	-
Other local revenues	3,075	-	11,646	-
Intergovernmental - state	40,117	-	-	805,103
Intergovernmental - federal	2,362,765	-	-	-
Total revenues	4,694,905	60,724	977,053	805,221
Expenditures:				
Current:				
Instruction:				
Regular	-	38,147	-	-
Special	-	21,775	-	-
Vocational	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	-	22	-
Instructional staff	-	6,885	-	-
Administration	-	-	-	-
Fiscal	-	-	-	20,660
Pupil transportation	-	1,526	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Operation of non-instructional	-	490	-	700,850
Food service operations	4,498,250	-	-	-
Extracurricular activities	-	-	1,052,874	-
Total expenditures	4,498,250	68,823	1,052,896	721,510
Net change in fund balances	196,655	(8,099)	(75,843)	83,711
Fund balances at beginning of year	1,028,956	26,362	764,931	50,003
Fund balances (deficit) at end of year	\$ 1,225,611	\$ 18,263	\$ 689,088	\$ 133,714

Special Revenue

Management Information System	Data Commu-nications	Alternative Schools	Other State	Education Jobs	Race to the Top
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	41,400	47,911	14,165	-	-
-	-	-	-	1,540,848	10,850
-	41,400	47,911	14,165	1,540,848	10,850
-	-	47,178	135	828,236	10,850
-	-	-	-	571,789	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	50,447	-
-	-	883	-	89,662	-
-	-	-	-	-	-
-	-	-	-	-	-
251	41,400	-	-	-	-
-	-	-	15,284	-	-
-	-	-	-	-	-
-	-	-	-	-	-
251	41,400	48,061	15,419	1,540,134	10,850
(251)	-	(150)	(1,254)	714	-
251	-	800	135	-	-
\$ -	\$ -	\$ 650	\$ (1,119)	\$ 714	\$ -

- - continued

WESTERVILLE CITY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue			
	IDEA, Part B	Vocational Education: Carl D. Perkins	Title II-D	Title III
Revenues:				
From local sources:				
Earnings on investments	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Contributions and donations	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - state	-	-	-	-
Intergovernmental - federal	2,496,434	92,796	15,931	343,049
Total revenues	2,496,434	92,796	15,931	343,049
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	1,354,297	-	-	109,520
Vocational	-	53,791	-	-
Other	215,678	-	-	-
Support services:				
Pupil	139,042	-	-	-
Instructional staff	443,559	38,320	9,946	227,744
Administration	244,982	-	-	-
Fiscal	-	-	-	-
Pupil transportation	-	6,851	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Operation of non-instructional	97,770	-	-	-
Food service operations	-	-	-	-
Extracurricular activities	-	-	-	-
Total expenditures	2,495,328	98,962	9,946	337,264
Net change in fund balances	1,106	(6,166)	5,985	5,785
Fund balances at beginning of year	8,967	26,059	120	-
Fund balances (deficit) at end of year	\$ 10,073	\$ 19,893	\$ 6,105	\$ 5,785

Special Revenue

Transition Program for Refugee Children	Title I	Preschool Handicapped	Title II - A	Other Federal	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 717
-	-	-	-	-	2,283,149
-	-	-	-	-	889,119
-	-	-	-	-	142,212
-	-	-	-	-	14,721
-	-	-	-	-	948,696
10,036	2,593,716	89,532	263,167	869	9,819,993
<u>10,036</u>	<u>2,593,716</u>	<u>89,532</u>	<u>263,167</u>	<u>869</u>	<u>14,098,607</u>
-	383	-	162,889	-	1,087,818
10,036	1,737,746	107,765	-	-	3,912,928
-	-	-	-	406	54,197
-	72,578	-	-	-	288,256
-	-	-	-	-	189,511
-	721,297	2,396	112,690	1,130	1,654,512
-	-	-	-	-	244,982
-	-	-	-	-	20,660
-	992	-	-	150	9,519
-	-	-	-	-	41,651
-	42,089	4,375	1,749	-	862,607
-	-	-	-	-	4,498,250
-	-	-	-	-	1,052,874
<u>10,036</u>	<u>2,575,085</u>	<u>114,536</u>	<u>277,328</u>	<u>1,686</u>	<u>13,917,765</u>
-	18,631	(25,004)	(14,161)	(817)	180,842
-	-	25,670	16,965	817	1,950,036
<u>\$ -</u>	<u>\$ 18,631</u>	<u>\$ 666</u>	<u>\$ 2,804</u>	<u>\$ -</u>	<u>\$ 2,130,878</u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Special Revenue				
Food Service				
Total revenue and other sources	\$ 4,909,000	\$ 4,953,900	\$ 4,754,413	\$ (199,487)
Total expenditures and other uses	<u>4,541,311</u>	<u>4,631,311</u>	<u>4,530,157</u>	<u>101,154</u>
Net change in fund balance	367,689	322,589	224,256	(98,333)
Fund balance at beginning of year	1,026,020	1,026,020	1,026,020	-
Prior year encumbrances appropriated	140,774	140,774	140,774	-
Fund balance at end of year	<u>\$ 1,534,483</u>	<u>\$ 1,489,383</u>	<u>\$ 1,391,050</u>	<u>\$ (98,333)</u>
Uniform School Supplies				
Total revenue and other sources	\$ 350,000	\$ 360,000	\$ 311,824	\$ (48,176)
Total expenditures and other uses	<u>347,454</u>	<u>345,454</u>	<u>324,300</u>	<u>21,154</u>
Net change in fund balance	2,546	14,546	(12,476)	(27,022)
Fund balance at beginning of year	22	22	22	-
Prior year encumbrances appropriated	12,454	12,454	12,454	-
Fund balance at end of year	<u>\$ 15,022</u>	<u>\$ 27,022</u>	<u>\$ -</u>	<u>\$ (27,022)</u>
Public School Support				
Total revenue and other sources	\$ 293,397	\$ 379,697	\$ 364,102	\$ (15,595)
Total expenditures and other uses	<u>394,400</u>	<u>426,900</u>	<u>380,092</u>	<u>46,808</u>
Net change in fund balance	(101,003)	(47,203)	(15,990)	31,213
Fund balance at beginning of year	242,037	242,037	242,037	-
Prior year encumbrances appropriated	19,400	19,400	19,400	-
Fund balance at end of year	<u>\$ 160,434</u>	<u>\$ 214,234</u>	<u>\$ 245,447</u>	<u>\$ 31,213</u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Other Local				
Total revenue and other sources	\$ 50,000	\$ 63,368	\$ 60,723	\$ (2,645)
Total expenditures and other uses	71,261	90,184	79,998	10,186
Net change in fund balance	(21,261)	(26,816)	(19,275)	7,541
Fund balance at beginning of year	19,507	19,507	19,507	-
Prior year encumbrances appropriated	17,953	17,953	17,953	-
Fund balance at end of year	<u>\$ 16,199</u>	<u>\$ 10,644</u>	<u>\$ 18,185</u>	<u>\$ 7,541</u>
District Managed				
Total revenue and other sources	\$ 1,121,991	\$ 1,003,254	\$ 980,492	\$ (22,762)
Total expenditures and other uses	1,320,941	1,208,341	1,081,251	127,090
Net change in fund balance	(198,950)	(205,087)	(100,759)	104,328
Fund balance at beginning of year	758,431	758,431	758,431	-
Prior year encumbrances appropriated	30,941	30,941	30,941	-
Fund balance at end of year	<u>\$ 590,422</u>	<u>\$ 584,285</u>	<u>\$ 688,613</u>	<u>\$ 104,328</u>
Auxiliary Services				
Total revenue and other sources	\$ 665,000	\$ 805,174	\$ 805,219	\$ 45
Total expenditures and other uses	841,211	981,388	798,173	183,215
Net change in fund balance	(176,211)	(176,214)	7,046	183,260
Fund balance at beginning of year	61,967	61,967	61,967	-
Prior year encumbrances appropriated	114,262	114,262	114,262	-
Fund balance at end of year	<u>\$ 18</u>	<u>\$ 15</u>	<u>\$ 183,275</u>	<u>\$ 183,260</u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Management Information System				
Total revenue and other sources	\$ 8,400	\$ -	\$ -	\$ -
Total expenditures and other uses	<u>8,650</u>	<u>250</u>	<u>250</u>	<u>-</u>
Net change in fund balance	(250)	(250)	(250)	-
Fund balance at beginning of year	50	50	50	-
Prior year encumbrances appropriated	<u>200</u>	<u>200</u>	<u>200</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Data Communications				
Total revenue and other sources	\$ 46,000	\$ 41,400	\$ 41,400	\$ -
Total expenditures and other uses	<u>46,000</u>	<u>41,400</u>	<u>41,400</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Alternative Schools				
Total revenue and other sources	\$ 56,652	\$ 57,539	\$ 50,419	\$ (7,120)
Total expenditures and other uses	<u>56,779</u>	<u>57,666</u>	<u>50,341</u>	<u>7,325</u>
Net change in fund balance	(127)	(127)	78	205
Fund balance at beginning of year	127	127	127	-
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 205</u></u>	<u><u>\$ 205</u></u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Other State				
Total revenue and other sources	\$ 1,500	\$ 26,495	\$ 11,630	\$ (14,865)
Total expenditures and other uses	278	26,495	11,499	14,996
Net change in fund balance	1,222	-	131	131
Fund balance at beginning of year	(274)	(274)	(274)	-
Prior year encumbrances appropriated	274	274	274	-
Fund balance at end of year	<u>\$ 1,222</u>	<u>\$ -</u>	<u>\$ 131</u>	<u>\$ 131</u>
Education Jobs				
Total revenue and other sources	\$ 1,500,572	\$ 1,540,848	\$ 1,437,774	\$ (103,074)
Total expenditures and other uses	1,500,572	1,540,848	1,434,338	106,510
Net change in fund balance	-	-	3,436	3,436
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,436</u>	<u>\$ 3,436</u>
Race to the Top				
Total revenue and other sources	\$ -	\$ 10,850	\$ 10,850	\$ -
Total expenditures and other uses	-	10,850	10,850	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<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)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
IDEA, Part B				
Total revenue and other sources	\$ 3,384,442	\$ 3,446,940	\$ 2,926,294	\$ (520,646)
Total expenditures and other uses	<u>3,189,535</u>	<u>3,439,223</u>	<u>2,966,567</u>	<u>472,656</u>
Net change in fund balance	194,907	7,717	(40,273)	(47,990)
Fund balance at beginning of year	(262,302)	(262,302)	(262,302)	-
Prior year encumbrances appropriated	262,302	262,302	262,302	-
Fund balance at end of year	<u>\$ 194,907</u>	<u>\$ 7,717</u>	<u>\$ (40,273)</u>	<u>\$ (47,990)</u>
Vocational Education: Carl D. Perkins				
Total revenue and other sources	\$ 89,000	\$ 92,796	\$ 92,796	\$ -
Total expenditures and other uses	<u>116,270</u>	<u>120,066</u>	<u>120,066</u>	<u>-</u>
Net change in fund balance	(27,270)	(27,270)	(27,270)	-
Fund balance at beginning of year	944	944	944	-
Prior year encumbrances appropriated	26,326	26,326	26,326	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title II-D				
Total revenue and other sources	\$ -	\$ 15,931	\$ 9,026	\$ (6,905)
Total expenditures and other uses	<u>120</u>	<u>16,051</u>	<u>11,550</u>	<u>4,501</u>
Net change in fund balance	(120)	(120)	(2,524)	(2,404)
Fund balance at beginning of year	120	120	120	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,404)</u>	<u>\$ (2,404)</u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Title III				
Total revenue and other sources	\$ 230,536	\$ 385,172	\$ 334,445	\$ (50,727)
Total expenditures and other uses	231,600	386,236	342,986	43,250
Net change in fund balance	(1,064)	(1,064)	(8,541)	(7,477)
Fund balance at beginning of year	(4,487)	(4,487)	(4,487)	-
Prior year encumbrances appropriated	5,551	5,551	5,551	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,477)</u>	<u>\$ (7,477)</u>
Transition Program for Refugee Children				
Total revenue and other sources	\$ 15,238	\$ 15,238	\$ 10,179	\$ (5,059)
Total expenditures and other uses	10,036	15,238	15,238	-
Net change in fund balance	5,202	-	(5,059)	(5,059)
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ 5,202</u>	<u>\$ -</u>	<u>\$ (5,059)</u>	<u>\$ (5,059)</u>
Title I				
Total revenue and other sources	\$ 3,274,460	\$ 3,222,030	\$ 2,751,445	\$ (470,585)
Total expenditures and other uses	3,282,539	3,230,157	2,830,693	399,464
Net change in fund balance	(8,079)	(8,127)	(79,248)	(71,121)
Fund balance at beginning of year	(132,734)	(132,734)	(132,734)	-
Prior year encumbrances appropriated	140,861	140,861	140,861	-
Fund balance at end of year	<u>\$ 48</u>	<u>\$ -</u>	<u>\$ (71,121)</u>	<u>\$ (71,121)</u>

WESTERVILLE CITY SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Preschool Handicapped				
Total revenue and other sources	\$ 126,291	\$ 126,291	\$ 120,629	\$ (5,662)
Total expenditures and other uses	127,317	127,317	121,655	5,662
Net change in fund balance	(1,026)	(1,026)	(1,026)	-
Fund balance at beginning of year	(52,695)	(52,695)	(52,695)	-
Prior year encumbrances appropriated	53,721	53,721	53,721	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title II-A				
Total revenue and other sources	\$ 358,191	\$ 355,425	\$ 284,396	\$ (71,029)
Total expenditures and other uses	365,889	363,123	305,721	57,402
Net change in fund balance	(7,698)	(7,698)	(21,325)	(13,627)
Fund balance at beginning of year	(23,209)	(23,209)	(23,209)	-
Prior year encumbrances appropriated	30,907	30,907	30,907	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,627)</u>	<u>\$ (13,627)</u>
Other Federal				
Total revenue and other sources	\$ 21,120	\$ 3,484	\$ 3,484	\$ -
Total expenditures and other uses	20,069	3,484	3,484	-
Net change in fund balance	1,051	-	-	-
Fund balance at beginning of year	(4,833)	(4,833)	(4,833)	-
Prior year encumbrances appropriated	4,833	4,833	4,833	-
Fund balance at end of year	<u>\$ 1,051</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WESTERVILLE CITY SCHOOL DISTRICT
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 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 monies received from other funds as payment for providing Worker's Compensation benefits to employees.

WESTERVILLE CITY SCHOOL DISTRICT

COMBINING STATEMENT OF NET ASSETS

INTERNAL SERVICE FUNDS

JUNE 30, 2012

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 482,119	\$ 75,623	\$ 492,729	\$ 1,050,471
Receivables:				
Accounts	-	5,395	-	5,395
Total assets	<u>482,119</u>	<u>81,018</u>	<u>492,729</u>	<u>1,055,866</u>
Liabilities:				
Accounts payable	-	1,073	-	1,073
Accrued wages and benefits	-	14,638	-	14,638
Pension obligation payable	-	3,369	-	3,369
Intergovernmental payable	-	173	135,116	135,289
Claims payable	-	-	241,905	241,905
Total liabilities	<u>-</u>	<u>19,253</u>	<u>377,021</u>	<u>396,274</u>
Net Assets:				
Unrestricted	<u>482,119</u>	<u>61,765</u>	<u>115,708</u>	<u>659,592</u>
Total net assets	<u>\$ 482,119</u>	<u>\$ 61,765</u>	<u>\$ 115,708</u>	<u>\$ 659,592</u>

WESTERVILLE CITY SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	<u>Self Insurance</u>	<u>Print Shop</u>	<u>Worker's Compensation</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 483,663	\$ 266,279	\$ 672,257	\$ 1,422,199
Total operating revenues	<u>483,663</u>	<u>266,279</u>	<u>672,257</u>	<u>1,422,199</u>
Operating expenses:				
Wages and benefits	-	102,540	-	102,540
Purchased services.	-	1,073	645,826	646,899
Materials and supplies	9,139	182,328	-	191,467
Total operating expenses.	<u>9,139</u>	<u>285,941</u>	<u>645,826</u>	<u>940,906</u>
Operating income.	<u>474,524</u>	<u>(19,662)</u>	<u>26,431</u>	<u>481,293</u>
Non-operating revenues:				
Investment income	-	-	295	295
Total non-operating revenues.	<u>-</u>	<u>-</u>	<u>295</u>	<u>295</u>
Change in net assets.	474,524	(19,662)	26,726	481,588
Net assets at beginning of year	<u>7,595</u>	<u>81,427</u>	<u>88,982</u>	<u>178,004</u>
Net assets at end of year.	<u>\$ 482,119</u>	<u>\$ 61,765</u>	<u>\$ 115,708</u>	<u>\$ 659,592</u>

WESTERVILLE CITY SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Self Insurance	Print Shop	Worker's Compensation	Total
Cash flows from operating activities:				
Cash received from interfund services provided	\$ 468,558	\$ 270,314	\$ 672,257	\$ 1,411,129
Cash payments for wages and benefits	-	(104,380)	-	(104,380)
Cash payments for purchased services	14,430	-	(638,989)	(624,559)
Cash payments for materials and supplies.	(9,139)	(185,048)	-	(194,187)
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash provided by (used in) operating activities . .	473,849	(19,114)	33,268	488,003
	<hr/>	<hr/>	<hr/>	<hr/>
Cash flows from investing activities:				
Interest received	-	-	295	295
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash provided by investing activities.	-	-	295	295
	<hr/>	<hr/>	<hr/>	<hr/>
Net increase (decrease) in cash and cash equivalents . . .	473,849	(19,114)	33,563	488,298
	<hr/>	<hr/>	<hr/>	<hr/>
Cash and investments at beginning of year	8,270	94,737	459,166	562,173
Cash and investments at end of year.	\$ 482,119	\$ 75,623	\$ 492,729	\$ 1,050,471
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 474,524	\$ (19,662)	\$ 26,431	\$ 481,293
Changes in assets and liabilities:				
Decrease in accounts receivable	-	4,035	-	4,035
(Decrease) in accounts payable	(675)	(1,647)	-	(2,322)
(Decrease) in accrued wages and benefits	-	(599)	-	(599)
(Decrease) in intergovernmental payable.	-	(4,610)	(235,068)	(239,678)
Increase in pension obligation payable.	-	3,369	-	3,369
Increase in claims payable.	-	-	241,905	241,905
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash provided by operating activities	\$ 473,849	\$ (19,114)	\$ 33,268	\$ 488,003
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**WESTERVILLE CITY SCHOOL DISTRICT
AGENCY FUNDS**

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

District Agency

A fund used to account for those assets held by a school district as an agency 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 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

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2012

	<u>Beginning Balance June 30, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance June 30, 2012</u>
District Agency				
Assets:				
Cash and cash equivalents.	\$ 152,733	\$ 45,967	\$ 43,480	\$ 155,220
Total assets	<u>\$ 152,733</u>	<u>\$ 45,967</u>	<u>\$ 43,480</u>	<u>\$ 155,220</u>
Liabilities:				
Accounts payable	\$ 926	\$ 1,199	\$ 926	\$ 1,199
Due to others	151,807	44,768	42,554	154,021
Total liabilities	<u>\$ 152,733</u>	<u>\$ 45,967</u>	<u>\$ 43,480</u>	<u>\$ 155,220</u>
 Student Managed Activity				
Assets:				
Cash and cash equivalents.	\$ 193,643	\$ 269,764	\$ 239,140	\$ 224,267
Total assets	<u>\$ 193,643</u>	<u>\$ 269,764</u>	<u>\$ 239,140</u>	<u>\$ 224,267</u>
Liabilities:				
Accounts payable	\$ 5,322	\$ 1,161	\$ 5,322	\$ 1,161
Due to others	188,321	268,603	233,818	223,106
Total liabilities	<u>\$ 193,643</u>	<u>\$ 269,764</u>	<u>\$ 239,140</u>	<u>\$ 224,267</u>
 Section 125 Cafeteria Plan				
Assets:				
Cash and cash equivalents.	\$ 19,843	\$ 19,104	\$ 19,843	\$ 19,104
Total assets	<u>\$ 19,843</u>	<u>\$ 19,104</u>	<u>\$ 19,843</u>	<u>\$ 19,104</u>
Liabilities:				
Due to others	\$ 19,843	\$ 19,104	\$ 19,843	\$ 19,104
Total liabilities	<u>\$ 19,843</u>	<u>\$ 19,104</u>	<u>\$ 19,843</u>	<u>\$ 19,104</u>
 Total Agency Funds				
Assets:				
Cash and cash equivalents.	\$ 366,219	\$ 334,835	\$ 302,463	\$ 398,591
Total assets	<u>\$ 366,219</u>	<u>\$ 334,835</u>	<u>\$ 302,463</u>	<u>\$ 398,591</u>
Liabilities:				
Accounts payable	\$ 6,248	\$ 2,360	\$ 6,248	\$ 2,360
Due to others	359,971	332,475	296,215	396,231
Total liabilities	<u>\$ 366,219</u>	<u>\$ 334,835</u>	<u>\$ 302,463</u>	<u>\$ 398,591</u>

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.

<u>Contents</u>	<u>Page</u>
Financial Trends	96
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	104
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	108
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	111
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	113
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.

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Governmental activities										
Invested in capital assets, net of related debt	\$48,788,494	\$46,260,204	\$50,782,100	\$47,774,042	\$44,986,764	\$40,845,628	\$35,231,187	\$31,408,924	\$33,409,501	\$31,492,202
Restricted	18,891,453	17,535,881	12,385,358	14,277,668	15,928,778	13,834,835	16,606,468	16,744,972	11,435,146	9,602,814
Unrestricted	17,335,546	19,853,427	14,916,055	6,060,190	10,383,117	12,915,770	6,182,254	3,216,719	(3,993,159)	4,135,472
Total governmental activities net assets	\$85,015,493	\$83,649,512	\$78,083,513	\$68,111,900	\$71,298,659	\$67,596,233	\$58,019,909	\$51,370,615	\$40,851,488	\$45,230,488

Source: School district financial records

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:										
Governmental activities:										
Instruction										
Regular	\$77,038,152	\$69,983,172	\$69,463,578	\$67,449,754	\$65,456,070	\$62,931,908	\$58,999,133	\$58,556,130	\$61,669,865	\$52,090,736
Special	22,144,035	23,747,901	21,153,825	21,788,841	19,601,737	17,708,534	15,871,474	13,819,966	12,162,246	10,330,195
Vocational	252,328	915,477	548,891	593,157	678,722	624,810	526,254	404,299	2,266,230	2,550,806
Other instruction	855,741	4,970,334	4,568,165	4,558,042	3,482,504	3,126,170	2,438,333	2,337,018	1,835,688	1,656,434
Support services										
Pupils	12,320,476	12,816,822	11,340,996	11,253,575	10,363,670	9,526,679	8,681,922	8,100,767	7,601,627	6,443,665
Staff	9,133,132	6,401,728	5,242,394	5,541,038	4,603,913	4,291,972	4,031,852	4,055,364	4,431,094	4,826,578
General administration	1,424,003	1,728,752	1,651,416	1,456,641	1,536,818	1,610,376	1,404,573	1,413,567	1,445,681	1,397,792
School administration	12,508,555	11,888,608	11,245,165	10,791,283	10,033,797	9,309,733	9,419,003	8,422,107	8,383,725	9,249,706
Fiscal services	2,628,335	2,804,650	2,625,949	1,632,219	2,417,545	2,304,479	1,874,309	1,909,425	1,515,452	1,760,511
Business services	818,150	1,204,083	952,097	988,944	1,000,857	1,873,824	1,635,460	1,496,593	1,104,154	1,249,159
Operation & maintenance	12,980,201	16,024,992	14,131,404	13,624,034	13,857,342	13,621,605	11,689,529	11,652,334	10,977,422	10,614,195
Student transportation	8,816,149	8,815,697	8,473,897	7,987,307	7,401,674	6,921,601	6,596,268	6,196,437	5,771,952	5,671,020
Central services	2,392,018	2,731,958	3,553,586	3,514,157	2,459,665	1,446,375	1,398,019	1,022,336	1,144,924	1,738,582
Food service operations	4,540,831	4,498,897	4,262,060	4,120,885	4,091,536	4,129,346	3,796,039	3,411,071	3,572,551	3,331,475
Community services	1,081,274	1,048,002	985,404	1,190,109	873,719	984,663	673,863	897,810	690,830	649,801
Extra-curricular activities	3,333,926	3,320,713	3,156,520	2,888,932	2,845,872	2,652,863	2,550,715	2,357,322	2,788,686	2,024,729
Interest and fiscal charges	4,592,392	5,627,155	5,665,429	5,566,387	5,780,535	5,902,822	6,258,362	6,412,729	5,788,941	7,086,262
Total governmental activities expenses	176,859,698	178,528,941	169,020,776	164,945,305	156,485,976	148,967,760	137,845,108	132,465,275	133,151,068	122,671,646

Source: School district financial records

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

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Program revenues					
Governmental activities:					
Charges for services and sales					
Instruction					
Regular	\$1,330,006	\$1,377,360	\$1,283,750	\$1,283,887	\$1,307,979
Special	384,891	302,016	405,395	196,923	191,520
Pupil	285,892	-	-	-	-
Operations and maintenance	620,748	-	-	-	-
Food service	2,286,224	2,755,355	2,757,264	2,799,032	2,752,314
Extra-curricular activities	1,216,395	1,488,255	1,410,889	1,355,317	1,331,796
Operating grants and contributions	13,775,709	10,502,282	9,498,432	7,869,476	7,086,656
Capital grants and contributions	3,800	-	-	-	-
Total governmental activities					
program revenues	<u>19,903,665</u>	<u>16,425,268</u>	<u>15,355,730</u>	<u>13,504,635</u>	<u>12,670,265</u>
Net (expense)/revenue					
Governmental activities	<u>(\$156,956,033)</u>	<u>(\$162,103,673)</u>	<u>(\$153,665,046)</u>	<u>(\$151,440,670)</u>	<u>(\$143,815,711)</u>
General revenues and other changes					
in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$93,253,033	\$97,182,551	\$92,703,533	\$80,868,900	\$78,858,985
Debt service	8,098,833	8,092,890	10,695,455	10,612,532	9,537,826
Capital projects	8,102,942	7,539,296	5,273,876	5,290,857	5,208,015
Grants and entitlements not					
restricted to specific programs	45,138,161	52,556,276	52,929,017	49,181,194	47,212,653
Insurance recoveries	-	-	-	-	3,438,753
Payment in lieu of taxes	2,385,150	1,279,078	1,117,132	974,418	680,171
Investment income	35,235	87,739	54,648	459,231	1,432,458
Loss on sale of capital assets	-	-	-	-	-
Miscellaneous	374,973	931,842	862,998	866,779	759,064
Win-Win settlement	933,687	-	-	-	-
Total governmental activities	<u>158,322,014</u>	<u>167,669,672</u>	<u>163,636,659</u>	<u>148,253,911</u>	<u>147,127,925</u>
Change in net assets					
Governmental activities	<u>\$1,365,981</u>	<u>\$5,565,999</u>	<u>\$9,971,613</u>	<u>(\$3,186,759)</u>	<u>\$3,312,214</u>

Source: School district financial records

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Program revenues					
Governmental activities:					
Charges for services and sales					
Instruction					
Regular	\$1,781,314	\$1,532,562	\$1,226,651	\$1,168,628	\$1,009,760
Special	67,226	30,487	41,937	21,623	8,400
Pupil	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Food service	2,739,899	2,748,022	2,754,240	2,744,280	2,713,577
Extra-curricular activities	1,219,200	1,560,020	1,866,271	1,065,844	940,944
Operating grants and contributions	6,639,262	6,400,235	6,327,386	5,397,703	4,825,747
Capital grants and contributions	-	-	-	319,871	6,547
Total governmental activities	<u>12,446,901</u>	<u>12,271,326</u>	<u>12,216,485</u>	<u>10,717,949</u>	<u>9,504,975</u>
Net (expense)/revenue					
Governmental activities	<u>(\$136,520,859)</u>	<u>(\$125,573,782)</u>	<u>(\$120,248,790)</u>	<u>(\$122,433,119)</u>	<u>(\$113,166,671)</u>
General revenues and other changes					
in net assets					
Governmental activities:					
Property taxes levied for:					
General purposes	\$82,850,463	\$70,312,884	\$69,808,534	\$58,753,446	\$56,040,935
Debt service	10,092,937	10,310,165	11,008,652	10,796,918	9,699,373
Capital projects	5,400,744	5,577,545	5,335,310	4,308,694	3,938,029
Grants and entitlements not					
restricted to specific programs	44,906,266	43,015,156	43,063,290	42,954,970	40,769,790
Insurance recoveries	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-
Investment income	1,785,049	1,288,592	757,239	402,890	1,397,004
Loss on sale of capital assets	-	-	(45,647)	-	-
Miscellaneous	1,322,802	1,718,734	840,539	848,547	981,987
Win-Win settlement	-	-	-	-	-
Total governmental activities	<u>146,358,261</u>	<u>132,223,076</u>	<u>130,767,917</u>	<u>118,065,465</u>	<u>112,827,118</u>
Change in net assets					
Governmental activities	<u>\$9,837,402</u>	<u>\$6,649,294</u>	<u>\$10,519,127</u>	<u>(\$4,367,654)</u>	<u>(\$339,553)</u>

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General fund										
Nonspendable	\$422,187	\$98,661	N/A							
Restricted	0	0	N/A							
Assigned	2,344,056	790,544	N/A							
Unassigned	17,381,879	23,564,136	N/A							
Reserved	N/A	N/A	\$30,427,754	\$26,081,899	\$24,390,792	\$27,249,394	\$20,576,711	\$15,852,554	\$8,204,760	\$7,900,865
Unreserved	N/A	N/A	(8,480,367)	(15,420,065)	(9,236,180)	(9,270,091)	(9,277,879)	(6,143,828)	(5,406,906)	3,337,746
Total General fund	\$20,148,122	\$24,453,341	\$21,947,387	\$10,661,834	\$15,154,612	\$17,979,303	\$11,298,832	\$9,708,726	\$2,797,854	\$11,238,611
All other governmental funds										
Nonspendable	\$28,811	\$30,463	N/A							
Restricted for:										
Debt Service	8,447,429	7,964,302	N/A							
Capital Outlay	7,818,103	11,866,584	N/A							
Other Purposes	2,103,186	157,646	N/A							
Committed	-	1,024,033	N/A							
Unassigned	(1,119)	998,493	N/A							
Reserved	N/A	N/A	\$17,667,994	\$5,647,773	\$6,468,109	\$4,958,172	\$5,044,945	\$4,410,538	\$3,180,380	\$13,222,679
Unreserved, reported in:										
Debt Service	N/A	N/A	7,876,475	6,892,804	5,937,642	5,646,821	5,461,983	5,583,530	5,989,550	4,686,069
Permanent Improvement	N/A	N/A	13,069,634	4,197,928	5,653,428	4,746,920	5,204,516	5,815,624	4,586,996	6,187,802
Special Revenue	N/A	N/A	792,859	901,467	1,101,957	938,255	924,487	897,141	726,239	564,240
Total all other governmental funds	\$18,396,410	\$22,041,521	\$39,406,962	\$17,639,972	\$19,161,136	\$16,290,168	\$16,635,931	\$16,706,833	\$14,483,165	\$24,660,790

Source: School district financial records

Note: The Enterprise funds were reclassified to the Other Governmental Special Revenue fund as of July 1, 2010. This has been reflected since 2011.

Note: Governmental Accounting Standards Board Statement No 54, Fund Balance Reporting, was implemented July 1, 2010. This has been reflected since 2011.

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)

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

	2012	2011	2010	2009	2008
Revenues:					
From local sources					
Taxes	\$108,880,413	\$112,396,958	\$108,538,581	\$96,035,461	\$93,041,686
Extracurricular	1,480,081	1,488,255	1,410,889	1,355,317	1,331,796
Tuition and fees	1,145,130	1,679,376	1,448,710	1,241,502	1,260,389
Customer sales and services	2,283,149	2,755,355	N/A	N/A	N/A
Investment income	35,657	87,187	53,787	435,765	1,364,612
Payment in lieu of taxes	2,385,150	1,279,078	1,117,132	974,418	680,171
Intergovernmental - state	48,531,131	51,597,664	51,330,484	50,719,372	48,774,564
Intergovernmental - federal	9,819,993	11,952,761	8,627,884	4,791,082	4,180,663
Other revenue	1,814,913	1,048,321	896,921	918,238	789,189
Total revenues	176,375,617	184,284,955	173,424,388	156,471,155	151,423,070
Expenditures:					
Instructional					
Regular	71,201,427	66,458,161	66,266,194	64,155,120	58,719,818
Special	20,784,931	22,876,833	20,453,616	20,884,904	18,651,131
Vocational	212,194	888,488	523,561	567,680	644,768
Other	840,636	4,807,010	4,401,401	4,397,956	3,330,470
Support Services					
Pupils	12,299,051	12,869,176	11,270,648	11,175,462	10,304,731
Staff	9,085,119	6,349,461	5,298,758	5,528,096	4,627,808
General administration	1,424,110	1,728,431	1,651,416	1,456,641	1,536,818
School administration	11,299,484	11,323,936	10,825,911	10,201,514	9,648,630
Fiscal services	2,620,580	2,793,321	2,948,045	1,629,092	2,399,553
Business services	860,314	1,174,471	903,218	953,696	969,238
Operation & maintenance	12,927,669	15,635,931	13,878,489	13,414,960	13,742,638
Student transportation	8,183,791	8,331,020	7,947,634	7,436,535	6,969,000
Central services	2,322,652	2,384,339	2,422,504	3,435,033	2,276,147
Food service operations	4,498,250	4,455,617	600	1,500	23,650
Community services	978,110	1,055,554	982,797	1,175,295	872,641
Extra-curricular activities	3,152,392	3,194,118	2,998,384	2,819,478	2,771,679
Capital outlay	10,212,668	20,716,089	1,947,983	2,877,972	6,848,222
Debt Service:					
Principal retirement	6,535,000	7,660,000	7,095,000	5,700,000	5,580,000
Interest	4,887,569	5,178,619	4,420,045	4,674,163	4,898,604
Total expenditures	184,325,947	199,880,575	166,236,204	162,485,097	154,815,546
Excess (deficiency) of revenues over (under) expenditures	(7,950,330)	(15,595,620)	7,188,184	(6,013,942)	(3,392,476)
Other financing sources (uses):					
Proceeds from refunding bonds	-	-	-	-	-
Premium on issuance of bonds	-	-	-	-	-
Payment to bond agent	-	-	-	-	-
Tax Anticipation Notes issued	-	-	24,415,000	-	-
Premium on tax anticipation notes	-	-	1,488,342	-	-
Transfers in	2,980,338	467,959	2,687,736	-	-
Transfers out	(2,980,338)	(467,959)	(2,726,719)	-	-
Insurance recoveries	-	-	-	-	3,438,753
Total other financing sources (uses)	-	-	25,864,359	-	3,438,753
Net change in fund balances	(\$7,950,330)	(\$15,595,620)	\$33,052,543	(\$6,013,942)	\$46,277
Debt service as a percentage of noncapital expenditures	6.56%	7.17%	7.01%	6.50%	6.95%

Source: School district financial records

Note: The Enterprise funds were reclassified to the Other Governmental Special Revenue fund as of July 1, 2010.
 This has been reflected since 2011.

	2007	2006	2005	2004	2003
Revenues:					
From local sources					
Taxes	\$97,695,620	\$86,402,046	\$86,602,416	\$74,289,634	\$69,252,976
Extracurricular	1,219,200	1,560,020	1,866,271	1,065,844	940,944
Tuition	938,607	772,984	598,107	410,603	488,196
Customer sales and services	N/A	N/A	N/A	N/A	N/A
Investment income	1,690,559	1,197,757	710,785	386,471	1,373,429
Payment in lieu of taxes	693,505	578,351	462,653	582,604	388,214
Intergovernmental - state	46,359,783	44,256,443	44,760,578	44,748,270	42,552,850
Intergovernmental - federal	4,017,618	4,204,412	3,810,758	2,871,146	2,427,892
Other revenue	1,322,802	1,946,141	840,539	1,165,268	981,987
Total revenues	153,937,694	140,918,154	139,652,107	125,519,840	118,406,488
Expenditures:					
Instructional					
Regular	56,444,508	54,660,424	52,316,796	55,807,436	51,772,472
Special	16,798,447	15,232,634	12,956,491	11,437,291	9,901,261
Vocational	593,501	540,118	648,594	2,129,010	2,392,716
Other	2,984,481	2,326,826	2,225,747	1,753,098	1,607,521
Support Services					
Pupils	9,508,798	8,697,619	7,944,046	7,604,487	6,448,953
Staff	4,343,114	4,147,768	3,997,020	4,349,735	4,771,434
General administration	1,610,376	1,404,573	1,413,567	1,445,681	1,397,792
School administration	8,980,999	9,081,411	8,104,318	8,110,849	8,663,698
Fiscal services	2,294,423	1,869,542	1,895,357	2,020,073	1,709,155
Business services	952,574	879,293	816,282	914,221	1,051,841
Operation & maintenance	13,458,198	11,555,153	11,302,331	10,903,355	10,258,280
Student transportation	6,463,492	6,068,975	5,666,923	5,307,951	4,994,803
Central services	2,053,622	1,804,761	1,678,114	1,740,896	1,747,849
Food services	29,878	-	-	-	2,923
Community services	983,610	673,140	896,865	690,830	649,801
Extra-curricular activities	2,586,588	2,694,027	2,322,628	2,750,499	1,991,739
Capital outlay	6,905,754	6,852,241	4,575,532	17,378,934	53,580,974
Debt Service:					
Principal retirement	5,445,000	5,300,000	5,915,000	4,705,000	6,115,000
Interest	5,607,656	5,610,445	5,841,956	5,559,608	6,790,573
Total expenditures	148,045,019	139,398,950	130,517,567	144,608,954	175,848,785
Excess (deficiency) of revenues over (under) expenditures	5,892,675	1,519,204	9,134,540	(19,089,114)	(57,442,297)
Other financing sources (uses):					
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)	-
Tax Anticipation Notes issued	-	-	-	-	-
Premium on Tax Anticipation Notes	-	-	-	-	-
Transfers in	-	-	-	36,000	36,000
Transfers out	-	-	-	(36,000)	(36,000)
Insurance recoveries	-	-	-	-	-
Total other financing sources (uses)	442,033	-	-	470,732	-
Net change in fund balances	\$6,334,708	\$1,519,204	\$9,134,540	(\$18,618,382)	(\$57,442,297)
Debt service as a percentage of noncapital expenditures	7.62%	8.08%	9.12%	7.96%	10.39%

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 General Business (b)		Tangible Personal Property Public Utility (c)		Total		
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2012	\$2,261,818,730	\$6,462,339,229	\$0	\$0	\$36,661,360	\$104,746,743	\$2,298,480,090	\$6,567,085,971	52.41
2011	2,421,002,290	6,917,149,400	0	0	44,873,240	128,209,257	2,465,875,530	7,045,358,657	50.70
2010	2,433,460,260	6,952,743,600	2,114,706	42,294,120	39,065,530	111,615,800	2,474,640,496	7,106,653,520	50.65
2009	2,418,789,480	6,910,827,086	4,064,812	40,648,120	38,076,550	108,790,143	2,460,930,842	7,060,265,349	43.06
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	37.06
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

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) General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. House Bill 66 phased out general business tangible personal property tax beginning in 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and 0% for 2009. Additionally, telephone property was reclassified to general business and assessed at 10% for 2009, 5% for 2010 and eliminated in 2011.
- (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	Westerville City School District										Westerville Corp. (Genoa)					
	Voted		Permanent		Total		Franklin County	Delaware County	City of Westerville	City of Columbus		Blendon Township	Genoa Township	Plain Township	Sharon Township	Minerva Park Corp.
Gen. Fd.	Bond	Improvement	Unvoted	Direct	Direct	Genoa Township					Blendon Township					
2011/2012	61.60	3.85	3.95	3.80	73.20	73.20	18.07	6.65	20.30	3.14	29.10	11.30	15.35	23.50	16.05	20.30
Res/Agr	40.65	3.85	3.79	3.80	52.09	52.09	17.19	6.65	13.41	3.14	18.08	11.30	10.16	19.24	16.05	13.41
Comm/Ind	43.24	3.85	3.95	3.80	54.84	54.84	17.75	6.65	15.31	3.14	20.91	11.30	7.75	20.81	16.05	15.31
2010/2011	61.60	3.60	3.95	3.80	72.95	72.95	18.07	6.65	20.30	3.14	29.10	11.30	15.35	23.50	16.05	23.30
2009/2010	61.60	4.90	2.70	3.80	73.00	73.00	18.07	6.64	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
2008/2009	65.40	4.90	2.70	3.80	76.80	76.80	18.02	5.85	17.70	3.14	26.56	9.40	15.35	23.50	15.95	17.70
2007/2008	61.60	4.40	2.70	3.80	72.50	72.50	18.49	5.65	17.64	3.14	26.51	9.40	12.85	23.50	15.95	17.64
2006/2007	61.60	4.40	2.70	3.80	72.50	72.50	18.44	5.65	17.60	3.14	26.55	10.10	13.15	23.50	16.09	17.60
2005/2006	56.30	4.51	2.70	3.80	67.31	67.31	18.44	5.67	17.97	3.14	25.02	10.10	13.27	23.50	16.09	17.97
2004/2005	56.30	5.21	2.70	3.80	68.01	68.01	18.44	5.61	17.95	3.14	25.05	12.80	13.37	23.50	16.08	17.95
2003/2004	52.30	5.40	2.70	3.80	64.20	64.20	17.64	5.61	18.06	3.14	25.07	12.80	13.12	23.50	16.13	18.06
2002/2003	51.30	5.40	2.70	3.80	63.20	63.20	17.64	5.61	17.85	3.14	25.40	12.80	13.43	23.50	16.13	17.85

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 Ten Years Ago

Name of Taxpayer	June 30, 2012		June 30, 2003	
	Assessed Valuation	% of Total Assessed Valuation	Assessed Valuation	% of Total Assessed Valuation
<u>Public Utilities</u>				
1. Columbus Southern Power Co.	\$14,757,020	0.64%	\$16,613,680	0.78%
2. Columbia Gas Of Ohio, Inc.	3,987,780	0.17%	11,827,920	0.56%
<u>Real Estate</u>				
1. Chestnut Hill Apartments	9,100,020	0.40%	4,035,780	0.19%
2. Banc One Management Corp.	8,968,750	0.39%	20,316,570	0.95%
3. NRI Brookside LLC	8,072,920	0.35%	11,882,880	0.56%
4. Eastrich No 167 Corp	7,557,260	0.33%	9,355,510	0.44%
5. Remington Station	7,175,010	0.31%	9,345,700	0.44%
6. Ohio-American Water	7,039,490	0.31%	7,838,600	0.37%
7. St. Ann's Hospital	6,498,520	0.28%	7,701,820	0.36%
8. Wells REIT II - 800	5,799,990	0.25%	6,733,260	0.32%
9. CRI Easton Square LLC	5,502,000	0.24%	6,683,200	0.31%
10. G & I Victory Creek LLC	5,355,010	0.23%	5,509,460	0.26%
<u>Tangible Personal Property *</u>				
All Others	2,208,686,320	96.09%	18,413,460	0.86%
Total Assessed Valuation	<u>\$2,298,480,090</u>	<u>100.00%</u>	4,112,390	0.19%
<u>Tangible Personal Property</u>				
1. Banc One Corporation			3,596,080	0.17%
2. Comdisco Inc			1,983,460	0.09%
3. AT & T Corporation			1,974,000	0.09%
4. Mettler Toledo Inc.			1,946,650	0.09%
5. Exel Logistics Inc			1,886,590	0.09%
6. I B M Credit Corporation			1,841,930	0.09%
7. Time Warner Entertainment Company LP			1,728,150	0.08%
8. Vaughn Group Inc			1,627,940	0.08%
9. Home Depot USA Inc				
10. Roush Equipment Company				
All Others			1,958,783,128	91.94%
Total Assessed Valuation			<u>\$2,130,248,148</u>	<u>100.00%</u>

Source: Franklin County Auditor

Assessed Values are for the valuation year of 2011 and 2002, respectively.

* - Due to the phase out of personal property tax, values are not available.

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
2011/12	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2010/11	\$82,234,952	\$4,869,838	\$87,104,790	\$78,558,229	95.53%	\$1,968,273	\$80,526,502	92.45%	\$5,264,973
2009/10	82,048,998	4,371,915	86,420,913	79,289,214	96.64%	2,345,092	81,634,306	94.46%	4,685,629
2008/09	69,423,869	4,055,888	73,479,757	66,559,029	95.87%	2,341,458	68,900,487	93.77%	4,312,427
2007/08	70,305,682	3,669,174	73,974,856	65,770,741	93.55%	1,971,648	67,742,389	91.57%	4,151,902
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

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 this document's preparation.

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

Year	(a)	(b)	(c)	Net General Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d)	(d)	(d)
	Estimated Actual Value	General Obligation Debt	Less Debt Service					
2012	\$6,567,085,971	\$108,895,000	\$8,447,429	\$100,447,571	1.53%	3.01%	\$1,081	\$6,767
2011	7,045,358,657	113,719,969	7,964,302	105,755,667	1.50%	3.27%	1,140	7,130
2010	7,106,653,520	118,622,212	11,116,291	107,505,921	1.51%	3.77%	1,332	7,352
2009	7,060,265,349	100,650,446	10,102,167	90,548,279	1.28%	3.18%	1,124	6,220
2008	7,373,220,210	105,764,585	8,758,598	97,005,987	1.32%	4.10%	1,206	6,701
2007	7,379,316,484	111,139,583	8,755,309	102,384,274	1.39%	4.36%	1,282	7,184
2006	7,175,777,362	117,094,585	8,328,474	108,766,111	1.52%	4.73%	1,391	7,650
2005	6,392,322,350	122,394,585	7,835,634	114,558,951	1.79%	5.00%	1,469	8,169
2004	6,256,557,650	127,962,429	7,276,551	120,685,878	1.93%	5.30%	1,559	8,525
2003	6,214,749,083	133,155,446	5,490,715	127,664,731	2.05%	5.66%	1,665	9,091

Sources:

- (a) County auditor, Franklin County, Ohio
- (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, 2012

Governmental Unit	Gross Debt Outstanding	Percent Applicable to Westerville City School District	Amount Applicable to Westerville City School District
Direct:			
Westerville City School District	<u>\$108,895,000</u>	100.00%	<u>\$108,895,000</u>
Overlapping:			
Delaware County	28,331,000	13.52%	3,830,351
Franklin County	261,625,000	5.58%	14,598,675
City of Columbus	558,703,726	3.57%	19,945,723
City of Westerville	34,515,000	97.93%	33,800,540
Plain Township	1,524,998	0.98%	14,945
Minerva Park Village	100,000	100.00%	100,000
New Albany Plain Local Park District Misc.	<u>9,870,000</u>	0.70%	<u>69,090</u>
Total Overlapping	<u>894,669,724</u>		<u>72,359,324</u>
Total Direct and Overlapping Debt	<u><u>\$1,003,564,724</u></u>		<u><u>\$181,254,324</u></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, 2012

Assessed Valuation	<u>\$2,298,480,090</u>									
Voted and Unvoted Debt Limit - 9% of Assessed Valuation	\$206,863,208									
Balance in Debt Service Fund	<u>\$8,447,429</u>									
Total Debt Outstanding	\$108,895,000									
Less: Exempted Debt	<u>\$0</u>									
Net subject to 9% limit	\$108,895,000									
Total Legal Voted Debt Margin	<u>\$106,415,637</u>									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt Limit	\$215,310,637.10	\$229,893,100	\$233,833,936	\$231,585,943	\$231,426,150	\$234,822,442	\$232,152,964	\$206,147,123	\$201,211,249	\$197,213,048
Total Net Debt Applicable to Limit	\$108,895,000	113,719,969	118,622,212	100,650,446	105,764,585	111,139,583	117,094,585	122,394,585	127,962,429	133,155,446
Legal Debt Margin	<u>\$106,415,637</u>	<u>\$116,173,131</u>	<u>\$115,211,724</u>	<u>\$130,935,497</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	50.58%	49.47%	50.73%	43.46%	45.70%	47.33%	50.44%	59.37%	63.60%	67.52%

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
2012	92,959	\$35,887	\$3,336,019,633	6.6%	49.9%	14,844
2011	92,789	\$34,899	\$3,238,243,311	6.8%	51.7%	14,833
2010	80,702	\$35,328	\$2,851,040,256	7.6%	50.7%	14,622
2009	80,536	\$35,328	\$2,845,175,808	5.7%	50.7%	14,558
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

Sources:

- (a) Mid Ohio Regional Planning Commission
- (b) US Census Bureau 2000 and 2006-2010 American Community Survey
- (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 Ten Years Ago

December 2011

Employer	Employees	Percentage of Total Employment	Type of Business
1 J. P. Morgan Chase (Bank One)	6,365	10.8%	Banking & Financial Services
2 Mount Carmel Health Systems	2,618	4.4%	Health Care
3 Westerville City Schools	2,274	3.8%	Public Education
4 Otterbein College	1,895	3.2%	Private College
5 CMS Subsidiary	1,343	2.3%	Membership Services
6 Alliance Data Systems, Inc.	999	1.7%	Finance Credit Services
7 Inchord Communications/Gerbig Snell	808	1.4%	Marketing and Advertising
8 City of Westerville	843	1.4%	Municipal Government
9 Heartland Employment	756	1.3%	Financial Services
10 Worthington Cylinder	666	1.1%	Industrial
Total	<u>18,567</u>	<u>31.4%</u>	

December 2002

Employer	Employees	Percentage of Total Employment	Type of Business
1 J. P. Morgan Chase (Bank One)	4,630	8.2%	Banking & Financial Services
2 Westerville City Schools	2,188	3.9%	Public Education
3 Mount Carmel Health (St. Ann's)	2,063	3.6%	Health Care
4 Otterbein College	1,461	2.6%	Private College
5 CMS Subsidiary	1,412	2.5%	Membership Services
6 Alliance Data Systems, Inc.	1,219	2.2%	Finance Credit Services
7 City of Westerville	843	1.5%	Municipal Government
8 Cheryl's Cookies (1-800-Flowers)	801	1.4%	Retail Food
9 Meijer Stores	768	1.4%	Retail Food
10 Worthington Cylinder	727	1.3%	Industrial
Total	<u>16,112</u>	<u>28.6%</u>	

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

Source: City of Westerville Division of Taxation, Comprehensive Annual Financial Report December 31, 2011

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Professional staff:									
Teaching staff:									
Elementary	410.50	415.95	433.07	403.41	383.94	375.50	355.00	339.00	348.00
Middle	195.50	208.80	232.25	232.40	231.85	208.50	193.00	184.00	224.00
High	246.83	257.35	271.65	278.35	267.30	252.00	231.00	220.00	240.00
Administrators:									
Certificated	54.50	56.50	55.50	55.50	56.80	56.00	55.00	55.00	59.00
Classified	14.00	16.00	16.00	16.00	17.25	18.00	15.00	15.00	15.00
Guidance counselors	29.00	32.00	32.00	32.00	30.00	29.00	29.00	28.00	28.00
Social Workers	6.50	0.00	1.00	1.00	2.00	2.00	-	-	-
Psychologists	13.00	16.70	14.20	14.20	14.60	15.00	11.00	12.00	11.00
Nurses	10.00	9.84	10.00	10.00	9.40	8.00	7.00	7.00	7.00
Speech	21.30	21.30	19.10	19.10	18.55	19.00	15.00	15.00	15.00
Adapted phys ed. - OT/PT	17.40	12.60	5.00	5.00	13.60	14.00	12.00	11.00	10.00
Media specialist	10.00	15.00	15.00	14.00	15.00	15.00	15.00	15.00	15.00
Support staff:									
Secretarial	98.90	113.62	113.62	114.87	114.87	110.00	104.00	103.00	103.00
ESL paraprofessionals	20.41	20.56	20.56	20.92	20.92	20.00	20.00	20.00	20.00
Educational Interpreter	1.62	1.62	-	-	-	-	-	1.00	1.00
Job Coaches	3.88	4.73	4.73	4.45	4.45	4.00	2.00	4.00	4.00
Health Aides	8.85	8.86	8.86	8.86	8.86	9.00	9.00	7.00	7.00
Recess aides/crossing guards	20.79	23.10	23.10	24.50	24.50	26.00	20.00	19.00	19.00
Building/duty monitors	6.72	13.41	12.60	12.54	12.54	11.00	11.00	12.00	12.00
Parent Mentor	1.00	0.75	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Community Relations Facilitator	1.00	1.00	1.00	1.00	1.00	2.00	1.00	1.00	1.00
IMS personnel	6.00	8.00	8.00	8.00	8.00	7.00	7.00	7.00	7.00
Printers	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Food service	51.03	52.10	52.10	52.61	52.61	52.00	56.00	52.25	53.00
Nutrition Education Specialist	-	-	-	0.50	0.50	1.00	1.00	1.00	1.00
Custodial	71.75	87.75	88.75	88.75	88.75	89.00	86.00	86.00	86.00
Maintenance	17.00	18.00	17.00	17.00	17.00	16.00	16.00	16.00	16.00
HVAC	4.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Bus drivers	67.70	82.23	82.23	77.10	77.10	76.00	73.00	72.00	81.00
Mechanics	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Warehouse	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Total	1,423.18	1,515.77	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00
Function	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities:									
Instruction	878.74	909.01	962.26	939.53	908.46	859.00	803.50	767.50	840.50
Support services:									
Pupils	120.05	115.30	105.16	105.16	112.01	111.00	98.00	95.00	93.00
Instructional staff	53.51	67.01	69.70	70.04	70.04	71.50	65.50	65.50	65.50
School administration	95.40	108.62	106.12	107.37	112.92	107.50	98.00	100.00	100.00
Fiscal services	11.00	11.00	11.00	11.00	11.00	10.00	10.00	10.00	10.00
Business services	9.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50
Operation & maintenance	96.25	114.25	114.25	114.25	114.25	113.50	108.50	108.50	108.50
Student transportation	80.70	95.23	95.23	90.10	90.10	90.00	87.00	86.00	95.00
Central services	17.00	21.00	19.00	19.00	17.00	17.00	13.00	13.00	13.00
Food service operations	54.03	55.10	55.10	56.11	56.11	56.00	60.00	56.25	57.00
Community services	1.00	1.75	0.75	0.75	0.75	1.00	1.00	0.00	0.00
Extra-curricular activities	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Total governmental activities	1,423.18	1,515.77	1,556.07	1,530.81	1,510.14	1,454.00	1,362.00	1,319.25	1,400.00

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

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

	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities								
Instruction								
Regular and special								
Enrollment (Students)	14,844	14,833	14,622	14,558	14,477	14,467	14,217	14,023
Graduation rate	N/A	93.3%	93.3%	93.4%	91.9%	95.8%	94.6%	94.6%
Support services - pupil								
% of students going on to higher education	69.6%	70.0%	85.0%	85.0%	84.5%	79.0%	79.0%	84.0%
% of students with disabilities	13.3%	12.5%	11.7%	11.7%	12.1%	11.6%	11.2%	11.3%
% of limited English proficient students	8.1%	8.4%	8.8%	7.8%	7.1%	7.4%	6.3%	4.2%
School administration								
Student attendance rate		95.8%	95.7%	95.9%	95.6%	95.6%	95.4%	95.4%
Fiscal								
Purchase orders processed	8,197	9,947	9,636	10,049	9,895	9,876	9,477	9,173
Nonpayroll checks issued	10,673	11,217	10,802	11,170	10,991	11,571	11,628	11,459
Business								
Facility rentals permits issued	370	416	378	332	312	303	265	268
Maintenance								
Maintenance work orders completed	7,102	7,686	7,315	7,057	7,172	7,192	5,913	5,330
District square footage maintained by custodians and maintenance staff	2,167,028	2,168,660	2,112,955	2,112,955	2,112,955	2,115,276	2,115,276	2,115,276
District acreage maintained by grounds staff	412	412	403	403	403	403	403	403
Transportation								
Avg. public and parochial students transported daily	8,785	11,293	10,325	10,640	10,671	8,401	8,502	7,939
Avg. daily bus stops	4,313	5,384	5,564	5,820	6,216	4,961	6,126	5,836
Central								
Information technology services work orders completed	8,916	6,610	6,418	6,072	4,126	2,857	2,785	2,526
Food service operations								
Breakfasts served to students	353,366	321,048	295,104	156,346	177,601	138,900	105,625	85,587
Lunches served to students	951,909	708,789	661,529	622,748	620,376	628,488	622,037	602,386
Extra-curricular activities								
High school varsity teams	60	60	60	60	60	60	60	60

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.

Note: Business-Type Activities were reclassified to Governmental Activities as of July 1, 2010. This has been reflected in all years presented.

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004
Governmental Activities									
Regular Instruction									
Land/improvements	\$10,019,143	\$9,704,221	\$9,690,088	\$9,690,088	\$9,653,688	\$9,396,188	\$9,396,188	\$9,392,188	\$9,392,188
Buildings/improvements	196,698,599	196,110,779	186,946,789	187,013,330	187,065,017	184,756,845	182,885,105	179,800,709	178,855,973
Furniture/equipment	2,161,555	2,060,243	2,278,700	2,293,383	2,313,267	2,194,641	2,032,256	2,082,672	2,003,496
Vehicles	19,500	19,500	5,100	5,100	5,100	-	-	-	-
Special Instruction									
Land/improvements	3,114	-	-	-	-	-	-	-	-
Buildings/improvements	1,304,234	1,300,260	-	-	-	-	-	-	-
Furniture/equipment	181,637	115,372	97,385	96,665	85,091	79,469	73,094	68,314	57,196
Vocational Instruction									
Buildings/improvements	-	-	110,873	110,873	110,873	110,873	110,873	127,357	127,357
Furniture/equipment	-	5,038	5,038	5,038	5,038	5,038	5,038	5,038	5,038
Vehicles	21,479	21,479	21,479	21,479	17,279	17,279	-	-	-
Pupil Support									
Land/improvements	3,550	3,550	3,550	3,550	3,550	3,550	3,550	-	-
Buildings/improvements	312,235	312,235	312,235	312,235	312,235	312,235	312,235	-	-
Furniture/equipment	44,360	29,267	37,382	33,599	33,599	33,599	25,142	31,934	31,934
Instructional Support Staff									
Furniture/equipment	66,400	66,400	66,400	87,534	24,279	10,579	10,579	10,379	10,379
General Administration									
Furniture/equipment	7,712	7,712	-	-	-	-	-	-	-
School Administration									
Buildings/improvements	1,325,177	1,286,547	-	-	-	-	-	-	-
Furniture/equipment	242,471	211,741	240,967	240,967	240,967	127,921	53,916	63,258	73,850
Fiscal Services									
Furniture/equipment	0	5,900	13,376	13,376	13,376	13,376	13,376	13,376	13,376
Business services									
Buildings/improvements	371,703	367,265	96,600	96,600	96,600	96,600	96,600	96,600	96,600
Furniture/equipment	60,433	33,907	33,907	33,907	33,907	49,015	49,015	61,810	61,810
Vehicles	138,498	101,065	101,065	101,065	101,065	101,065	101,065	48,769	48,769
Operation & maintenance									
Land/improvements	818,129	810,889	810,889	424,038	368,112	365,607	248,620	28,926	28,926
Buildings/improvements	3,412,115	3,406,849	3,354,284	3,344,317	2,764,203	2,751,812	2,705,699	2,701,530	2,701,530
Furniture/equipment	882,711	849,489	777,594	697,625	646,064	529,916	521,797	483,329	482,499
Vehicles	536,946	563,789	552,289	585,688	585,688	515,627	529,779	510,504	597,563
Student transportation									
Land/improvements	294,084	294,084	294,084	294,083	294,083	294,084	294,084	294,084	294,084
Buildings/improvements	1,522,948	1,537,948	34,648	34,648	34,648	34,648	31,700	31,700	31,700
Furniture/equipment	180,133	169,281	120,215	95,549	82,602	73,277	48,277	48,277	48,277
Buses	8,362,723	6,994,966	7,454,228	6,920,283	6,681,420	6,302,986	6,259,176	6,078,877	6,505,227
Central services									
Buildings/improvements	3,440,603	3,440,603	288,201	288,201	288,201	288,201	288,201	288,201	288,201
Furniture/equipment	3,959,165	2,781,666	1,980,122	1,856,664	1,407,719	1,262,331	1,259,306	1,203,668	1,201,070
Food service operations									
Buildings/improvements	12,330	-	-	-	-	-	-	-	-
Furniture/equipment	1,148,619	1,127,123	1,128,640	1,133,419	1,212,010	1,209,478	1,076,136	1,076,142	1,073,387
Vehicles	48,769	48,769	48,769	48,769	48,769	48,769	48,769	48,769	48,769
Community services									
Furniture/equipment	49,338	22,387	6,832	6,832	6,832	6,832	3,942	-	-
Extra-curricular activities									
Land/improvements	3,248,245	2,198,567	1,630,604	1,630,604	799,590	752,047	282,237	194,420	22,511
Buildings/improvements	1,213,357	1,213,357	542,483	542,483	542,483	537,478	537,478	537,478	537,478
Furniture/equipment	609,725	584,695	517,623	427,907	347,139	290,503	270,938	258,376	237,111
Total governmental activities capital assets	\$242,721,740	\$237,806,943	\$219,602,439	\$218,489,899	\$216,224,494	\$212,571,869	\$209,574,171	\$205,586,685	\$204,876,299

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

Westerville City School District
School Building Information
Last Ten Fiscal Years

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Alcott Elementary (2002)										
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309
Capacity (students)	700	700	639	639	614	614	594	594	594	594
Enrollment	669	681	719	686	689	669	671	649	602	560
Annehurst Elementary (1970)										
Square feet	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747	39,747
Capacity (students)	450	450	365	365	365	365	382	330	330	330
Enrollment	362	367	366	369	348	354	352	341	348	350
Central College Elementary (1931)										
Square feet	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470
Capacity (students)	125	125	106	106	106	89	106	120	120	120
Enrollment	129	129	130	127	126	126	128	126	118	119
Cherrington Elementary (1968)										
Square feet	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348	41,348
Capacity (students)	425	391	350	350	374	374	350	408	408	408
Enrollment	400	377	363	339	336	338	335	336	347	343
Emerson Elementary (1896)										
Square feet	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005	28,005
Capacity (students)	250	250	240	240	265	265	277	225	225	225
Enrollment	252	255	251	244	240	225	238	210	190	168
Fouse Elementary (2002)										
Square feet	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309	70,309
Capacity (students)	700	700	639	639	614	614	570	570	570	570
Enrollment	698	722	686	670	656	648	624	626	587	523
Hanby Elementary (1922)										
Square feet	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532	43,532
Capacity (students)	407	382	226	226	292	292	260	353	353	353
Enrollment	353	352	340	327	330	294	267	250	254	231
Hawthorne Elementary (1957)										
Square feet	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888	62,888
Capacity (students)	700	732	650	650	648	648	614	511	511	511
Enrollment	639	665	635	633	660	676	688	669	681	673
Huber Ridge Elementary (1964)										
Square feet	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464	55,464
Capacity (students)	600	600	549	549	549	549	509	423	423	423
Enrollment	579	580	566	552	540	518	509	479	519	523
Longfellow Elementary (1931)										
Square feet	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753	13,753
Capacity (students)	125	125	91	91	91	91	91	110	110	110
Enrollment	129	130	130	125	125	124	129	125	120	122
Mark Twain Elementary (1974)										
Square feet	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864	45,864
Capacity (students)	450	450	419	419	419	419	422	332	332	332
Enrollment	469	468	468	468	462	434	433	427	452	423
McVay Elementary (1989)										
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	475	539	418	429	478	478	498	563	563	563
Enrollment	451	501	469	478	477	480	495	507	544	558
Pointview Elementary (1973)										
Square feet	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893	36,893
Capacity (students)	382	357	319	319	348	348	381	314	314	314
Enrollment	278	306	314	317	335	349	333	348	363	390

Source: School District Records.

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.

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

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Robert Frost Elementary (1974)										
Square feet	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763	45,763
Capacity (students)	525	539	460	460	437	437	461	350	350	350
Enrollment	469	492	435	436	387	371	384	388	396	454
Whittier Elementary (1952)										
Square feet	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097	46,097
Capacity (students)	421	421	339	339	377	377	419	355	355	355
Enrollment	359	339	342	302	284	313	323	365	365	343
Wilder Elementary (1989)										
Square feet	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159	67,159
Capacity (students)	500	532	434	459	483	483	493	570	570	570
Enrollment	452	489	482	468	474	492	492	495	522	544
Blendon Middle School (1969)										
Square feet	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025	79,025
Capacity (students)	650	650	550	550	564	581	624	650	650	650
Enrollment	684	627	611	583	574	578	572	591	642	682
Genoa Middle School (1998)										
Square feet	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955	143,955
Capacity (students)	988	975	970	993	960	892	821	750	750	750
Enrollment	1,025	1,052	997	976	961	897	935	907	909	862
Heritage Middle School (1989)										
Square feet	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945	117,945
Capacity (students)	900	900	754	735	749	633	686	835	835	835
Enrollment	882	813	845	833	851	862	901	874	911	946
Walnut Springs Middle School (1965)										
Square feet	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068	99,068
Capacity (students)	825	825	751	751	799	733	693	716	716	716
Enrollment	894	900	847	872	880	951	920	925	893	843
Westerville Central High School (2003)										
Square feet	326,102	326,102	326,102	326,102	326,102	326,102	326,102	326,102	326,102	N/A
Capacity (students)	1,677	1,677	1,683	1,705	1,746	1,751	1,605	1,605	1,605	N/A
Enrollment	1,653	1,575	1,559	1,552	1,548	1,536	1,444	1,117	733	N/A
Westerville North High School (1975)										
Square feet	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928	266,928
Capacity (students)	1,736	1,759	1,592	1,572	1,556	1,487	1,470	1,515	1,515	1,515
Enrollment	1,483	1,492	1,548	1,534	1,533	1,624	1,596	1,729	1,900	2,269
Westerville South High School (1960)										
Square feet	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583	254,583
Capacity (students)	1,655	1,655	1,428	1,414	1,415	1,255	1,312	1,467	1,467	1,467
Enrollment	1,535	1,521	1,519	1,481	1,478	1,449	1,448	1,572	1,760	2,092
Academic Enrichment Center (1974)										
Square feet	8,580	8,580	8,580	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	2,596	2,596	2,596
Warehouse (1980)										
Square feet	3,239	3,239	3,239	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	8,700	8,700	8,700
Farmhouse (1905)										
Square feet	2,243	2,243	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Transportation (1954)										
Square feet	15,713	15,713	8,400	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	3,502	3,502	3,502
Early Learning Center										
Square feet	55,228	55,228	8,320	8,320	N/A	N/A	N/A	N/A	N/A	N/A

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

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
3rd Grade Achievement Tests:										
Reading	N/A	87%	85%	87%	88%	87%	86%	86%	90%	88%
Math	N/A	N/A	77%	83%	90%	89%	88%	84%	92%	90%
4th Grade Proficiency/Achievement Tests:										
Writing	87%	88%	88%	90%	86%	87%	90%	N/A	N/A	N/A
Reading	78%	83%	88%	84%	90%	91%	89%	87%	91%	92%
Mathematics	73%	78%	72%	86%	85%	81%	88%	86%	85%	91%
Citizenship	77%	74%	77%	N/A						
Science	69%	75%	66%	N/A						
5th Grade Achievement Tests										
Reading	N/A	N/A	84%	85%	88%	82%	86%	85%	83%	88%
Mathematics	N/A	N/A	N/A	69%	67%	67%	75%	80%	79%	82%
Science	N/A	N/A	N/A	N/A	75%	74%	82%	82%	82%	82%
Social Studies	N/A	N/A	N/A	N/A	69%	73%	77%	N/A	N/A	N/A
6th Grade Proficiency/Achievement Tests:										
Writing	85%	95%	90%	N/A						
Reading	74%	71%	76%	89%	81%	86%	86%	91%	91%	90%
Mathematics	66%	72%	72%	76%	79%	83%	82%	84%	85%	86%
Citizenship	83%	80%	82%	N/A						
Science	78%	73%	73%	N/A						
7th Grade Achievement Tests:										
Reading	N/A	N/A	N/A	88%	85%	84%	86%	86%	84%	87%
Mathematics	N/A	N/A	74%	81%	84%	79%	86%	81%	87%	85%
Writing	N/A	N/A	N/A	N/A	91%	87%	85%	N/A	N/A	N/A
8th Grade Achievement Tests:										
Reading	N/A	N/A	89%	86%	88%	88%	83%	88%	90%	91%
Mathematics	N/A	N/A	78%	80%	83%	82%	84%	83%	82%	89%
Science	N/A	N/A	N/A	N/A	69%	70%	71%	75%	77%	84%
Social Studies	N/A	N/A	N/A	N/A	60%	68%	65%	N/A	N/A	N/A
9th Grade Proficiency Tests:										
Writing	97%	98%	N/A							
Reading	97%	98%	N/A							
Mathematics	89%	92%	N/A							
Citizenship	94%	96%	N/A							
Science	91%	94%	N/A							
10th Grade Ohio Graduation Test:										
Writing	N/A	N/A	86%	93%	94%	93%	95%	92%	94%	93%
Reading	N/A	77%	96%	95%	90%	92%	91%	92%	93%	93%
Mathematics	N/A	69%	91%	91%	87%	89%	90%	91%	92%	91%
Social Studies	N/A	N/A	90%	90%	84%	91%	90%	93%	91%	91%
Science	N/A	N/A	84%	84%	79%	85%	85%	83%	85%	87%
11th Grade Ohio Graduation Test:										
Writing	N/A	(a)								
Reading	N/A	97%								
Mathematics	N/A	97%								
Social Studies	N/A	96%								
Science	N/A	95%								

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

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
ACT Scores (Averages)										
Westerville	22.3	22.5	22.1	22.7	22.2	23.0	22.4	23.0	22.1	22.5
National	20.8	20.9	20.9	20.1	21.2	21.1	21.1	21.0	21.1	21.1
SAT Scores (Averages)										
Westerville	542	541	539	537	538	544	525	541	564	546
Verbal - Critical Reading	529	561	551	561	571	569	551	531	557	553
National	507	508	508	503	502	502	501	493	497	497
Verbal - Critical Reading	519	518	520	518	515	515	515	515	514	514
Mathematics										
National Merit Scholars (Percent of Senior Class)	2.40	2.50	1.51	1.90	1.47	1.50	1.86	0.94	1.49	1.54
ODE Per Pupil Costs										
Westerville	\$8,071	\$8,330	\$8,356	\$8,608	\$9,236	\$9,874	\$10,426	\$10,067	\$10,891	N/A
State Avg.	\$8,435	\$8,775	\$9,028	\$9,356	\$9,587	\$9,939	\$10,184	\$10,512	\$10,571	N/A
Cost to Educate Graduate										
Westerville	\$78,379	\$82,436	\$86,727	\$90,590	\$94,531	\$98,815	\$103,435	\$107,813	\$112,369	N/A
State Avg.	\$79,741	\$84,130	\$88,685	\$93,017	\$97,362	\$101,948	\$106,848	\$111,421	\$115,760	N/A
Average Teacher Salary	\$55,925	\$58,291	\$59,403	\$59,695	\$61,487	\$63,000	\$63,995	\$65,679	\$60,681	\$61,194
Teacher Experience										
% of Teachers with 0-4 Years	19.9	21.9	19.5	15.7	16.0	21.7	14.7	18.7	16.7	24.4
% of Teachers with 5-9 Years	17.7	16.3	18.4	22.8	19.3	22.9	19.6	20.6	24.6	19.9
% of Teachers with 10+ Years	62.4	61.8	62.1	61.4	64.7	55.3	65.7	60.7	58.7	55.7
Percentage of Teachers with a Master's Degree or Higher										
	N/A	N/A	75.8	76.8	72.0	74.1	72.0	71.7	71.0	74.2
Percentage of Students on Free/Reduced Lunch										
	10.7	12.4	14.9	15.4	22.2	22.0	25.2	26.4	28.3	30.7

Source: School District Student Records and Ohio Department of Education

N/A = Not Available

(a) The Ohio Graduation Test was added for 11th graders.

Westerville City School District

Westerville, Ohio



(This page left intentionally blank)



Dave Yost • 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
JANUARY 17, 2013