

West Geauga Local School District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

Prepared By:
Karen Penler, Treasurer and
Treasurer's Office Staff



Dave Yost • Auditor of State

Board of Education
West Geauga Local School District
8615 Cedar Road
Chesterland, Ohio 44026

We have reviewed the *Independent Auditor's Report* of the West Geauga Local School District, Geauga County, prepared by Ciuni & Panichi, Inc., for the audit period July 1, 2014 through June 30, 2015. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

February 10, 2016

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INTRODUCTORY SECTION



West Geauga Local School District
Geauga County, Ohio
Comprehensive Annual Financial Report
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Administrative Offices
8615 Cedar Road
Chesterland, Ohio 44026
(440) 729-5900
FAX (440) 729-5939

November 30, 2015

Board of Education Members
West Geauga Local School District

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all school districts file annual audited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2015.

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

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

Profile of the School District

The West Geauga School District (School District) is one of 611 school districts in the State of Ohio and one of six school districts in Geauga County. The School District provides education to 2,016 students in grades preschool through twelve. It covers approximately 47 square miles and is located in western Geauga County. It includes all of Chester and Russell townships and portions of surrounding townships (Munson, South Russell and Hunting Valley). The School District operates two elementary schools (K-5), one middle school (6-8) and one high school (9-12). Westwood was constructed in 1959 with additions in 1960 and 1996 and Lindsey was constructed in 1965 with additions in 1969 and 1996. West Geauga Middle School was constructed in 1962 with additions in 1963, 1964 and 1996. West Geauga High School was constructed in 1954 with additions in 1956, 1958, 1961, 1966, 1969 and 1996.

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

Organization of the School District

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

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

Reporting Entity

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

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

The School District is associated with three jointly governed organizations, one insurance purchasing pool and one consortium agreement. These organizations are Lake Geauga Computer Association, Ohio Schools Council, West Geauga Joint Recreation Council, Ohio School Boards Association Workers' Compensation Group Rating Plan and Ohio School Benefits Cooperative (OSBC) for healthcare insurance.

A complete discussion of the School District's reporting entity is provided in Note 1 and 2 to the general purpose financial statements.

Economic Condition and Future Outlook

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increases result in an approximately equal value decrease in millage. As a result, West Geauga Local Schools, as well as school districts throughout Ohio, must place operating funding issues on the ballot at regular intervals (usually every three to four years) to keep pace with inflation and mandated programming and services. With the current economic conditions, property valuations remained flat in many counties in Ohio. Geauga County's last general reappraisal was in calendar year 2011 resulting in a decrease of 5% in total property valuation in the West Geauga School District. A triennial update was performed in calendar year 2014 resulting in a 1% increase in property values over the three year period since the last reappraisal.

With little revenue growth expected, West Geauga Local Schools continues to closely monitor its expenditures. Circumstances necessitate managing the School District's financial resources in a prudent and conservative manner coupled with a combination of cost reductions and the possibility of additional operating levies to maintain current levels of programming. The last new operating levy was passed in May 2005. The School District enacted expense reductions from fiscal year 2011 thru fiscal year 2015 of approximately \$1,900,000 through staff reductions and retirements while increasing investments in key areas to bolster the educational experience for students. Additionally, with the decline of the School District's student residential enrollment, open enrollment continues to be a significant revenue source providing approximately \$1.1 million in additional funding in fiscal year 2015.

Financial Information and Relevant Financial Policies

Long-Term Financial Planning

West Geauga Local Schools continues to educate children on a stringent budget. In addition to the continuing operating levies, the School District has two five-year emergency levies generating approximately \$2.35 million and \$3.7 million each year. Funds from emergency levies are used to maintain current programs in the School District. In May 2015, the voters renewed the \$2.35 million emergency levy for an additional five years. The second emergency levy (\$3.7 million) can be placed on the ballot as early as November 2016. In reviewing the five year forecast, a new operating levy will be necessary by 2019 to maintain current programming and services. Of the operating funds, the School District received approximately 65 percent of its revenue from local taxes, 24 percent from the state, 3 percent from the federal government and 8 percent from other sources.

In November 2012, the community voted to approve a 2.75 mill, five- year permanent improvement levy to primarily repair/replace the roofs on all school buildings with the goal of providing a safe and secure environment for our students and staff. A carefully designed plan for roofing replacement allows the School District to manage the approximately \$1.7 million dollars in collections each year. Any unused funds will be used for significant capital improvements in areas such as: transportation, safety and security, technology and district-wide repairs and renovations to improve operating and energy efficiencies. The first roof replacement at Westwood Elementary was completed in August 2014. The second phase of the project, completed in September 2014, included additional roof replacements for Lindsey Elementary and part of the Middle School and High School. The final phase began in June 2015 to finish the Middle School and High school roofs.

Financial Policy

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

Internal Accounting and Budgetary Control

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

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

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

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

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

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

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

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

Major Initiatives and Accomplishments

The mission of the West Geauga Local Schools is to help students reach their academic and career potential and pursue high ethical standards. To achieve this, traditional practices are blended with proven educational innovations, including technology, in an effort to achieve and maintain a standard of excellence. The primary focus of West Geauga Local Schools continues to be on educational programming. The School District's programming serves our students, parents and community in an effort to continuously improve instruction. This process involves assessing current programs, identifying areas of improvement, developing options, selecting best practices, gathering measurable data and analyzing the results.

In July, 2013 the Board of Education, working with the community, adopted a long range plan to guide the School District. The plan identified its top educational goal, "Top 5 in 5," as the desire to become one of the top five percent of schools in Ohio within five years.

In the 2014 school year, the School District achieved its highest performance index of 107.4 on the local report card. In addition, the School District scored an "A" on its Value Added measurement. Results from the 2015 report card were not available as of the date of this letter. With the implementation of new State content standards, PARCC testing and graduation requirements, the School District spent this year providing significant time in professional learning communities in order to best prepare for changes in curriculum and the new testing format for 2015. Additionally, the School District offered well over 50 hours of personal professional development opportunities to teaching and administrative staff. This year the Board of Education approved a three-year technology plan making large investments in computers and upgrading network infrastructure to integrate technology in the classroom and improve operational efficiencies.

Both the high school and middle school are fully accredited by the North Central Association of Colleges and Secondary Schools. Approximately 87% of West Geauga High School graduates elect to continue their education; most pursue four-year degrees. West Geauga High School is a National Blue Ribbon School recognized by the United States Department of Education. In 2014, it was also a recipient of the U.S. Department of Education's Green Ribbon Award. This spring *US News and World Report* recognized West Geauga High School with a Silver Medal award for earning a rank of 103 of 881 high schools in the State of Ohio.

In September 2014, the Board appointed Karen Penler, CPA as its permanent Treasurer to replace interim Treasurer, Shawna Jones. In June, 2015 the School District hired Richard Markwardt, PhD to succeed interim Superintendent, Michael Nutter, who was appointed by the Board for the 2014-15 school year.

Other Information

National Awards

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

The School District was awarded the Certificate of Achievement for the fiscal year 2014 report. We believe that our current report conforms to the award requirements, and we are submitting it to GFOA for consideration.

Additional Information

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

Acknowledgements

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

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

Respectfully submitted,



Karen Penler, CFE, CPA

West Geauga Local School District Treasurer

West Geauga Local School District
Geauga County, Ohio
Principal Officials
June 30, 2015

Board of Education

Mr. Dan Thoreson	President
Mr. Michael Douglas	Vice President
Ms. Jackie Dottore	Member
Mr. Ben Kotowski	Member
Dr. Thomas Phelps	Member

Treasurer

Ms. Karen Penler

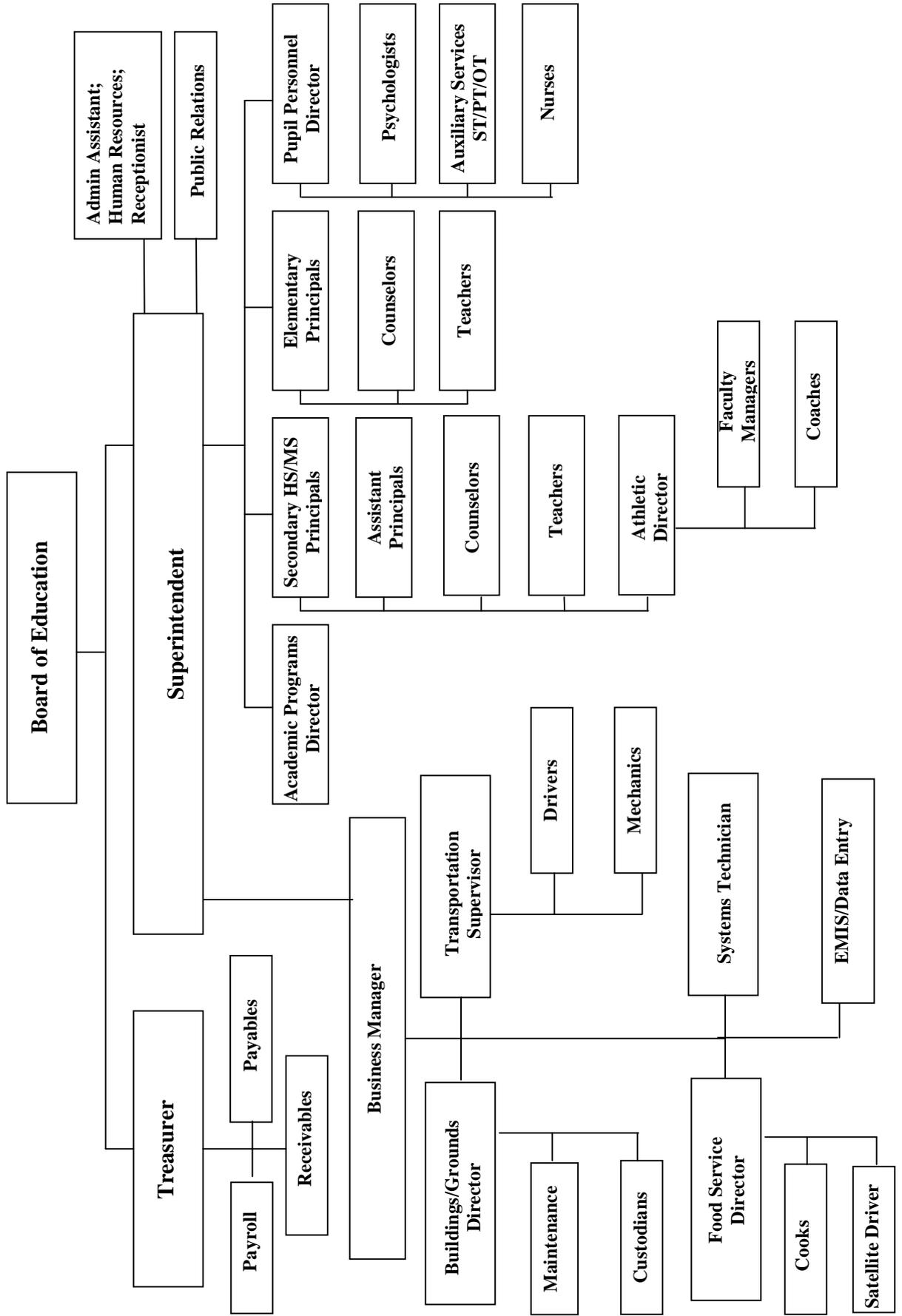
Superintendent

Mr. Richard Markwardt

Interim Superintendent

Mr. Michael Nutter through 6/15/15

West Geauga Local School District





Government Finance Officers Association

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

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

FINANCIAL SECTION



Independent Auditor's Report

Board of Education
West Geauga Local School District
Chesterland, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District (the "District"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2015, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 and Note 11 to the basic financial statements, in fiscal year 2015, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated their June 30, 2014 net position of the governmental activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 15 and the schedules of the District's proportionate share of the net pension liability and schedules of the District's contributions on pages 57 to 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Board of Education
West Geauga Local School District

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Ciuni & Panichi, Inc.

Cleveland, Ohio
December 7, 2015



West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The discussion and analysis of the West Geauga Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- Net position increased \$4.3 million, which represents a 57 percent increase from 2014.
- Capital assets increased \$60,109 during fiscal year 2015.
- During the year, outstanding debt decreased from \$0.9 million to \$0.7 million due to principal payments made by the School District.
- The School District implemented GASB 68, which reduced beginning net position as previously reported by \$33.4 million.

Using this Comprehensive Annual Financial Report

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2015?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 18. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, debt service fund and permanent improvement fund.

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

Reporting the School District's Fiduciary Responsibilities

The School District acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in agency funds. The School District's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities on page 23. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Because of the discussion below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows of resources and subtracting deferred outflows of resources related to pension and the net pension liability to the reported net position. Table 1 provides a summary of the School District's net position for 2015 compared to 2014:

Table 1
Net Position

	Governmental Activities	
	2015	Restated 2014
Assets		
Current and Other Assets	\$ 35,075,315	\$ 33,017,548
Capital Assets	15,595,516	15,535,407
<i>Total Assets</i>	<u>50,670,831</u>	<u>48,552,955</u>
Deferred Outflows of Resources		
Pension	2,217,113	1,809,572
<i>Deferred Outflows of Resources</i>	<u>2,217,113</u>	<u>1,809,572</u>
Liabilities		
Other Liabilities	3,256,289	3,029,063
Long-Term Liabilities:		
Due Within One Year	326,739	327,537
Due in More Than One Year		
Net Pension Liability	29,635,021	35,213,898
Other Amounts	2,292,865	2,272,132
<i>Total Liabilities</i>	<u>35,510,914</u>	<u>40,842,630</u>
Deferred Inflows of Resources		
Property Taxes	15,225,528	16,999,537
Pension	5,360,322	0
<i>Total Deferred Inflows of Resources</i>	<u>20,585,850</u>	<u>16,999,537</u>
Net Position		
Net Investment in Capital Assets	14,875,516	14,635,407
Restricted	2,504,109	1,897,960
Unrestricted	(20,588,445)	(24,013,007)
<i>Total Net Position</i>	<u>\$ (3,208,820)</u>	<u>\$ (7,479,640)</u>

West Geauga Local School District
Gauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

During 2015, the School District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*, which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

West Geauga Local School District
Geauga County, Ohio
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In accordance with GASB 68, the School District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows of resources.

As a result of implementing GASB 68, the School District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$25.9 million to a deficit of \$7.5 million.

At year end, capital assets represented 31 percent of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets was \$14.9 million at June 30, 2015. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$2.5 million represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position was a deficit of 20.6 million, primarily caused by the implementation of GASB 68.

Current and other assets increased \$2.1 million from fiscal year 2014 due to an increase in cash of over \$2.2 million from fiscal year 2014. Consistent with prior years, the School District revenues exceeded expenses. Deferred outflows of resources increased \$0.4 million due to pension expense while the net pension liability decreased \$5.6 million from fiscal year 2014. Deferred inflows related to property taxes decreased \$1.8 million from fiscal year 2014 which is due to property tax available for advance at year end which can fluctuate from year to year. Deferred inflows related to pension increased \$5.4 million due to the implementation of GASB 68.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2015 and 2014.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

Table 2
Changes in Net Position

	Governmental Activities	
	2015	2014
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$ 2,428,595	\$ 2,938,449
Operating Grants	1,699,485	1,528,389
<i>Total Program Revenues</i>	<u>4,128,080</u>	<u>4,466,838</u>
<i>General Revenues:</i>		
Property Taxes	21,521,816	19,432,477
Grants and Entitlements Not Restricted	6,801,287	6,698,639
Other	110,178	123,252
<i>Total General Revenues</i>	<u>28,433,281</u>	<u>26,254,368</u>
<i>Total Revenues</i>	<u>32,561,361</u>	<u>30,721,206</u>
Program Expenses		
Instruction:		
Regular	10,582,136	10,814,046
Special	3,611,844	3,690,196
Vocational	488,752	571,774
Student Intervention Services	27,032	28,794
Other	676,889	768,083
Support Services:		
Pupils	1,930,123	1,720,535
Instructional Staff	875,905	1,172,723
Board of Education	85,977	114,353
Administration	1,862,573	1,771,680
Fiscal	700,010	606,375
Business	293,760	287,875
Operation and Maintenance of Plant	3,451,697	2,638,136
Pupil Transportation	1,830,477	2,090,161
Central	13,706	22,989
Operation of Non-Instructional Services:		
Food Service Operations	435,836	439,938
Community Services	601,428	503,723
Extracurricular Activities	788,442	853,304
Interest and Fiscal Charges	33,954	44,054
<i>Total Expenses</i>	<u>28,290,541</u>	<u>28,138,739</u>
<i>Increase in Net Position</i>	<u>4,270,820</u>	<u>2,582,467</u>

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,809,572 million computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$1,311,727. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68		\$	28,290,541
Pension expense under GASB 68			(1,311,727)
2015 contractually required contribution			1,937,823
Adjusted 2015 program expenses			28,916,637
Total 2014 program expenses under GASB 27			28,138,739
Increase in program expenses not related pension		\$	777,898

Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue for fiscal year 2015. For comparability purposes, fiscal year 2014 was also updated in Tables 2 and 3 to reflect this change.

Charges for services decreased \$0.5 million from fiscal year 2014 from decreases in open enrollment and special education tuition. Program revenues in total decreased \$0.3 million, or 8 percent from fiscal year 2014.

Property tax revenue increased \$2.1 million over fiscal year 2014, partially due to the \$1.8 million increase in taxes available for advance at at year end.

Total expenses, not related to pension, increased \$0.8 million which is primarily due to roof replacements on several buildings.

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

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

Table 3
Governmental Activities

	Total Cost of Service		Net Cost of Service	
	2015	2014	2015	2014
Instruction:				
Regular	\$ 10,582,136	\$ 10,814,046	\$ 9,182,367	\$ 9,084,238
Special	3,611,844	3,690,196	2,914,560	2,773,867
Vocational	488,752	571,774	481,539	565,024
Student Intervention Services	27,032	28,794	27,032	28,794
Other	676,889	768,083	676,889	768,083
Support Services:				
Pupils	1,930,123	1,720,535	1,550,540	1,349,018
Instructional Staff	875,905	1,172,723	872,468	1,143,389
Board of Education	85,977	114,353	85,977	114,353
Administration	1,862,573	1,771,680	1,803,506	1,730,120
Fiscal	700,010	606,375	689,527	599,817
Business	293,760	287,875	293,760	287,875
Operation and Maintenance of Plant	3,451,697	2,638,136	3,451,697	2,638,136
Pupil Transportation	1,830,477	2,090,161	1,722,620	1,984,247
Central	13,706	22,989	6,506	15,789
Operation of Non-Instructional Services:				
Food Service Operations	435,836	439,938	10,396	22,744
Community Services	601,428	503,723	50,024	(50,216)
Extracurricular Activities	788,442	853,304	309,099	572,569
Interest and Fiscal Charges	33,954	44,054	33,954	44,054
Total Expenses	\$ 28,290,541	\$ 28,138,739	\$ 24,162,461	\$ 23,671,901

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

Governmental Funds

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$32.7 million and expenditures of \$29.0 million for fiscal year 2015. The net change in fund balances for the fiscal year was an increase of \$3.7 million for all governmental funds with the most significant increase in the general fund.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

The general fund's net change in fund balance for fiscal year 2015 was an increase of \$3.0 million over fiscal year 2014. Revenues increased more than \$1.7 million over fiscal year 2014 mainly due to an increase in taxes available for advance from the County at year-end. Expenditures showed an increase of \$0.8 million which is attributed to expenditures for the turf installation project. In general, revenues consistently outpace expenditures from year to year.

The fund balance of the debt service fund decreased by \$5,475 from fiscal year 2014 due to principal and interest payments on outstanding debt.

The fund balance of the permanent improvement fund increased by \$0.8 million from fiscal year 2014 due to tax revenue outpacing costs and timing of projects during the year.

General Fund Budgeting Highlights

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

During the course of fiscal year 2015, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual budget basis revenue was higher than the final budget basis revenue by \$48,993 and final budget basis revenue was \$0.2 million higher than original budgeted revenue. There is no individually significant line item accounting for these differences.

Final expenditure appropriations of \$27.3 million were \$1.7 million higher than the actual expenditures of \$25.6 million, as cost savings were recognized throughout the year. Original appropriations were \$4,652 higher than final appropriations. There is no individually significant line item accounting for the difference in expenditure estimates.

There were no significant variances to discuss within other financing sources and uses.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2015, the School District had \$15.6 million invested in capital assets. Table 4 shows fiscal year 2015 balances compared with 2014.

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

	Governmental Activities	
	2015	2014
Land	\$ 366,380	\$ 366,380
Land Improvements	1,363,468	866,950
Buildings and Improvements	11,435,095	11,706,975
Furniture and Equipment	1,473,262	1,591,064
Vehicles	957,311	1,004,038
<i>Totals</i>	\$ 15,595,516	\$ 15,535,407

The \$60,109 increase in capital assets was attributable to additional capital purchases exceeding current depreciation and disposals. See Note 8 for more information about the capital assets of the School District.

Debt

At June 30, 2015, the School District had \$720,000 in debt outstanding. See Note 13 for additional details. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2015	2014
2005 Various Purpose Improvement Bonds	\$ 720,000	\$ 900,000

West Geauga Local School District
Gauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015

Restrictions and Other Limitations

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

The second challenge facing most school districts is based on resources received from the Federal and State governments. The State foundation formula has been determined for fiscal years 2016 and 2017.

West Geauga Schools are considered a suburban school district and are to receive the same foundation allocation as in fiscal year 2015. The total expected is \$3.4 million of which \$1.8 million is due to the "guarantee." The "guarantee" is an amount of money added to the formula to keep districts "whole." The Governor has verbalized that the guarantee is not financially sustainable and the funding formula/guarantee beyond fiscal year 2017 is questionable.

Contacting the School District's Financial Management

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

West Geauga Local School District
Geauga County, Ohio
Statement of Net Position
June 30, 2015

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 14,624,428
Receivables:	
Intergovernmental	235,004
Property Taxes	19,928,603
Prepaid Items	287,280
Nondepreciable Capital Assets	366,380
Depreciable Capital Assets (Net)	15,229,136
<i>Total Assets</i>	50,670,831
Deferred Outflows of Resources	
Pension	2,217,113
Liabilities	
Accounts Payable	115,115
Accrued Wages and Benefits	2,104,925
Contracts Payable	205,656
Intergovernmental Payable	667,253
Retainage Payable	20,584
Matured Compensated Absences Payable	142,756
Long Term Liabilities:	
Due Within One Year	326,739
Due In More Than One Year:	
Net Pension Liability (See Note 11)	29,635,021
Other Amonts Due in More Than One Year	2,292,865
<i>Total Liabilities</i>	35,510,914
Deferred Inflows of Resources	
Property Taxes Levied for the Next Year	15,225,528
Pension	5,360,322
<i>Total Deferred Inflows of Resources</i>	20,585,850
Net Position	
Net Investment in Capital Assets	14,875,516
Restricted For:	
Capital Outlay	2,155,476
Debt Service	21,515
Extracurricular Activities	92,369
Auxiliary Services	30,025
Other Purposes	204,724
Unrestricted	(20,588,445)
<i>Total Net Position</i>	\$ (3,208,820)

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 10,582,136	\$ 1,334,447	\$ 65,322	\$ (9,182,367)
Special	3,611,844	510,719	186,565	(2,914,560)
Vocational	488,752	0	7,213	(481,539)
Student Intervention Services	27,032	0	0	(27,032)
Other	676,889	0	0	(676,889)
Support Services:				
Pupils	1,930,123	0	379,583	(1,550,540)
Instructional Staff	875,905	0	3,437	(872,468)
Board of Education	85,977	0	0	(85,977)
Administration	1,862,573	7,352	51,715	(1,803,506)
Fiscal	700,010	10,483	0	(689,527)
Business	293,760	0	0	(293,760)
Operation and Maintenance of Plant	3,451,697	0	0	(3,451,697)
Pupil Transportation	1,830,477	28,504	79,353	(1,722,620)
Central	13,706	0	7,200	(6,506)
Operation of Non-Instructional Services:				
Food Service Operations	435,836	295,054	130,386	(10,396)
Community Services	601,428	20,099	531,305	(50,024)
Extracurricular Activities	788,442	221,937	257,406	(309,099)
Debt Service:				
Interest and Fiscal Charges	33,954	0	0	(33,954)
Total	\$ 28,290,541	\$ 2,428,595	\$ 1,699,485	(24,162,461)

General Revenues

Property Taxes Levied for:

General Purposes	19,070,265
Debt Service	211,975
Capital Outlay	2,239,576
Grants and Entitlements Not Restricted to Specific Programs	6,801,287
Investment Earnings	26,468
Miscellaneous	83,710

Total General Revenues 28,433,281

Change in Net Position 4,270,820

Net Position Beginning of Year, Restated (See Note 2P) (7,479,640)

Net Position End of Year \$ (3,208,820)

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Debt Service Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$ 12,081,848	\$ 21,515	\$ 2,194,922	\$ 326,143	\$ 14,624,428
Receivables:					
Interfund	96,836	0	0	0	96,836
Intergovernmental	69,529	0	0	165,475	235,004
Property Taxes	17,665,552	159,700	2,103,351	0	19,928,603
Prepaid Items	276,942	0	0	10,338	287,280
<i>Total Assets</i>	<u>\$ 30,190,707</u>	<u>\$ 181,215</u>	<u>\$ 4,298,273</u>	<u>\$ 501,956</u>	<u>\$ 35,172,151</u>
Liabilities					
Accounts Payable	\$ 75,883	\$ 0	\$ 3,750	\$ 35,482	\$ 115,115
Accrued Wages and Benefits	2,050,977	0	0	53,948	2,104,925
Contracts Payable	0	0	205,656	0	205,656
Intergovernmental Payable	642,897	0	0	24,356	667,253
Retainage Payable	0	0	20,584	0	20,584
Matured Compensated Absences Payable	142,756	0	0	0	142,756
Interfund Payable	0	0	0	96,836	96,836
<i>Total Liabilities</i>	<u>2,912,513</u>	<u>0</u>	<u>229,990</u>	<u>210,622</u>	<u>3,353,125</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	13,479,675	159,700	1,586,153	0	15,225,528
Unavailable Revenue - Delinquent Property Taxes	398,977	0	48,098	0	447,075
Unavailable Revenue - Other	0	0	0	113,661	113,661
<i>Total Deferred Inflows of Resources</i>	<u>13,878,652</u>	<u>159,700</u>	<u>1,634,251</u>	<u>113,661</u>	<u>15,786,264</u>
Fund Balances					
Nonspendable	276,942	0	0	10,338	287,280
Restricted	0	21,515	2,118,381	213,620	2,353,516
Committed	0	0	315,651	0	315,651
Assigned	2,395,585	0	0	0	2,395,585
Unassigned (Deficit)	10,727,015	0	0	(46,285)	10,680,730
<i>Total Fund Balances</i>	<u>13,399,542</u>	<u>21,515</u>	<u>2,434,032</u>	<u>177,673</u>	<u>16,032,762</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 30,190,707</u>	<u>\$ 181,215</u>	<u>\$ 4,298,273</u>	<u>\$ 501,956</u>	<u>\$ 35,172,151</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2015

Total Governmental Fund Balances		\$ 16,032,762
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		15,595,516
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	\$ 447,075	
Intergovernmental	113,661	560,736
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	2,217,113	
Deferred Inflows - Pension	(5,360,322)	
Net Pension Liability	(29,635,021)	(32,778,230)
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	720,000	
Compensated Absences	1,899,604	(2,619,604)
<i>Net Position of Governmental Activities</i>		\$ (3,208,820)

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General Fund	Debt Service Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property and Other Local Taxes	\$ 19,179,705	\$ 211,975	\$ 2,252,522	\$ 0	\$ 21,644,202
Intergovernmental	6,627,707	0	318,149	1,250,818	8,196,674
Investment Income	26,468	0	0	342	26,810
Tuition and Fees	1,840,191	0	0	0	1,840,191
Extracurricular Activities	87,045	0	0	175,465	262,510
Rentals	10,483	0	0	0	10,483
Charges for Services	20,099	0	0	295,054	315,153
Contributions and Donations	265,713	0	0	24,579	290,292
Miscellaneous	83,275	0	0	693	83,968
<i>Total Revenues</i>	<u>28,140,686</u>	<u>211,975</u>	<u>2,570,671</u>	<u>1,746,951</u>	<u>32,670,283</u>
Expenditures					
Current:					
Instruction:					
Regular	10,230,601	0	0	75,424	10,306,025
Special	3,513,566	0	0	145,534	3,659,100
Vocational	488,752	0	0	0	488,752
Student Intervention Services	4,779	0	0	0	4,779
Other	690,965	0	0	0	690,965
Support Services:					
Pupils	1,607,764	0	0	343,012	1,950,776
Instructional Staff	812,468	0	0	11,961	824,429
Board of Education	75,842	0	0	0	75,842
Administration	1,884,818	0	0	41,344	1,926,162
Fiscal	660,854	0	37,924	0	698,778
Business	293,539	0	689	0	294,228
Operation and Maintenance of Plant	2,650,980	0	364,969	18,994	3,034,943
Pupil Transportation	1,648,521	0	91,011	0	1,739,532
Central	13,609	0	0	0	13,609
Extracurricular Activities	589,834	0	0	186,016	775,850
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	409,877	409,877
Community Services	5,547	0	0	570,341	575,888
Capital Outlay	0	0	1,282,738	0	1,282,738
Debt Service:					
Principal Retirement	0	180,000	0	0	180,000
Interest and Fiscal Charges	0	37,450	0	0	37,450
<i>Total Expenditures</i>	<u>25,172,439</u>	<u>217,450</u>	<u>1,777,331</u>	<u>1,802,503</u>	<u>28,969,723</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,968,247</u>	<u>(5,475)</u>	<u>793,340</u>	<u>(55,552)</u>	<u>3,700,560</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Capital Assets	9,416	0	0	0	9,416
Transfers In	0	0	0	13,663	13,663
Transfers Out	(13,663)	0	0	0	(13,663)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,247)</u>	<u>0</u>	<u>0</u>	<u>13,663</u>	<u>9,416</u>
<i>Net Change in Fund Balance</i>	2,964,000	(5,475)	793,340	(41,889)	3,709,976
<i>Fund Balances Beginning of Year</i>	10,435,542	26,990	1,640,692	219,562	12,322,786
<i>Fund Balances End of Year</i>	<u>\$ 13,399,542</u>	<u>\$ 21,515</u>	<u>\$ 2,434,032</u>	<u>\$ 177,673</u>	<u>\$ 16,032,762</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2015*

Net Change in Fund Balances - Total Governmental Funds	\$	3,709,976
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital Asset Additions	\$ 947,158	
Current Year Depreciation	<u>(887,049)</u>	60,109
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	(122,386)	
Intergovernmental	<u>13,464</u>	(108,922)
 Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		180,000
 Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
		1,937,823
 Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities		
		(1,311,727)
 In the statement of activities, interest is accrued on outstanding bonds, and bond premium and gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable		3,496
 Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		<u>(199,935)</u>
 <i>Change in Net Position of Governmental Activities</i>	 \$	 <u><u>4,270,820</u></u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Gauga County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	\$ 17,215,873	\$ 17,324,609	\$ 17,569,605	\$ 244,996
Intergovernmental	6,520,787	6,562,561	6,753,024	190,463
Investment Income	44,402	44,566	26,468	(18,098)
Tuition and Fees	2,034,728	2,044,907	1,625,416	(419,491)
Extracurricular Activities	45,685	45,972	46,474	502
Rentals	7,400	7,465	10,483	3,018
Charges for Services	18,700	18,700	20,099	1,399
Contributions and Donations	200,000	201,485	240,100	38,615
Miscellaneous	5,350	5,431	13,020	7,589
<i>Total Revenues</i>	<u>26,092,925</u>	<u>26,255,696</u>	<u>26,304,689</u>	<u>48,993</u>
Expenditures				
Current:				
Instruction:				
Regular	10,281,714	10,273,007	9,928,109	344,898
Special	4,176,404	4,207,497	3,965,408	242,089
Vocational	581,065	579,200	547,418	31,782
Student Intervention Services	2,118	2,101	5,102	(3,001)
Other	970,734	968,251	729,057	239,194
Support Services:				
Pupils	1,759,020	1,690,634	1,574,218	116,416
Instructional Staff	882,019	879,525	842,922	36,603
Board of Education	144,228	144,122	90,237	53,885
Administration	2,026,029	2,043,540	1,829,567	213,973
Fiscal	717,513	733,628	673,549	60,079
Business	346,683	345,840	306,249	39,591
Operation and Maintenance of Plant	2,966,833	2,968,748	2,755,330	213,418
Pupil Transportation	1,871,237	1,885,812	1,764,471	121,341
Central	26,347	26,951	13,609	13,342
Extracurricular Activities	558,338	556,774	597,422	(40,648)
Operation of Non-Instructional Services:				
Community Services	1,000	1,000	85	915
<i>Total Expenditures</i>	<u>27,311,282</u>	<u>27,306,630</u>	<u>25,622,753</u>	<u>1,683,877</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,218,357)</u>	<u>(1,050,934)</u>	<u>681,936</u>	<u>1,732,870</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	0	9,416	9,416	0
Refund of Prior Year Expenditures	56,662	114,322	114,322	0
Advances In	51,084	16,532	16,532	0
Advances Out	(10,000)	(10,000)	(45,752)	(35,752)
Transfers Out	(65,000)	(65,000)	(23,217)	41,783
<i>Total Other Financing Sources (Uses)</i>	<u>32,746</u>	<u>65,270</u>	<u>71,301</u>	<u>6,031</u>
<i>Net Change in Fund Balance</i>	<u>(1,185,611)</u>	<u>(985,664)</u>	<u>753,237</u>	<u>1,738,901</u>
<i>Fund Balance Beginning of Year</i>	8,623,636	8,623,636	8,623,636	0
Prior Year Encumbrances Appropriated	1,622,029	1,622,029	1,622,029	0
<i>Fund Balance End of Year</i>	<u>\$ 9,060,054</u>	<u>\$ 9,260,001</u>	<u>\$ 10,998,902</u>	<u>\$ 1,738,901</u>

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2015

	<u>Agency</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 44,233</u>
<i>Total Assets</i>	<u><u>\$ 44,233</u></u>
Liabilities	
Due to Students	<u>\$ 44,233</u>
<i>Total Liabilities</i>	<u><u>\$ 44,233</u></u>

See accompanying notes to the basic financial statements.

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West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 1 - Description of The School District

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

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

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

Reporting Entity

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

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

The School District participates in three jointly governed organizations. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the West Geauga Joint Recreation Council. These organizations are presented in Note 14 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

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

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

A. Basis of Presentation

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

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

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

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

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

B. Fund Accounting

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

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

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

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

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

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

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

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

C. Measurement Focus

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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

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

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

Deferred Inflows of Resources and Deferred Outflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11).

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

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

E. Budgetary Data

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2015.

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

F. Cash and Cash Equivalents

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

During fiscal year 2015, investments were limited to STAR Ohio (the State Treasurer's Investment Pool).

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

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2015. Certificates of deposit and repurchase agreements are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2015 amounted to \$26,468, which includes \$4,439 assigned from other School District funds.

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

G. Capital Assets

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

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

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

H. Interfund Balances

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

I. Compensated Absences

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

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

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

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

J. Pensions

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

K. Accrued Liabilities and Long-term Obligations

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

L. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2015, there was no net position restricted by enabling legislation.

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

M. Fund Balance

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

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

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

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

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

N. Interfund Activity

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

O. Estimates

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

P. Changes in Accounting Principles

For the fiscal year ended June 30, 2015, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*.

GASB Statement No. 68 requires recognition of the entire net pension liability and a more comprehensive measure of pension expense for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. The implementation of GASB Statement No. 68 resulted in the inclusion of net pension liability and pension expense components on the full-accrual financial statements. See below for the effect on net position as previously reported.

GASB Statement No. 69 addresses accounting and financial reporting for government combinations (including mergers, acquisitions and transfers of operations) and disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the School District.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

GASB Statement No. 71 amends paragraph 137 of GASB Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68. See below for the effect on net position as previously reported.

Net Position June 30, 2014	\$ 25,924,686
Adjustments:	
Net Pension Liability	(35,213,898)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>1,809,572</u>
Restated Net Position, July 1, 2014	<u><u>\$ (7,479,640)</u></u>

Other than employer contributions subsequent to the measurement date, the School District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 3 – Fund Balance

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

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

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	General Fund	Debt Service Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total
Nonspendable for:					
Prepays	\$ 276,942	\$ 0	\$ 0	\$ 10,338	\$ 287,280
Restricted for:					
Special Trusts	0	0	0	56,348	56,348
Education Foundation	0	0	0	4,637	4,637
Athletics	0	0	0	92,369	92,369
Auxiliary Services	0	0	0	30,025	30,025
State Grants	0	0	0	10,818	10,818
Federal Grants	0	0	0	18,451	18,451
Capital Improvements	0	0	2,118,381	972	2,119,353
Debt Service Payments	0	21,515	0	0	21,515
Total Restricted	0	21,515	2,118,381	213,620	2,353,516
Committed to:					
Permanent Improvements	0	0	315,651	0	315,651
Total Committed	0	0	315,651	0	315,651
Assigned for:					
Uniform School Supplies	50,396	0	0	0	50,396
Adult Education	12	0	0	0	12
Public School Support	33,337	0	0	0	33,337
Other Local Grants	17,764	0	0	0	17,764
Rotary	44,396	0	0	0	44,396
Subsequent Year Appropriations	1,607,126	0	0	0	1,607,126
Encumbrances:					
Instruction	497,146	0	0	0	497,146
Student Support	145,408	0	0	0	145,408
Total Assigned	2,395,585	0	0	0	2,395,585
Unassigned (Deficit)	10,727,015	0	0	(46,285) *	10,680,730
Total Fund Balance	<u>\$ 13,399,542</u>	<u>\$ 21,515</u>	<u>\$ 2,434,032</u>	<u>\$ 177,673</u>	<u>\$ 16,032,762</u>

* Unassigned fund balance included the following individual fund deficits:

	Fund Balance
Nonmajor Governmental Funds:	
Food Service	\$ 41,233
Title I	5,004
Classroom Reduction	48

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

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed or assigned fund balance (GAAP).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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

Net Change in Fund Balance	
GAAP Basis	\$ 2,964,000
Net Adjustment for Revenue Accruals	(1,409,585)
Net Adjustment for Expenditure Accruals	158,362
Funds Budgeted Elsewhere **	(25,630)
Adjustment for Encumbrances	<u>(933,910)</u>
Budget Basis	<u><u>\$ 753,237</u></u>

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform supplies fund, the adult education fund, the rotary fund, the public school support fund and the other grants fund.

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Note 5 - Deposits and Investments

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

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

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6. The State Treasurer's investment pool (STAR Ohio and STAR Plus);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

Custodial credit risk for deposits is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of School District cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

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

Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$14,041,090 and the bank balance was \$14,141,826. Of the bank balance:

1. \$500,000 of the bank balance was covered by depository insurance; and
2. \$13,641,826 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

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Investments: Investments are reported at fair value. As of June 30, 2015, the School District had the following investments:

Standard & Poors Rating	Investment	Fair Value	Investment Maturity (in months) 0 - 12	% Total Investments
AAAm	STAR Ohio	\$ 627,571	\$ 627,571	100.00%

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

STAROhio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2015, is 53 days.

Credit Risk: The School District's investments at June 30, 2015 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

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

Note 6 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

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Public utility property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2015 became a lien December 31, 2013, were levied after April 1, 2014 and are collected in 2015 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Geauga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 operations. The amount available as an advance at June 30, 2015 in the general and permanent improvement funds were \$3,786,900 and \$469,100 respectively. The amount available for advance at June 30, 2014, in the general and permanent improvement funds were \$2,176,800 and \$247,200, respectively. 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, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

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

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second Half Collections		2015 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 609,217,530	96.49%	\$610,517,480	96.29%
Public Utility Personal Property	22,167,580	3.51%	23,555,380	3.71%
	\$ 631,385,110	100.00%	\$ 634,072,860	100.00%
Tax rate per \$1,000 assessed valuation	\$ 55.70		\$ 55.60	

Note 7 - Receivables

Receivables at June 30, 2015, consisted of taxes, interfund and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Intergovernmental receivables consisted of \$69,529 in a student full-time equivalent adjustment receivable and \$165,475 in grants.

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Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 366,380	\$ 0	\$ 0	\$ 366,380
<i>Capital Assets, being depreciated:</i>				
Land Improvements	3,117,981	642,590	0	3,760,571
Buildings and Improvements	19,893,109	21,800	0	19,914,909
Furniture and Equipment	5,687,990	190,658	(3,020)	5,875,628
Vehicles	2,284,401	92,110	0	2,376,511
Total Capital Assets, being depreciated	30,983,481	947,158	(3,020)	31,927,619
Less Accumulated Depreciation:				
Land Improvements	(2,251,031)	(146,072)	0	(2,397,103)
Buildings and Improvements	(8,186,134)	(293,680)	0	(8,479,814)
Furniture and Equipment	(4,096,926)	(308,460)	3,020	(4,402,366)
Vehicles	(1,280,363)	(138,837)	0	(1,419,200)
Total Accumulated Depreciation	(15,814,454)	(887,049)	3,020	(16,698,483)
Total Capital Assets being depreciated, net	15,169,027	60,109	0	15,229,136
Governmental Activities Capital Assets, Net	\$ 15,535,407	\$ 60,109	\$ 0	\$ 15,595,516

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Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 385,648
Special	17,401
Support Services:	
Pupil	901
Instructional Staff	56,390
Board of Education	10,543
Administration	8,701
Fiscal	1,284
Business	3,547
Operation and Maintenance of Plant	180,588
Pupil Transportaion	136,280
Central Services	97
Food Service Operations	25,297
Community Services	29,171
Extracurricular Activities	31,201
Total Depreciation	\$ 887,049

Note 9 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Professional liability insurance is provided by a major carrier and has limits of \$6,000,000 for each occurrence and \$8,000,000 general aggregate, including employee benefit liability limits, qualified school groups, and employers' liability.

Property and fleet insurance is provided by a major carrier. Property insurance includes boiler and machinery coverage as well as commercial inland marine coverage with a blanket limit of \$83,626,584 with a \$1,000 deductible. Fleet insurance has a limit of \$6,000,000 with a \$1,000 deductible for comprehensive and \$1,000 for collision coverage.

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

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B. Employee Group Health Insurance

The District participates in the Ohio School Benefits Cooperative, a claims servicing and group purchasing pool composed of thirty-five members. The Ohio School Benefits Cooperative (OSBC) is created and organized pursuant to and as authorized by Section 9.833 of the Ohio Revised Code. OSBC is governed by a nine member Board of Directors, all of whom must be local school district and/or educational service center administrators. The Muskingum Valley Educational Service Center serves as the fiscal agent for OSBC. The OSBC is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to maximize benefits and/or reduce costs of medical, prescription drug, vision, dental, life, and/or other group insurance coverages for their employees and the eligible dependents, and designated beneficiaries of such employees. Participants pay a \$500 membership fee to OSBC.

The OSBC offers two options to participants. Participants may enroll in the joint insurance purchasing program for medical, prescription drug, vision dental and/or life insurance. A second option is available for self-insured participants that provides for the purchase of stop loss insurance coverage through OSBC's third party administrator. The School District elected to participate in the joint insurance purchasing program. The OSBC's business and affairs are conducted by a nine member Board of Directors consisting of Educational Service Center superintendents elected by the members of the OSBC. Medical Mutual/Antares is the Administrator of the OSBC. Financial information can be obtained by writing to the, Christine Wagner, Treasurer of the Muskingum Valley Educational Service Center, at 205 N. 7th Street, Zanesville, 43701.

C. Workers' Compensation

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 10 - Other Employee Benefits

Compensated Absences

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

All certified and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made to classified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 286 days. Classified employees are paid within 120 days of the retirement date. Upon retirement, payment is made to certified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 300 days. Certified employees have the choice of their payout in one or two payments. The first payment will be within 120 days of the last day of employment and the second payment will be in the following year. Upon retirement, payment is made to administrators for a scheduled percentage based upon their years of West Geauga service.

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Note 11 - Pension Plans

Net Pension Liability

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

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing, multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

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Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District’s contractually required contribution to SERS was \$447,983 for fiscal year 2015. Of this amount \$73,317 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

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

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

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The School District's contractually required contribution to STRS was \$1,489,840 for fiscal year 2015. Of this amount \$250,256 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 24,248,912	\$ 5,386,109	\$ 29,635,021
Proportion of the Net Pension Liability	0.09969351%	0.10642500%	
Pension Expense	\$ 974,202	\$ 337,525	\$ 1,311,727

At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 233,448	\$ 45,842	\$ 279,290
School District contributions subsequent to the measurement date	<u>1,489,840</u>	<u>447,983</u>	<u>1,937,823</u>
Total Deferred Outflows of Resources	<u>\$ 1,723,288</u>	<u>\$ 493,825</u>	<u>\$ 2,217,113</u>
Deferred Inflows of Resources			
Net difference between projected and actual earnings on pension plan investments	<u>\$ 4,486,141</u>	<u>\$ 874,181</u>	<u>\$ 5,360,322</u>

\$1,937,823 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Fiscal Year Ending June 30:	STRS	SERS	Total
2016	\$ (1,063,173)	\$ (207,085)	\$ (1,270,258)
2017	(1,063,173)	(207,085)	(1,270,258)
2018	(1,063,173)	(207,085)	(1,270,258)
2019	(1,063,174)	(207,084)	(1,270,258)
	<u>\$ (4,252,693)</u>	<u>\$ (828,339)</u>	<u>\$ (5,081,032)</u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

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Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
	100.00 %	

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$ 7,684,376	\$ 5,386,109	\$ 3,453,067

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

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

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

West Geauga Local School District
Gauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$ 34,714,961	\$ 24,248,912	\$ 15,398,156

Note 12 - Postemployment Benefits

A. School Employees Retirement System

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

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

West Geauga Local School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, prorated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The School District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2015, 2014, and 2013 were \$85,267, \$57,892 and \$54,090, respectively. For fiscal year 2015, 85 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2014 and 2013.

B. State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$104,442, and \$104,706, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

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West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 13 - Long - Term Obligations

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

	Restated Outstanding 6/30/14	Additions	Reductions	Outstanding 6/30/15	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
2005 Various Improvement Bonds					
\$2,275,000 at 3.0% - 5.25%	\$ 900,000	\$ 0	\$ 180,000	\$ 720,000	\$ 130,000
Net Pension Liability:					
STRS	28,885,145	0	4,636,233	24,248,912	0
SERS	6,328,753	0	942,644	5,386,109	0
	<u>35,213,898</u>	<u>0</u>	<u>5,578,877</u>	<u>29,635,021</u>	<u>0</u>
Compensated Absences	<u>1,699,669</u>	<u>417,128</u>	<u>217,193</u>	<u>1,899,604</u>	<u>196,739</u>
Total Governmental Activities Long-Term Liabilities	<u>\$37,813,567</u>	<u>\$ 417,128</u>	<u>\$ 5,976,070</u>	<u>\$32,254,625</u>	<u>\$ 326,739</u>

2005 Various Purpose Improvement Bonds

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

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid, which is primarily the general fund. The School District pays obligations related to pension liability from the fund benefitting from their service.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2015 are as follows:

Fiscal Year Ending June 30,	Serial Bonds	
	Principal	Interest
2016	\$ 130,000	\$ 29,700
2017	140,000	22,950
2018	145,000	15,825
2019	150,000	9,200
2020	<u>155,000</u>	<u>3,100</u>
Total	<u>\$ 720,000</u>	<u>\$ 80,775</u>

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 14 - Jointly Governed Organizations

A. Lake Geauga Computer Association

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its eighteen member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$99,935 to LGCA during fiscal year 2015. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

B. Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among school districts. The jointly governed organization was formed to bring quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2015, the School District paid \$3,860 to the Council. Financial information can be obtained by contacting Dr. William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

C. West Geauga Joint Recreation Council

The West Geauga Joint Recreation Council (the Recreation Council) is a jointly governed organization. The School District appoints one member of the six-member board. The purpose of the Recreation Council is to further athletic and recreational opportunities. The School District has not contributed to the Recreation Council in fiscal year 2015. The School District's degree of control is limited to its representation on the board. The Recreation Council's continued existence is not dependent on the School District's continued participation. To obtain financial information, write to West Geauga Joint Recreational Board, P.O. Box 384, Chesterland, Ohio 44026.

Note 15 – Contingencies and Significant Commitments

A. Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2015, if applicable, cannot be determined at this time.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

B. Litigation

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

C. School District Funding

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the School Districts, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the School District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the School District.

D. Contractual Commitments

As of June 30, 2015, the School District had a contractual commitment in the amount of \$598,084 for a roof replacement project. Since this is a replacement, the expenditures have been recorded to repairs and maintenance.

E. Encumbrance Commitments

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

Fund	Amount
General Fund	\$ 653,411
Permanent Improvement Fund	1,194,715
Nonmajor Governmental Funds	53,458
	\$ 1,901,584

Note 16 - Interfund Activity

A. Transfers

During the year, the general fund transferred \$13,663 to the race to the top fund to cover deficits in the fund.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

B. Advances

The general fund advanced \$96,836 to nonmajor governmental funds (\$51,084 of this occurred in a prior year) to cover expenditures until expected revenues are received. All interfund loans are expected to be repaid in fiscal year 2016.

Note 17 - Set-Asides

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

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

	Capital Improvement Reserve
Set Aside Restricted Balance June 30, 2014	\$ 0
Current Year Set-Aside Requirement	350,549
Current Year Offsets	<u>(2,348,771)</u>
Total	<u>\$ (1,998,222)</u>
Balance Carried Forward to Fiscal Year 2016	<u>\$ 0</u>
Set Aside Balance June 30, 2015	<u><u>\$ 0</u></u>

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

West Geauga Local School District
Geauga County, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Last Two Fiscal Years (1)

	<u>2014</u>	<u>2013</u>
<i>State Teachers Retirement System (STRS)</i>		
School District's proportion of the net pension liability (asset)	0.09969351%	0.09969351%
School District's proportionate share of the net pension liability (asset)	\$ 24,248,912	\$ 28,885,145
School District's covered-employee payroll	\$ 10,444,169	\$ 11,276,062
School District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	232.18%	256.16%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	69.30%
 <i>School Employees Retirement System (SERS)</i>		
School District's proportion of the net pension liability (asset)	0.10642500%	0.10642500%
School District's proportionate share of the net pension liability (asset)	\$ 5,386,109	\$ 6,328,753
School District's covered-employee payroll	\$ 3,259,957	\$ 3,588,013
School District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	165.22%	176.39%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

(1) Information prior to 2013 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date.

West Geauga Local School District
Geauga County, Ohio
Required Supplementary Information
Schedule of School District Contributions
Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<i>State Teachers Retirement System (STRS)</i>				
Contractually Required Contribution	\$ 1,489,840	\$ 1,357,742	\$ 1,465,888	\$ 1,411,995
Contributions in Relation to the Contractually Required Contribution	<u>(1,489,840)</u>	<u>(1,357,742)</u>	<u>(1,465,888)</u>	<u>(1,411,995)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's covered-employee payroll	\$ 10,641,714	\$ 10,444,169	\$ 11,276,062	\$ 10,861,500
Contributions as a percentage of covered-employee payroll	14.00%	13.00%	13.00%	13.00%
 <i>School Employees Retirement System (SERS)</i>				
Contractually required contribution	\$ 447,983	\$ 451,830	\$ 496,581	\$ 569,450
Contributions in relation to the contractually required contribution	<u>(447,983)</u>	<u>(451,830)</u>	<u>(496,581)</u>	<u>(569,450)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's covered-employee payroll	\$ 3,398,961	\$ 3,259,957	\$ 3,588,013	\$ 4,233,829
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%

n/a - Information prior to 2008 is not available.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 1,415,455	\$ 1,449,210	\$ 1,384,292	\$ 1,354,971	\$ 1,388,229	\$ 1,441,340
<u>(1,415,455)</u>	<u>(1,449,210)</u>	<u>(1,384,292)</u>	<u>(1,354,971)</u>	<u>(1,388,229)</u>	<u>(1,441,340)</u>
<u>\$ 0</u>					
\$ 10,888,115	\$ 11,147,769	\$ 10,648,400	\$ 10,422,854	\$ 10,678,685	\$ 11,087,231
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
\$ 431,523	\$ 538,807	\$ 299,569	\$ 351,029	n/a	n/a
<u>(431,523)</u>	<u>(538,807)</u>	<u>(299,569)</u>	<u>(351,029)</u>	n/a	n/a
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	n/a	n/a
\$ 3,432,959	\$ 3,979,372	\$ 3,044,400	\$ 3,574,633	n/a	n/a
12.57%	13.54%	9.84%	9.82%	n/a	n/a



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

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

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

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

Nonmajor Capital Project Fund

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

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

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Nonmajor Special Revenue Funds	Schoolnet Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 325,171	\$ 972	\$ 326,143
Receivables:			
Intergovernmental	165,475	0	165,475
Prepaid Items	10,338	0	10,338
<i>Total Assets</i>	<u>\$ 500,984</u>	<u>\$ 972</u>	<u>\$ 501,956</u>
Liabilities			
Accounts Payable	\$ 35,482	\$ 0	\$ 35,482
Accrued Wages and Benefits	53,948	0	53,948
Intergovernmental Payable	24,356	0	24,356
Interfund Payable	96,836	0	96,836
<i>Total Liabilities</i>	<u>210,622</u>	<u>0</u>	<u>210,622</u>
Deferred Inflows of Resources			
Unavailable Revenue - Other	113,661	0	113,661
Fund Balances (Deficit)			
Nonspendable	10,338	0	10,338
Restricted	212,648	972	213,620
Unassigned (Deficit)	(46,285)	0	(46,285)
<i>Total Fund Balances</i>	<u>176,701</u>	<u>972</u>	<u>177,673</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 500,984</u>	<u>\$ 972</u>	<u>\$ 501,956</u>

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	Nonmajor Special Revenue Funds	Schoolnet Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 1,250,818	\$ 0	\$ 1,250,818
Investment Income	342	0	342
Extracurricular Activities	175,465	0	175,465
Charges for Services	295,054	0	295,054
Contributions and Donations	24,579	0	24,579
Miscellaneous	693	0	693
<i>Total Revenues</i>	<u>1,746,951</u>	<u>0</u>	<u>1,746,951</u>
Expenditures:			
Current:			
Instruction:			
Regular	75,424	0	75,424
Special	145,534	0	145,534
Support Services:			
Pupils	343,012	0	343,012
Instructional Staff	11,961	0	11,961
Administration	41,344	0	41,344
Operation and Maintenance of Plant	18,994	0	18,994
Extracurricular Activities	186,016	0	186,016
Operation of Non-Instructional Services:			
Food Service Operations	409,877	0	409,877
Community Services	570,341	0	570,341
<i>Total Expenditures</i>	<u>1,802,503</u>	<u>0</u>	<u>1,802,503</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(55,552)	0	(55,552)
Other Financing Sources (Uses):			
Transfers In	13,663	0	13,663
<i>Net Change in Fund Balance</i>	(41,889)	0	(41,889)
<i>Fund Balance at Beginning of Year</i>	<u>218,590</u>	<u>972</u>	<u>219,562</u>
<i>Fund Balance at End of Year</i>	<u>\$ 176,701</u>	<u>\$ 972</u>	<u>\$ 177,673</u>

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 45,311	\$ 56,348	\$ 4,747	\$ 93,259
Intergovernmental Receivable	0	0	0	0
Prepaid Items	4,477	0	0	0
<i>Total Assets</i>	<u>\$ 49,788</u>	<u>\$ 56,348</u>	<u>\$ 4,747</u>	<u>\$ 93,259</u>
Liabilities				
Accounts Payable	\$ 0	\$ 0	\$ 110	\$ 884
Accrued Wages and Benefits	19,192	0	0	0
Intergovernmental Payable	16,268	0	0	6
Interfund Payable	51,084	0	0	0
<i>Total Liabilities</i>	<u>86,544</u>	<u>0</u>	<u>110</u>	<u>890</u>
Deferred Inflows of Resources				
Unavailable Revenue - Other	0	0	0	0
Fund Balances (Deficit)				
Nonspendable	4,477	0	0	0
Restricted	0	56,348	4,637	92,369
Unassigned (Deficit)	(41,233)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(36,756)</u>	<u>56,348</u>	<u>4,637</u>	<u>92,369</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 49,788</u>	<u>\$ 56,348</u>	<u>\$ 4,747</u>	<u>\$ 93,259</u>

(continued)

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Race to the Top Fund
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 59,160	\$ 10,800	\$ 18	\$ 8,387
Intergovernmental Receivable	0	0	0	14,713
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$ 59,160</u>	<u>\$ 10,800</u>	<u>\$ 18</u>	<u>\$ 23,100</u>
Liabilities				
Accounts Payable	\$ 28,614	\$ 0	\$ 0	\$ 5,874
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	521	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>29,135</u>	<u>0</u>	<u>0</u>	<u>5,874</u>
Deferred Inflows of Resources				
Unavailable Revenue - Other	0	0	0	14,713
Fund Balances (Deficit)				
Nonspendable	0	0	0	0
Restricted	30,025	10,800	18	2,513
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>30,025</u>	<u>10,800</u>	<u>18</u>	<u>2,513</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 59,160</u>	<u>\$ 10,800</u>	<u>\$ 18</u>	<u>\$ 23,100</u>

(continued)

West Geauga Local School District
Gauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	Title VI-B Fund	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Total Nonmajor Special Revenue Funds
Assets:					
Equity in Pooled Cash and Cash Equivalents	\$ 30,386	\$ 8,150	\$ 3,435	\$ 5,170	\$ 325,171
Intergovernmental Receivable	126,467	0	7,662	16,633	165,475
Prepaid Items	4,732	0	1,129	0	10,338
<i>Total Assets</i>	<u>\$ 161,585</u>	<u>\$ 8,150</u>	<u>\$ 12,226</u>	<u>\$ 21,803</u>	<u>\$ 500,984</u>
Liabilities:					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 35,482
Accrued Wages and Benefits	29,186	0	2,264	3,306	53,948
Intergovernmental Payable	6,738	0	775	48	24,356
Interfund Payable	32,344	0	6,209	7,199	96,836
<i>Total Liabilities</i>	<u>68,268</u>	<u>0</u>	<u>9,248</u>	<u>10,553</u>	<u>210,622</u>
Deferred Inflows of Resources					
Unavailable Revenue - Other	80,797	0	6,853	11,298	113,661
Fund Balances (Deficit)					
Nonspendable	4,732	0	1,129	0	10,338
Restricted	7,788	8,150	0	0	212,648
Unassigned (Deficit)	0	0	(5,004)	(48)	(46,285)
<i>Total Fund Balances (Deficit)</i>	<u>12,520</u>	<u>8,150</u>	<u>(3,875)</u>	<u>(48)</u>	<u>176,701</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 161,585</u>	<u>\$ 8,150</u>	<u>\$ 12,226</u>	<u>\$ 21,803</u>	<u>\$ 500,984</u>

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Food Service Fund	Special Trust Fund	Education Foundation Fund	District Managed Activities Fund
Revenues:				
Intergovernmental	\$ 130,343	\$ 0	\$ 0	\$ 0
Investment Income	43	68	0	0
Extracurricular Activities	0	0	0	175,465
Charges for Services	295,054	0	0	0
Contributions and Donations	0	1,223	6,050	17,306
Miscellaneous	0	0	0	693
<i>Total Revenues</i>	<u>425,440</u>	<u>1,291</u>	<u>6,050</u>	<u>193,464</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	6,010	0
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	18,994	0	0	0
Extracurricular Activities	0	0	0	186,016
Operation of Non-Instructional Services:				
Food Service Operations	409,877	0	0	0
Community Services	0	3,000	0	0
<i>Total Expenditures</i>	<u>428,871</u>	<u>3,000</u>	<u>6,010</u>	<u>186,016</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,431)	(1,709)	40	7,448
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Excess of Revenue and Other Financing Sources Over Net Change in Fund Balance</i>	(3,431)	(1,709)	40	7,448
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(33,325)</u>	<u>58,057</u>	<u>4,597</u>	<u>84,921</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (36,756)</u>	<u>\$ 56,348</u>	<u>\$ 4,637</u>	<u>\$ 92,369</u>

(continued)

West Geauga Local School District
Gauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Auxiliary Services Fund	Data Communications Fund	Miscellaneous State Grants Fund	Race to the Top Fund
Revenues:				
Intergovernmental	\$ 524,349	\$ 7,200	\$ 0	\$ 31,644
Investment Income	231	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>524,580</u>	<u>7,200</u>	<u>0</u>	<u>31,644</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	34,376
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	8,369
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	567,341	0	0	0
<i>Total Expenditures</i>	<u>567,341</u>	<u>0</u>	<u>0</u>	<u>42,745</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(42,761)	7,200	0	(11,101)
Other Financing Sources (Uses):				
Transfers In	0	0	0	13,663
<i>Excess of Revenue and Other Financing Sources Over Net Change in Fund Balance</i>	(42,761)	7,200	0	2,562
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>72,786</u>	<u>3,600</u>	<u>18</u>	<u>(49)</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 30,025</u>	<u>\$ 10,800</u>	<u>\$ 18</u>	<u>\$ 2,513</u>

(continued)

West Geauga Local School District
Geauga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	Title VI-B Fund	Title III Limited English Proficiency Fund	Title I Fund	Classroom Reduction Fund	Total Nonmajor Special Revenue Funds
Revenues:					
Intergovernmental	\$ 439,631	\$ 0	\$ 82,604	\$ 35,047	\$ 1,250,818
Investment Income	0	0	0	0	342
Extracurricular Activities	0	0	0	0	175,465
Charges for Services	0	0	0	0	295,054
Contributions and Donations	0	0	0	0	24,579
Miscellaneous	0	0	0	0	693
<i>Total Revenues</i>	<u>439,631</u>	<u>0</u>	<u>82,604</u>	<u>35,047</u>	<u>1,746,951</u>
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	35,038	75,424
Special	60,542	0	84,992	0	145,534
Support Services:					
Pupils	343,012	0	0	0	343,012
Instructional Staff	0	0	3,592	0	11,961
Administration	41,344	0	0	0	41,344
Operation and Maintenance of Plant	0	0	0	0	18,994
Extracurricular Activities	0	0	0	0	186,016
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	409,877
Community Services	0	0	0	0	570,341
<i>Total Expenditures</i>	<u>444,898</u>	<u>0</u>	<u>88,584</u>	<u>35,038</u>	<u>1,802,503</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,267)	0	(5,980)	9	(55,552)
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	13,663
<i>Excess of Revenue and Other Financing Sources Over Net Change in Fund Balance</i>	(5,267)	0	(5,980)	9	(41,889)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>17,787</u>	<u>8,150</u>	<u>2,105</u>	<u>(57)</u>	<u>218,590</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 12,520</u>	<u>\$ 8,150</u>	<u>\$ (3,875)</u>	<u>\$ (48)</u>	<u>\$ 176,701</u>

GOVERNMENTAL FUNDS

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



West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 17,324,609	\$ 17,569,605	\$ 244,996
Intergovernmental	6,562,561	6,753,024	190,463
Investment Income	44,566	26,468	(18,098)
Tuition and Fees	2,044,907	1,625,416	(419,491)
Extracurricular Activities	45,972	46,474	502
Rentals	7,465	10,483	3,018
Gifts and Donations	201,485	240,100	38,615
Charges for Services	18,700	20,099	1,399
Miscellaneous	5,431	13,020	7,589
<i>Total Revenues</i>	<u>26,255,696</u>	<u>26,304,689</u>	<u>48,993</u>
Expenditures:			
Current:			
Instruction:			
Regular	10,273,007	9,928,109	344,898
Special	4,207,497	3,965,408	242,089
Vocational	579,200	547,418	31,782
Student Intervention Services	2,101	5,102	(3,001)
Other	968,251	729,057	239,194
Support Services:			
Pupils	1,690,634	1,574,218	116,416
Instructional Staff	879,525	842,922	36,603
Board of Education	144,122	90,237	53,885
Administration	2,043,540	1,829,567	213,973
Fiscal	733,628	673,549	60,079
Business	345,840	306,249	39,591
Operation and Maintenance of Plant	2,968,748	2,755,330	213,418
Pupil Transportation	1,885,812	1,764,471	121,341
Central	26,951	13,609	13,342
Extracurricular	556,774	597,422	(40,648)
Operation of Non-Instructional Services:			
Community Services	1,000	85	915
<i>Total Expenditures</i>	<u>27,306,630</u>	<u>25,622,753</u>	<u>1,683,877</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,050,934)</u>	<u>681,936</u>	<u>1,732,870</u>
Other Financing Sources (Uses):			
Proceeds from Sale of Assets	9,416	9,416	0
Refund of Prior Year Expenditures	114,322	114,322	0
Advances In	16,532	16,532	0
Advances Out	(10,000)	(45,752)	(35,752)
Transfers In	(65,000)	(23,217)	41,783
<i>Total Other Financing Sources (Uses)</i>	<u>65,270</u>	<u>71,301</u>	<u>6,031</u>
<i>Net Change in Fund Balance</i>	(985,664)	753,237	1,738,901
<i>Fund Balance at Beginning of Year</i>	8,623,636	8,623,636	0
Prior Year Encumbrances Appropriated	1,622,029	1,622,029	0
<i>Fund Balance at End of Year</i>	<u>\$ 9,260,001</u>	<u>\$ 10,998,902</u>	<u>\$ 1,738,901</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 211,975	\$ 211,975	\$ 0
Expenditures:			
Debt Service:			
Principal Retirement	180,000	180,000	0
Interest and Fiscal Charges	37,450	37,450	0
<i>Total Expenditures</i>	217,450	217,450	0
<i>Net Change in Fund Balance</i>	(5,475)	(5,475)	0
<i>Fund Balance at Beginning of Year</i>	26,990	26,990	0
<i>Fund Balance at End of Year</i>	\$ 21,515	\$ 21,515	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 2,032,014	\$ 2,030,622	\$ (1,392)
Intergovernmental	316,757	318,149	1,392
<i>Total Revenues</i>	<u>2,348,771</u>	<u>2,348,771</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	37,700	37,924	(224)
Business	689	689	0
Operation and Maintenance of Plant	445,654	443,133	2,521
Pupil Transportation	383,273	383,242	31
Capital Outlay	2,874,944	2,333,889	541,055
<i>Total Expenditures</i>	<u>3,742,260</u>	<u>3,198,877</u>	<u>543,383</u>
<i>Net Change in Fund Balance</i>	(1,393,489)	(850,106)	543,383
<i>Fund Balance at Beginning of Year</i>	382,636	382,636	0
Prior Year Encumbrances Appropriated	<u>1,262,022</u>	<u>1,262,022</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 251,169</u>	<u>\$ 794,552</u>	<u>\$ 543,383</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 115,857	\$ 106,350	\$ (9,507)
Interest	0	43	43
Charges for Services	285,277	295,054	9,777
<i>Total Revenues</i>	<u>401,134</u>	<u>401,447</u>	<u>313</u>
Expenditures:			
Current:			
Support Services			
Operation and Maintenance of Plant	19,416	19,472	(56)
Operation of Non-Instructional Services:			
Food Service Operations	424,237	389,524	34,713
<i>Total Expenditures</i>	<u>443,653</u>	<u>408,996</u>	<u>34,657</u>
<i>Net Change in Fund Balance</i>	(42,519)	(7,549)	34,970
<i>Fund Balance at Beginning of Year</i>	58	58	0
Prior Year Encumbrances Appropriated	48,099	48,099	0
<i>Fund Balance at End of Year</i>	<u>\$ 5,638</u>	<u>\$ 40,608</u>	<u>\$ 34,970</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Special Trust Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Investment Income	\$ 40	\$ 68	\$ 28
Gifts and Donations	1,228	1,223	(5)
<i>Total Revenues</i>	<u>1,268</u>	<u>1,291</u>	<u>23</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services	3,510	3,050	460
<i>Net Change in Fund Balance</i>	(2,242)	(1,759)	483
<i>Fund Balance at Beginning of Year</i>	58,047	58,047	0
Prior Year Encumbrances Appropriated	10	10	0
<i>Fund Balance at End of Year</i>	<u>\$ 55,815</u>	<u>\$ 56,298</u>	<u>\$ 483</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Education Foundation Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 6,050	\$ 6,050	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	9,504	8,574	930
<i>Net Change in Fund Balance</i>	(3,454)	(2,524)	930
<i>Fund Balance at Beginning of Year</i>	2,987	2,987	0
Prior Year Encumbrances Appropriated	2,139	2,139	0
<i>Fund Balance at End of Year</i>	<u>\$ 1,672</u>	<u>\$ 2,602</u>	<u>\$ 930</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
District Managed Activities Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 173,741	\$ 175,465	\$ 1,724
Gifts and Donations	19,380	17,306	(2,074)
Miscellaneous	211	693	482
<i>Total Revenues</i>	<u>193,332</u>	<u>193,464</u>	<u>132</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>269,874</u>	<u>217,668</u>	<u>52,206</u>
<i>Net Change in Fund Balance</i>	(76,542)	(24,204)	52,338
<i>Fund Balance at Beginning of Year</i>	56,726	56,726	0
Prior Year Encumbrances Appropriated	<u>44,206</u>	<u>44,206</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$ 24,390</u></u>	<u><u>\$ 76,728</u></u>	<u><u>\$ 52,338</u></u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 524,288	\$ 524,349	\$ 61
Investment Income	231	231	0
<i>Total Revenues</i>	<u>524,519</u>	<u>524,580</u>	<u>61</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services	<u>618,512</u>	<u>617,811</u>	<u>701</u>
<i>Net Change in Fund Balance</i>	(93,993)	(93,231)	762
<i>Fund Balance at Beginning of Year</i>	71,002	71,002	0
Prior Year Encumbrances Appropriated	<u>22,991</u>	<u>22,991</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 762</u>	<u>\$ 762</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 7,200	\$ 7,200	\$ 0
<i>Net Change in Fund Balance</i>	7,200	7,200	0
<i>Fund Balance at Beginning of Year</i>	3,600	3,600	0
<i>Fund Balance at End of Year</i>	\$ 10,800	\$ 10,800	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 18	\$ 18	\$ 0
<i>Fund Balance at End of Year</i>	\$ 18	\$ 18	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Race to the Top Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 31,644	\$ 31,644	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	35,713	34,376	1,337
Support Services:			
Instructional Staff	9,592	8,822	770
<i>Total Expenditures</i>	45,305	43,198	2,107
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,661)	(11,554)	2,107
Other Financing Sources (Uses):			
Advances In	13,663	13,663	0
Advances Out	(52)	(52)	0
<i>Total Other Financing Sources (Uses)</i>	13,611	13,611	0
<i>Net Change in Fund Balance</i>	(50)	2,057	2,107
<i>Fund Balance at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	51	51	0
<i>Fund Balance at End of Year</i>	\$ 1	\$ 2,108	\$ 2,107

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 477,469	\$ 445,142	\$ (32,327)
Expenditures:			
Current:			
Instruction:			
Special	67,877	59,196	8,681
Support Services:			
Pupils	363,599	344,721	18,878
Administration	43,044	41,569	1,475
Total Support Services	406,643	386,290	(20,353)
Operation of Non-Instructional Services:			
Community Services	1,340	0	1,340
<i>Total Expenditures</i>	475,860	445,486	30,374
<i>Excess of Revenues Over (Under) Expenditures</i>	1,609	(344)	(1,953)
Other Financing Sources (Uses):			
Advances In	32,344	32,344	0
Advances Out	(6,506)	(6,506)	0
<i>Total Other Financing Sources (Uses)</i>	25,838	25,838	0
<i>Net Change in Fund Balance</i>	27,447	25,494	(1,953)
<i>Fund Balance at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	4,892	4,892	0
<i>Fund Balance at End of Year</i>	\$ 32,339	\$ 30,386	\$ (1,953)

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title III Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 8,150	\$ 8,150	\$ 0
<i>Fund Balance at End of Year</i>	\$ 8,150	\$ 8,150	\$ 0

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 106,674	\$ 100,464	\$ (6,210)
Expenditures:			
Current:			
Instruction:			
Special	96,564	97,667	(1,103)
Support Services:			
Instructional Staff	9,941	7,263	2,678
Operation of Non-Instructional Services:			
Community Services	6,853	0	6,853
<i>Total Expenditures</i>	<u>113,358</u>	<u>104,930</u>	<u>8,428</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,684)</u>	<u>(4,466)</u>	<u>2,218</u>
Other Financing Sources (Uses):			
Advances In	6,209	6,209	0
Advances Out	(9,974)	(9,974)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,765)</u>	<u>(3,765)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(10,449)	(8,231)	2,218
<i>Fund Balance at Beginning of Year</i>	4,836	4,836	0
Prior Year Encumbrances Appropriated	<u>5,996</u>	<u>5,996</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 383</u>	<u>\$ 2,601</u>	<u>\$ 2,218</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Classroom Reduction Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 42,049	\$ 34,813	\$ (7,236)
Expenditures:			
Current:			
Instruction:			
Regular	43,369	38,229	5,140
Support Services:			
Instructional Staff	465	0	465
<i>Total Expenditures</i>	43,834	38,229	5,605
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,785)	(3,416)	(1,631)
Other Financing Sources (Uses):			
Advances In	7,199	7,199	0
<i>Net Change in Fund Balance</i>	5,414	3,783	(1,631)
<i>Fund Balance at Beginning of Year</i>	1,387	1,387	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance at End of Year</i>	\$ 6,801	\$ 5,170	\$ (1,631)

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 190,775	\$ 190,775	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	228,232	205,612	22,620
<i>Excess of Revenues Over (Under) Expenditures</i>	(37,457)	(14,837)	22,620
Other Financing Sources (Uses):			
Transfers In	9,554	9,554	0
<i>Net Change in Fund Balance</i>	(27,903)	(5,283)	22,620
<i>Fund Balance at Beginning of Year</i>	36,835	36,835	0
Prior Year Encumbrances Appropriated	14,738	14,738	0
<i>Fund Balance at End of Year</i>	\$ 23,670	\$ 46,290	\$ 22,620

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Adult Education Fund
For the Fiscal Year Ended June 30, 2015

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

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Rotary Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 19,478	\$ 24,000	\$ 4,522
Extracurricular	39,792	40,571	779
Gifts and Donations	5,100	0	(5,100)
<i>Total Revenues</i>	<u>64,370</u>	<u>64,571</u>	<u>201</u>
Expenditures:			
Current:			
Instruction:			
Regular	68,626	56,263	12,363
Support Services:			
Administration	0	6,024	(6,024)
<i>Total Expenditures</i>	<u>68,626</u>	<u>62,287</u>	<u>6,339</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,256)</u>	<u>2,284</u>	<u>6,540</u>
Other Financing Sources (Uses):			
Advances In	3,500	3,500	0
Advances Out	(2,500)	(2,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,256)	3,284	6,540
<i>Fund Balance at Beginning of Year</i>	31,864	31,864	0
Prior Year Encumbrances Appropriated	4,373	4,373	0
<i>Fund Balance at End of Year</i>	<u>\$ 32,981</u>	<u>\$ 39,521</u>	<u>\$ 6,540</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 17,687	\$ 18,013	\$ 326
Miscellaneous	14,335	14,599	264
<i>Total Revenues</i>	<u>32,022</u>	<u>32,612</u>	<u>590</u>
Expenditures:			
Current:			
Instruction:			
Regular	17,471	14,476	2,995
Support Services:			
Instructional	525	209	316
Administration	10,436	9,370	1,066
Pupil Transportation	300	264	36
Total Support Services	<u>11,261</u>	<u>9,843</u>	<u>1,418</u>
<i>Total Expenditures</i>	<u>28,732</u>	<u>24,319</u>	<u>4,413</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,290</u>	<u>8,293</u>	<u>5,003</u>
Other Financing Sources (Uses):			
Advances In	2,500	2,500	0
Advances Out	(3,500)	(3,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,000)</u>	<u>(1,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,290	7,293	5,003
<i>Fund Balance at Beginning of Year</i>	19,544	19,544	0
Prior Year Encumbrances Appropriated	<u>5,233</u>	<u>5,233</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$ 27,067</u>	<u>\$ 32,070</u>	<u>\$ 5,003</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 7,600	\$ 7,600	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular	4,775	2,178	2,597
Operation of Non-Instructional Services:			
Community Services	17,388	6,769	10,619
Extracurricular	2,345	0	2,345
<i>Total Expenditures</i>	<u>24,508</u>	<u>8,947</u>	<u>15,561</u>
<i>Net Change in Fund Balance</i>	(16,908)	(1,347)	15,561
<i>Fund Balance at Beginning of Year</i>	16,051	16,051	0
Prior Year Encumbrances Appropriated	<u>2,448</u>	<u>2,448</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,591</u>	<u>\$ 17,152</u>	<u>\$ 15,561</u>

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance
<i>Fund Balance at Beginning of Year</i>	\$ 972	\$ 972	\$ 0
<i>Fund Balance at End of Year</i>	\$ 972	\$ 972	\$ 0

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

Agency Fund

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

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

West Geauga Local School District
Gauga County, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2015

	Beginning Balance 7/1/14	Additions	Deductions	Ending Balance 6/30/15
Student Activities				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 59,247	\$ 68,567	\$ 83,581	\$ 44,233
Liabilities				
Due to Students	\$ 59,247	\$ 68,567	\$ 83,581	\$ 44,233



STATISTICAL SECTION



Statistical Section

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

Contents

Page(s)

Financial Trends

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

S-2 - S-13

Revenue Capacity

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

S-14 - S-19

Debt Capacity

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

S-20 - S-25

Economic and Demographic Information

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

S-26 - S-27

Operating Information

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

S-28 - S-35

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NOTE:

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

With the implementation of GASB No. 68 in fiscal year 2014, the calculation of pension expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

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

	<u>2015</u>	<u>Restated 2014</u>	<u>2013</u>	<u>2012</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 14,875,516	\$ 14,635,407	\$ 14,864,667	\$ 13,251,326
Restricted	2,504,109	1,897,960	1,227,166	1,387,178
Unrestricted	<u>(20,588,445)</u>	<u>(24,013,007)</u>	<u>7,250,386</u>	<u>5,632,628</u>
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ (3,208,820)</u>	<u>\$ (7,479,640)</u>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>
Business-Type Activities:				
Net Investment in Capital Assets	N/A	N/A	N/A	N/A
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Primary Government:				
Net Investment in Capital Assets	\$ 14,875,516	\$ 14,635,407	\$ 14,864,667	\$ 13,251,326
Restricted	2,504,109	1,897,960	1,227,166	1,387,178
Unrestricted	<u>(20,588,445)</u>	<u>(24,013,007)</u>	<u>7,250,386</u>	<u>5,632,628</u>
<i>Total Primary Government</i>				
<i>Net Position</i>	<u>\$ (3,208,820)</u>	<u>\$ (7,479,640)</u>	<u>\$ 23,342,219</u>	<u>\$ 20,271,132</u>

	2011	2010	2009	2008	2007	2006
\$	11,425,167	\$ 8,359,303	\$ 5,900,292	\$ 3,745,774	\$ 2,092,443	\$ 1,837,934
	2,209,131	2,295,568	2,348,020	2,744,398	2,878,517	3,811,634
	4,004,346	2,605,747	2,743,598	1,928,583	1,418,626	(3,674,775)
\$	<u>17,638,644</u>	<u>\$ 13,260,618</u>	<u>\$ 10,991,910</u>	<u>\$ 8,418,755</u>	<u>\$ 6,389,586</u>	<u>\$ 1,974,793</u>
	N/A	\$ 1,200,169	\$ 1,204,409	\$ 1,228,371	\$ 1,252,455	\$ 1,277,136
	N/A	(26,444)	78,433	153,221	150,458	116,534
	N/A	\$ 1,173,725	\$ 1,282,842	\$ 1,381,592	\$ 1,402,913	\$ 1,393,670
\$	11,425,167	\$ 9,559,472	\$ 7,104,701	\$ 4,974,145	\$ 3,344,898	\$ 3,115,070
	2,209,131	2,295,568	2,348,020	2,744,398	2,878,517	3,811,634
	4,004,346	2,579,303	2,822,031	2,081,804	1,569,084	(3,558,241)
\$	<u>17,638,644</u>	<u>\$ 14,434,343</u>	<u>\$ 12,274,752</u>	<u>\$ 9,800,347</u>	<u>\$ 7,792,499</u>	<u>\$ 3,368,463</u>

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

	2015	2014 (1)	2013	2012
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 10,582,136	\$ 10,814,046	\$ 10,677,700	\$ 11,306,827
Special Instruction	3,611,844	3,690,196	3,822,518	3,873,958
Vocational Instruction	488,752	571,774	347,411	332,260
Student Intervention Services	27,032	28,794	54,238	64,113
Other Instruction	676,889	768,083	495,618	406,071
Pupil Support	1,930,123	1,720,535	1,779,194	1,923,647
Instructional Staff Support	875,905	1,172,723	889,090	942,218
Board of Education	85,977	114,353	64,690	127,610
Administration	1,862,573	1,771,680	1,821,255	1,789,418
Fiscal	700,010	606,375	619,927	850,572
Business	293,760	287,875	302,471	324,808
Operation and Maintenance of Plant	3,451,697	2,638,136	2,370,163	2,415,953
Pupil Transportation	1,830,477	2,090,161	1,959,575	2,045,889
Central	13,706	22,989	23,062	16,349
Food Service Operations	435,836	439,938	398,563	494,548
Community Services	601,428	503,723	552,263	457,134
Enterprise Operations	0	0	0	400
Extracurricular Activities	788,442	853,304	806,416	922,831
Capital Outlay	0	0	0	0
Interest and Fiscal Charges	33,954	44,054	93,215	203,746
Total Governmental Activities Expenses	28,290,541	28,138,739	27,077,369	28,498,352
Business-Type Activities:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Total Business-Type Activities Expenses	N/A	N/A	N/A	N/A
Total Primary Government Expenses	\$ 28,290,541	\$ 28,138,739	\$ 27,077,369	\$ 28,498,352
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 1,334,447	\$ 1,668,936	\$ 1,476,021	\$ 1,359,364
Special Instruction	510,719	685,649	582,794	553,016
Other Instruction	0	0	0	0
Instructional Staff Support	0	0	0	0
Administration	7,352	3,963	0	0
Fiscal	10,483	6,558	8,282	6,886
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	28,504	22,278	35,847	24,667
Central	0	0	0	0
Food Service Operations	295,054	276,289	258,986	285,356
Community Services	20,099	22,431	0	0
Extracurricular Activities	221,937	252,345	246,676	280,290
Operating Grants and Contributions:				
Regular Instruction	65,322	60,872	85,792	134,408
Special Instruction	186,565	230,680	179,636	156,359
Vocational Instruction	7,213	6,750	0	0
Student Intervention Services	0	0	0	3,567
Other Instruction	0	0	0	0
Pupil Support	379,583	371,517	357,822	421,447
Instructional Staff Support	3,437	29,334	100,642	130,176

	2011	2010	2009	2008	2007	2006
\$	11,011,297	\$ 10,066,334	\$ 10,694,447	\$ 10,540,611	\$ 10,353,894	\$ 11,284,889
	3,493,129	3,538,688	3,077,259	2,528,956	2,679,904	2,505,389
	309,061	289,587	214,889	201,165	180,952	185,821
	42,900	24,156	15,000	0	0	0
	502,297	505,827	425,899	411,484	375,634	391,716
	1,974,773	2,008,819	2,264,365	2,143,840	1,919,449	1,790,903
	833,666	833,338	804,471	830,321	784,377	870,190
	56,094	70,832	68,921	60,464	48,817	44,858
	1,797,465	1,886,260	1,840,520	1,770,671	1,835,968	1,640,485
	686,250	674,803	585,951	636,471	779,457	735,376
	323,354	356,402	332,112	201,183	187,079	190,818
	2,245,054	2,270,317	2,544,297	2,715,582	2,426,892	1,757,726
	2,066,693	2,007,110	2,048,743	1,914,042	1,919,444	1,782,371
	80,608	82,197	83,631	85,407	91,810	67,306
	678,763	0	0	0	0	0
	461,489	455,226	524,520	479,862	516,393	472,983
	1,001	1,257	100	0	0	0
	928,726	960,079	897,337	838,562	779,025	765,699
	0	0	0	0	0	977,742
	280,273	405,754	518,186	620,617	630,801	673,506
	<u>27,772,893</u>	<u>26,436,986</u>	<u>26,940,648</u>	<u>25,979,238</u>	<u>25,509,896</u>	<u>26,137,778</u>
	N/A	764,410	710,305	688,011	666,096	647,620
	N/A	259,829	271,611	249,160	242,615	115,780
	N/A	1,024,239	981,916	937,171	908,711	763,400
\$	<u>27,772,893</u>	<u>27,461,225</u>	<u>27,922,564</u>	<u>26,916,409</u>	<u>26,418,607</u>	<u>26,901,178</u>

\$	948,008	\$ 766,165	\$ 642,853	\$ 429,548	\$ 276,947	\$ 81,152
	509,556	212,462	156,787	0	0	0
	0	0	0	0	0	5,035
	2,126	0	0	0	0	0
	13,394	0	7,501	10,325	7,227	9,904
	0	0	0	0	0	0
	10,264	5,702	6,291	8,371	7,696	0
	7,028	8,282	12,084	8,090	12,654	9,412
	1,455	0	0	0	0	0
	297,398	0	0	0	0	0
	5,043	0	0	0	0	0
	336,726	366,967	338,371	313,654	274,319	392,610
	90,843	71,549	99,134	219,384	202,659	31,367
	435,538	569,738	147,990	151,317	58,104	640,076
	0	0	20,615	0	0	0
	19,997	16,256	0	0	0	0
	190,527	133,592	0	0	0	0
	546,963	305,580	421,047	486,236	413,498	0
	178,321	186,537	14,374	20,407	17,415	56,364

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

	2015	2014 (1)	2013	2012
Administration	51,715	37,597	39,445	0
Fiscal	0	0	0	112,675
Business	0	0	0	5,940
Operation and Maintenance of Plant	0	0	2,896	0
Pupil Transportation	79,353	83,636	0	32,667
Central	7,200	7,200	7,200	7,200
Food Service Operations	130,386	140,905	92,203	124,941
Community Services	531,305	531,508	483,959	472,026
Enterprise Operations	0	0	0	0
Extracurricular Activities	257,406	28,390	16,090	21,724
Capital Grants and Contributions:				
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Community Services	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>4,128,080</u>	<u>4,466,838</u>	<u>3,974,291</u>	<u>4,132,709</u>
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities Program Revenues</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government Program Revenues</i>	<u>4,128,080</u>	<u>4,466,838</u>	<u>3,974,291</u>	<u>4,132,709</u>
Net (Expense) Revenue:				
Governmental Activities	(24,162,461)	(23,671,901)	(23,103,078)	(24,365,643)
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government Net Expense</i>	<u>\$ (24,162,461)</u>	<u>\$ (23,671,901)</u>	<u>\$ (23,103,078)</u>	<u>\$ (24,365,643)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 19,070,265	\$ 17,255,454	\$ 17,139,804	\$ 17,773,567
Debt Service	211,975	189,535	1,030,208	2,126,810
Capital Projects	2,239,576	1,987,488	1,334,558	303,437
Grants and Entitlements not Restricted to Specific Programs	6,801,287	6,698,639	6,579,325	6,663,911
Investment Earnings	26,468	44,117	63,355	81,413
Miscellaneous	83,710	79,135	26,915	48,893
Capital Contributions	0	0	0	0
Transfers	0	0	0	0
<i>Total Governmental Activities</i>	<u>28,433,281</u>	<u>26,254,368</u>	<u>26,174,165</u>	<u>26,998,031</u>
Business-Type Activities:				
Miscellaneous	N/A	N/A	N/A	N/A
Transfers	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 28,433,281</u>	<u>\$ 26,254,368</u>	<u>\$ 26,174,165</u>	<u>\$ 26,998,031</u>
Change in Net Position				
Governmental Activities	\$ 4,270,820	\$ 2,582,467	\$ 3,071,087	\$ 2,632,388
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government</i>	<u>\$ 4,270,820</u>	<u>\$ 2,582,467</u>	<u>\$ 3,071,087</u>	<u>\$ 2,632,388</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal 2014 reflect this change.

2011	2010	2009	2008	2007	2006
47,808	21,954	62,613	60,333	65,699	0
0	0	0	0	0	8,469
0	0	0	0	0	0
0	0	6,188	80,122	0	425,558
0	0	0	0	0	0
9,100	9,145	12,000	12,000	12,000	12,000
133,017	0	0	0	0	0
409,968	416,932	470,048	463,219	446,464	0
0	0	800	0	0	0
59,601	36,760	39,136	22,699	11,467	0
19,270	1,450	0	0	0	0
0	0	23,466	13,050	26,427	0
0	5,120	0	0	0	0
<u>4,271,951</u>	<u>3,134,191</u>	<u>2,481,298</u>	<u>2,298,755</u>	<u>1,832,576</u>	<u>1,671,947</u>
N/A	379,598	384,312	389,662	410,561	419,854
N/A	229,868	249,259	231,307	235,142	210,483
N/A	90,590	79,026	65,566	65,453	60,776
N/A	700,056	712,597	686,535	711,156	691,113
<u>4,271,951</u>	<u>3,834,247</u>	<u>3,193,895</u>	<u>2,985,290</u>	<u>2,543,732</u>	<u>2,363,060</u>
(23,500,942)	(23,302,795)	(24,459,350)	(23,680,483)	(23,677,320)	(24,465,831)
N/A	(324,183)	(269,319)	(250,636)	(197,555)	(72,287)
<u>\$ (23,500,942)</u>	<u>\$ (23,626,978)</u>	<u>\$ (24,728,669)</u>	<u>\$ (23,931,119)</u>	<u>\$ (23,874,875)</u>	<u>\$ (24,538,118)</u>
\$ 12,081,806	\$ 11,452,809	\$ 16,814,672	\$ 15,513,341	\$ 17,873,911	\$ 12,786,535
2,195,812	2,413,096	2,807,697	2,750,325	2,978,363	1,783,847
5,561,466	4,980,626	285,059	300,056	303,448	294,544
6,742,781	6,790,611	7,049,554	6,853,798	6,597,341	6,652,326
89,044	118,459	237,115	508,802	443,321	293,555
34,434	23,654	8,977	12,645	102,527	329,279
0	7,314	0	0	0	0
0	(215,066)	(170,569)	(229,315)	(206,798)	(180,000)
<u>26,705,343</u>	<u>25,571,503</u>	<u>27,032,505</u>	<u>25,709,652</u>	<u>28,092,113</u>	<u>21,960,086</u>
N/A	0	0	0	0	0
N/A	215,066	170,569	229,315	206,798	180,000
N/A	215,066	170,569	229,315	206,798	180,000
<u>\$ 26,705,343</u>	<u>\$ 25,786,569</u>	<u>\$ 27,203,074</u>	<u>\$ 25,938,967</u>	<u>\$ 28,298,911</u>	<u>\$ 22,140,086</u>
\$ 3,204,401	\$ 2,268,708	\$ 2,573,155	\$ 2,029,169	\$ 4,414,793	\$ (2,505,745)
N/A	(109,117)	(98,750)	(21,321)	9,243	107,713
<u>\$ 3,204,401</u>	<u>\$ 2,159,591</u>	<u>\$ 2,474,405</u>	<u>\$ 2,007,848</u>	<u>\$ 4,424,036</u>	<u>\$ (2,398,032)</u>

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

	2015	2014 (1)	2013	2012
Governmental Activities				
Instruction:				
Regular	\$ 1,399,769	\$ 1,729,808	\$ 1,561,813	\$ 1,493,772
Special	697,284	916,329	762,430	709,375
Vocational	7,213	6,750	0	0
Student Intervention Services	0	0	0	3,567
Other	0	0	0	0
Support Services:				
Pupil	379,583	371,517	357,822	421,447
Instructional	3,437	29,334	100,642	130,176
Administration	59,067	41,560	39,445	112,675
Fiscal	10,483	6,558	8,282	6,886
Business	0	0	0	5,940
Operation and Maintenance of Plant	0	0	2,896	0
Pupil Transportation	107,857	105,914	35,847	57,334
Central	7,200	7,200	7,200	7,200
Food Service Operations	425,440	417,194	351,189	410,297
Community Services	551,404	553,939	483,959	472,026
Enterprise Operations	0	0	0	0
Extracurricular Activities	479,343	280,735	262,766	302,014
<i>Total Governmental Activities</i>	<u>4,128,080</u>	<u>4,466,838</u>	<u>3,974,291</u>	<u>4,132,709</u>
Business-Type Activities				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 4,128,080</u>	<u>\$ 4,466,838</u>	<u>\$ 3,974,291</u>	<u>\$ 4,132,709</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal 2014 reflect this change.

	2011	2010	2009	2008	2007	2006
\$	1,038,851	\$ 837,714	\$ 741,987	\$ 648,932	\$ 479,606	\$ 112,519
	945,094	782,200	304,777	151,317	58,104	640,076
	0	0	20,615	0	0	0
	19,997	16,256	0	0	0	0
	190,527	133,592	0	0	0	5,035
	546,963	305,580	421,047	486,236	413,498	0
	180,447	186,537	14,374	20,407	17,415	56,364
	61,202	21,954	70,114	70,658	72,926	9,904
	0	0	0	0	0	8,469
	0	0	0	0	0	0
	29,534	7,152	12,479	88,493	7,696	425,558
	7,028	8,282	35,550	21,140	39,081	9,412
	10,555	9,145	12,000	12,000	12,000	12,000
	430,415	0	0	0	0	0
	415,011	422,052	470,048	463,219	446,464	0
	0	0	800	0	0	0
	396,327	403,727	377,507	336,353	285,786	392,610
	4,271,951	3,134,191	2,481,298	2,298,755	1,832,576	1,671,947
	N/A	470,188	633,571	455,228	476,014	480,630
	N/A	229,868	79,026	231,307	235,142	210,483
	N/A	700,056	712,597	686,535	711,156	691,113
\$	4,271,951	\$ 3,834,247	\$ 3,193,895	\$ 2,985,290	\$ 2,543,732	\$ 2,363,060

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved (Deficit)	N/A	N/A	N/A	N/A
Nonspendable	\$ 276,942	\$ 252,379	\$ 0	\$ 0
Restricted	0	0	0	0
Assigned	2,395,585	1,547,094	789,734	1,305,498
Unassigned	10,727,015	8,636,069	7,563,675	5,375,973
<i>Total General Fund</i>	<u>13,399,542</u>	<u>10,435,542</u>	<u>8,353,409</u>	<u>6,681,471</u>
All Other Governmental Funds				
Reserved	N/A	N/A	N/A	N/A
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	N/A
Debt Service Funds	N/A	N/A	N/A	N/A
Capital Projects Funds	N/A	N/A	N/A	N/A
Nonspendable	10,338	10,581	0	0
Restricted	2,353,516	1,749,450	1,126,941	1,252,910
Committed	315,651	165,340	235,643	256,555
Unassigned (Deficit)	(46,285)	(38,127)	(21,258)	(45,114)
<i>Total All Other Governmental Funds</i>	<u>2,633,220</u>	<u>1,887,244</u>	<u>1,341,326</u>	<u>1,464,351</u>
<i>Total Governmental Funds</i>	<u>\$ 16,032,762</u>	<u>\$ 12,322,786</u>	<u>\$ 9,694,735</u>	<u>\$ 8,145,822</u>

For fiscal year 2010, the School District implemented GASB 54 which changes governmental fund classifications. The School District has elected not to restate fund balance amounts for fiscal years prior to implementation.

	2011	2010	2009	2008	2007	2006
	N/A	\$ 2,612,539	\$ 2,864,189	\$ 2,803,465	\$ 3,603,609	\$ 2,598,257
	N/A	1,653,481	1,969,909	1,979,817	1,296,585	578,955
\$	30,390	N/A	N/A	N/A	N/A	N/A
	783,137	N/A	N/A	N/A	N/A	N/A
	3,506,373	N/A	N/A	N/A	N/A	N/A
	1,485,144	N/A	N/A	N/A	N/A	N/A
	5,805,044	4,266,020	4,834,098	4,783,282	4,900,194	3,177,212
	N/A	371,341	301,107	307,426	622,410	3,666,748
	N/A	268,934	223,732	290,162	152,776	186,942
	N/A	1,053,366	1,394,564	1,450,719	1,503,541	0
	N/A	41,241	72,744	484,082	655,543	186,230
	11,213	N/A	N/A	N/A	N/A	N/A
	1,405,669	N/A	N/A	N/A	N/A	N/A
	249,724	N/A	N/A	N/A	N/A	N/A
	(124,848)	N/A	N/A	N/A	N/A	N/A
	1,541,758	1,734,882	1,992,147	2,532,389	2,934,270	4,039,920
\$	7,346,802	\$ 6,000,902	\$ 6,826,245	\$ 7,315,671	\$ 7,834,464	\$ 7,217,132

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

	2015	2014	2013	2012
Revenues:				
Property and Other Local Taxes	\$ 21,644,202	\$ 19,403,464	\$ 19,505,485	\$ 20,220,677
Intergovernmental	8,196,674	8,092,147	7,882,291	7,992,179
Investment Earnings	26,810	44,455	63,891	82,212
Tuition and Fees	1,840,191	2,374,116	2,036,527	1,873,355
Extracurricular Activities	262,510	287,687	282,086	330,765
Rentals	10,483	6,558	8,282	6,886
Charges for Services	315,153	294,989	279,047	301,358
Contributions and Donations	290,292	92,145	128,049	170,424
Miscellaneous	83,968	79,478	27,785	49,219
<i>Total Revenues</i>	<u>32,670,283</u>	<u>30,675,039</u>	<u>30,213,443</u>	<u>31,027,075</u>
Expenditures:				
Current:				
Instruction:				
Regular	10,306,025	10,016,991	10,236,637	10,855,577
Special	3,659,100	3,684,238	3,789,319	3,840,509
Vocational	488,752	571,774	347,411	332,260
Student Intervention Services	4,779	2,897	53,619	62,115
Other	690,965	768,083	495,618	406,750
Support Services:				
Pupils	1,950,776	1,746,208	1,771,516	1,909,158
Instructional Staff	824,429	1,148,504	851,840	1,064,845
Board of Education	75,842	103,810	54,147	117,067
Administration	1,926,162	1,753,638	1,783,789	1,771,424
Fiscal	698,778	626,813	617,164	846,987
Business	294,228	283,899	295,461	324,547
Operation and Maintenance of Plant	3,034,943	2,363,714	2,199,894	2,408,034
Pupil Transportation	1,739,532	1,910,844	1,820,031	1,986,343
Central	13,609	22,892	22,810	16,097
Extracurricular Activities	775,850	804,038	773,821	888,648
Operation of Non-Instructional Services:				
Food Service Operations	409,877	412,247	373,597	470,048
Community Services	575,888	421,392	531,028	439,968
Enterprise Operations	0	0	521,019	400
Capital Outlay	1,282,738	1,196,371	0	59,681
Debt Service:				
Principal Retirement	180,000	170,000	2,025,077	2,219,776
Interest and Fiscal Charges	37,450	44,925	110,592	220,416
<i>Total Expenditures</i>	<u>28,969,723</u>	<u>28,053,278</u>	<u>28,674,390</u>	<u>30,240,650</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	<u>3,700,560</u>	<u>2,621,761</u>	<u>1,539,053</u>	<u>786,425</u>
Other Financing Sources (Uses):				
Issuance of Bonds	0	0	0	0
Issuance of Lease Purchase Agreement	0	0	0	0
Issuance of Notes	0	0	0	0
Proceeds from Sale of Capital Assets	9,416	6,290	9,860	12,595
Refund of Prior Year Receipts	0	0	0	0
Transfers In	13,663	0	45,000	154,000
Transfers Out	(13,663)	0	(45,000)	(154,000)
<i>Total Financing Sources and (Uses)</i>	<u>9,416</u>	<u>6,290</u>	<u>9,860</u>	<u>12,595</u>
<i>Net Change in Fund Balance</i>	<u>\$ 3,709,976</u>	<u>\$ 2,628,051</u>	<u>\$ 1,548,913</u>	<u>\$ 799,020</u>
Debt Service as a Percentage of Noncapital Expenditures	0.78%	78.00%	7.58%	8.22%

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

	2011	2010	2009	2008	2007	2006
\$	19,825,970	\$ 18,889,263	\$ 19,593,926	\$ 18,622,281	\$ 21,079,961	\$ 14,841,150
	8,778,508	8,471,553	8,273,526	8,163,764	7,853,819	7,749,341
	89,996	119,598	240,153	513,410	451,737	293,555
	1,411,363	750,821	639,967	296,717	143,728	109,702
	407,287	512,437	482,883	433,306	395,267	373,647
	10,264	5,702	6,291	8,533	7,536	0
	319,525	13,746	16,310	17,438	16,393	0
	102,492	77,474	121,684	181,553	61,962	0
	47,004	43,924	28,217	26,352	43,735	430,568
	30,992,409	28,884,518	29,402,957	28,263,354	30,054,138	23,797,963
	10,512,559	9,542,008	10,237,068	10,112,374	9,926,219	9,810,466
	3,466,303	3,507,252	3,054,767	2,488,878	2,662,670	2,540,051
	309,061	289,587	214,889	201,165	180,952	196,594
	42,900	24,156	15,000	0	0	0
	501,618	505,827	425,899	411,484	375,634	391,716
	1,993,589	2,004,415	2,260,011	2,111,677	1,900,344	1,817,375
	810,116	806,586	786,011	795,902	748,915	857,253
	45,551	60,289	58,378	49,921	38,274	34,315
	1,797,065	1,854,627	1,843,252	1,776,370	1,910,087	1,711,426
	694,901	661,796	582,198	630,507	774,986	744,869
	317,122	348,028	327,419	199,100	189,169	191,854
	2,160,890	2,168,602	2,416,580	2,641,474	2,477,775	2,206,736
	1,947,501	1,862,795	1,894,539	1,754,442	1,794,955	1,888,445
	84,487	77,592	77,600	76,574	80,327	56,040
	894,287	926,430	865,225	805,064	751,647	748,321
	656,787	0	0	0	0	0
	442,267	414,139	478,797	405,634	441,561	425,148
	1,001	1,257	100	0	0	0
	552,606	1,329,590	1,097,567	958,172	1,813,796	977,742
	2,124,948	2,688,069	2,554,119	2,500,580	2,432,431	1,520,000
	294,843	421,750	532,395	633,514	730,266	754,886
	29,650,402	29,494,795	29,721,814	28,552,832	29,230,008	26,873,237
	1,342,007	(610,277)	(318,857)	(289,478)	824,130	(3,075,274)
	0	0	0	0	0	0
	0	0	0	0	0	1,375,000
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	(9,706)
	225,056	2,387	0	207,459	215,783	591
	(225,056)	(217,453)	(170,569)	(436,774)	(422,581)	(180,591)
	0	(215,066)	(170,569)	(229,315)	(206,798)	1,185,294
\$	1,342,007	\$ (825,343)	\$ (489,426)	\$ (518,793)	\$ 617,332	\$ (1,889,980)
	8.32%	11.04%	10.78%	11.36%	11.54%	8.78%

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

<u>Collection Year</u>	<u>Real Property (1)</u>		<u>Public Utility (2)</u>		<u>Tangible Personal Property (3)</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
2015	\$ 610,517,480	\$ 1,744,335,657	\$ 23,555,380	\$ 26,767,477	\$ 0	\$ 0
2014	609,217,530	1,740,621,514	22,167,580	25,190,432	0	0
2013	607,686,610	1,736,247,457	20,295,250	23,062,784	0	0
2012	608,760,220	1,739,314,914	18,522,470	21,048,261	0	0
2011	646,667,530	1,847,621,514	18,047,880	20,508,955	0	0
2010	647,578,970	1,850,225,629	17,645,940	20,052,205	0	0
2009	648,413,770	1,852,610,771	16,380,570	18,614,284	0	0
2008	645,288,850	1,843,682,429	15,485,390	17,597,034	2,321,190	3,713,904
2007	640,836,780	1,830,962,229	17,516,110	19,904,670	2,478,680	20,234,122
2006	639,887,180	1,828,249,086	16,065,980	18,257,340	5,184,420	27,650,240

- (1) Real property is reappraised every six years with a State mandated update of the current market value in the third year following each appraisal.
- (2) The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment. General business inventory tangible personal property tax was phased out beginning 2006. The listing percentage is 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers (except telephone companies whose last year to pay tangible personal property tax was in 2010).
- (3) The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, the 2 1/2% and the homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

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

Total				
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$	634,072,860	\$ 1,771,103,134	35.80%	\$ 55.60
	631,385,110	1,765,811,946	35.76%	55.70
	627,981,860	1,759,310,241	35.69%	55.70
	627,282,690	1,760,363,175	35.63%	55.84
	664,715,410	1,868,130,469	35.58%	55.84
	665,224,910	1,870,277,834	35.57%	54.68
	664,794,340	1,871,225,055	35.53%	55.50
	663,095,430	1,864,993,367	35.55%	55.50
	660,831,570	1,871,101,021	35.32%	55.70
	661,137,580	1,867,244,106	35.41%	55.70

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

Year	Direct Rates				Overlapping Rates				Total Levy
	Operating Millage	Permanent Improvement Millage	Debt Service Millage	Total School District	Recreation District	Russell Township	Library	Geauga County Levy	
2015	\$ 51.85	\$ 3.75	\$ 0	\$ 55.60	\$ 0.20	\$ 22.85	\$ 2.00	\$ 15.10	\$ 95.75
2014	51.95	3.75	0	55.70	0.20	22.85	2.00	15.10	95.85
2013	51.95	3.75	0	55.70	0.20	22.85	2.00	15.10	95.85
2012	51.95	1.00	2.89	55.84	0.20	22.85	2.00	15.10	95.99
2011	51.41	1.00	3.41	55.82	0.20	22.85	2.00	15.10	95.97
2010	51.39	1.00	2.29	54.68	0.20	22.85	1.00	15.10	93.83
2009	51.50	1.00	3.00	55.50	0.20	22.85	1.00	15.10	94.65
2008	51.50	1.00	3.00	55.50	0.20	22.10	1.00	15.10	93.90
2007	51.60	1.00	3.10	55.70	0.20	22.10	1.00	15.10	94.10
2006	51.60	1.00	3.10	55.70	0.20	21.09	1.00	15.10	93.09

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

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

Year (2)	Total Tax Levy	Delinquent Levy (3)	Total Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection (4)	Percent of Total Tax Collections to Tax Levy
2014	\$ 22,478,771	\$ 983,089	\$ 23,461,860	\$ 22,002,833	97.88%	\$ 465,611	\$ 22,468,444	99.95%
2013	22,280,839	1,017,840	23,298,679	21,817,368	97.92%	515,316	22,332,684	100.23%
2012	22,275,922	1,161,093	23,437,015	21,705,731	97.44%	639,365	22,345,096	100.31%
2011	22,833,880	920,694	23,754,574	22,273,893	97.55%	509,552	22,783,445	99.78%
2010	22,038,272	1,930,908	23,969,180	21,400,605	97.11%	621,893	22,022,498	99.93%
2009	22,545,996	533,122	23,079,118	21,922,546	97.23%	541,041	22,463,587	99.63%
2008	22,648,059	590,588	23,238,647	21,724,249	95.92%	522,292	22,246,541	98.23%
2007	22,928,324	794,327	23,722,651	22,153,206	96.62%	201,715	22,354,921	97.50%
2006	22,969,920	684,742	23,654,662	21,989,239	95.73%	487,531	22,476,770	97.85%
2005	19,069,597	733,130	19,802,727	18,578,759	97.43%	543,808	19,122,567	100.28%

Source: Geauga County Auditor.

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. 2014 information cannot be presented because all collections have not been made by June 30.
- (3) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.
- (4) This amount includes penalties and interest. The amounts are not easily accessible to report at this time.

Note: Geauga County collects property taxes on a calendar year basis, therefore, the above data has been presented on a calendar year basis. The county does not identify delinquent collections by the year for which the tax was levied. Thus the "total collection" represents the total collections for the year instead of total collections of a particular tax year. As a result, "Percent of total tax collections to total levy" can exceed 100% in any particular year.

The County and School District requires additional time to identify and implement an efficient system to report these amounts. This system will consider the value and need of providing these amounts to the users of the Financial Statements, materiality and compliance in accordance with the GASB.

West Geauga Local School District
Geauga County, Ohio
Principal Taxpayers
Real Estate Tax
December 31, 2014 and December 31, 2005

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2014		
Petronzio Management	\$ 1,617,790	0.25%
Lucia S. Nash	1,461,130	0.24%
West Geauga Plaza	1,320,620	0.22%
Enger Family LLC, IV	1,039,660	0.17%
Angelo and Anna Cianci	935,880	0.15%
David Miller	865,690	0.14%
Armand and Maria DiNardo, Trustees	833,680	0.14%
Robert Vadas and Bonnie Young	784,180	0.13%
Allen Denzina	713,310	0.12%
Michael and Rosa Albino	709,540	0.12%
Totals	<u>\$ 10,281,480</u>	<u>1.68%</u>
Total Assessed Valuation	<u>\$ 610,517,480</u>	
December 31, 2005		
Petronzio Management	\$ 1,619,600	0.25%
Consolidated Investment	1,541,100	0.24%
West Geauga Plaza	1,383,450	0.22%
TGUJ Ltd	1,312,230	0.21%
Lucia S. Nash	1,291,510	0.20%
Gary Waxman	904,540	0.14%
Christopher H. Muzzin	892,500	0.14%
Angelo and Anna Cianci	835,110	0.13%
Robert J. Vadas	831,260	0.13%
GBC Real Estate	775,190	0.12%
Totals	<u>\$ 11,386,490</u>	<u>1.78%</u>
Total Assessed Valuation	<u>\$ 639,887,180</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2015 collection year for 2014 and the 2006 collection year for 2005.

West Geauga Local School District
Geauga County, Ohio
Principal Taxpayers
Public Utility Property Tax
December 31, 2014 and December 31, 2005

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
December 31, 2014		
Cleveland Electric Illuminating Company	\$ 16,956,140	72.00%
American Transmission Systems, Inc.	4,440,210	18.85%
Dominion East Ohio Gas Company	2,136,940	9.07%
Orwell Natural Gas Co, Inc.	19,320	0.08%
Totals	<u>\$ 23,552,610</u>	<u>100.00%</u>
Total Assessed Valuation	<u>\$ 23,555,380</u>	
December 31, 2005		
Cleveland Electric Illuminating Company	\$ 10,385,610	63.99%
American Transmission Systems, Inc.	2,263,130	13.94%
Ohio Bell Telephone	1,803,160	11.11%
Western Reserve Telephone Company	999,950	6.16%
Dominion East Ohio Gas Company	779,400	4.80%
Totals	<u>\$ 16,231,250</u>	<u>100.00%</u>
Total Assessed Valuation	<u>\$ 16,065,980</u>	

Source: Geauga County Auditor.

(1) Assessed values are for the 2014 collection year for 2013 and the 2005 collection year for 2004.

West Geauga Local School District
Geauga County, Ohio
Computation of Legal Debt Margin
June 30, 2015

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Assessed Valuation (2)	<u>\$ 610,517,480</u>	<u>\$ 609,217,530</u>	<u>\$ 607,686,610</u>	<u>\$ 608,760,220</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 54,946,573	\$ 54,829,578	\$ 54,691,795	\$ 54,788,420
Outstanding debt:				
General Obligation Bonds	720,000	900,000	1,070,000	2,870,000
Less Amount Available in Debt Service Fund	<u>(21,515)</u>	<u>(26,990)</u>	<u>(52,380)</u>	<u>(1,017,110)</u>
Amount of Debt Subject to Debt Limit:	<u>698,485</u>	<u>873,010</u>	<u>1,017,620</u>	<u>1,852,890</u>
Overall Debt Margin	<u>\$ 54,248,088</u>	<u>\$ 53,956,568</u>	<u>\$ 53,674,175</u>	<u>\$ 52,935,530</u>
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 610,517	\$ 609,218	\$ 607,687	\$ 608,760
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$ 610,517</u>	<u>\$ 609,218</u>	<u>\$ 607,687</u>	<u>\$ 608,760</u>
Additional Limit for Unvoted Energy Conservation Conservation Bonds:				
Debt Limit - .9% of Assessed Valuation	<u>\$ 5,494,657</u>	<u>\$ 5,482,958</u>	<u>\$ 5,469,179</u>	<u>\$ 5,478,842</u>

Sources: Geauga County Auditor and School District Financial Records.

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

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

2011	2010	2009	2008	2007	2006
<u>\$ 646,667,530</u>	<u>\$ 647,578,970</u>	<u>\$ 648,413,770</u>	<u>\$ 645,288,850</u>	<u>\$ 640,836,780</u>	<u>\$ 639,887,180</u>
\$ 58,200,078	\$ 58,282,107	\$ 58,357,239	\$ 58,075,997	\$ 57,675,310	\$ 57,589,846
4,875,000 (1,159,526)	6,795,000 (1,181,443)	8,700,000 (1,659,364)	10,480,000 (1,706,882)	12,215,000 (1,901,724)	13,890,000 (1,850,260)
<u>3,715,474</u>	<u>5,613,557</u>	<u>7,040,636</u>	<u>8,773,118</u>	<u>10,313,276</u>	<u>12,039,740</u>
<u>\$ 54,484,604</u>	<u>\$ 52,668,550</u>	<u>\$ 51,316,603</u>	<u>\$ 49,302,879</u>	<u>\$ 47,362,034</u>	<u>\$ 45,550,106</u>
\$ 646,668 0	\$ 647,579 0	\$ 648,414 0	\$ 645,289 0	\$ 640,837 0	\$ 639,887 0
<u>\$ 646,668</u>	<u>\$ 647,579</u>	<u>\$ 648,414</u>	<u>\$ 645,289</u>	<u>\$ 640,837</u>	<u>\$ 639,887</u>
<u>\$ 5,820,008</u>	<u>\$ 5,828,211</u>	<u>\$ 5,835,724</u>	<u>\$ 5,807,600</u>	<u>\$ 5,767,531</u>	<u>\$ 5,758,985</u>

West Geauga Local School District
Geauga County, Ohio
Computation of Direct & Overlapping General Obligation Bonded Debt
as of June 30, 2015

	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Application to School District
Direct:			
West Geauga Local School District	\$ 720,000	100.00%	\$ 720,000
Overlapping:			
Geauga County	7,791,768	20.81%	1,621,467
Hunting Valley Village	5,250,000	11.40%	598,500
Russell Township	1,265,000	95.65%	1,209,973
Geauga-Trumbull Jt. Solid Waste	550,000	10.13%	55,715
Total Overlapping	14,856,768		3,485,655
Total	\$ 15,576,768		\$ 4,205,655

Source: Ohio Municipal Advisory Council.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2014 collection year.

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

Fiscal Year	Net General Obligation Bonded Debt (1)	Assessed Value (2)	Population (3)	Ratio of Net Bonded Debt to Assessed Value	Net Debt Bonded Debt Per Capita
2015	\$ 720,000	\$ 610,517,480	15,911	0.12%	\$ 45.25
2014	900,000	609,217,530	15,911	0.15%	56.56
2013	1,070,000	607,686,610	15,970	0.18%	67.00
2012	1,852,890	608,760,220	15,944	0.30%	116.21
2011	3,715,474	646,667,530	16,841	0.57%	220.62
2010	5,613,557	647,578,970	16,841	0.87%	333.33
2009	7,040,636	648,413,770	16,841	1.09%	418.07
2008	8,773,118	645,288,850	16,841	1.36%	520.94
2007	10,313,276	640,836,780	16,841	1.61%	612.39
2006	12,039,740	639,887,180	16,841	1.88%	714.91

Source:

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

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

Fiscal Year	General Obligation Bonds	Tax Anticipation Notes	Lease Purchase Agreements	Total Primary Government	West Geauga LSD Area Personal Income (1)
2015	\$ 720,000	\$ 0	\$ 0	\$ 720,000	\$ 880,944,337
2014	900,000	0	0	900,000	858,716,670
2013	1,070,000	0	0	1,070,000	813,160,460
2012	2,870,000	0	225,077	3,095,077	762,601,520
2011	4,875,000	0	439,853	5,314,853	N/A
2010	6,795,000	0	644,801	7,439,801	N/A
2009	8,700,000	587,500	840,370	10,127,870	657,001,092
2008	10,480,000	1,175,000	1,026,989	12,681,989	781,455,959
2007	12,215,000	1,762,500	1,205,069	15,182,569	877,303,040
2006	13,890,000	2,350,000	1,375,000	17,615,000	858,790,671

Source: School District Records

(1) Personal income calculated on S-27

N/A - Information not available.

Percentage of Personal Income		Net Debt Per Capita
0.08%	\$	45
0.10%		56
0.13%		67
0.41%		194
N/A		316
N/A		442
1.54%		601
1.62%		753
1.73%		902
2.05%		1,046

West Geauga Local School District
Geauga County, Ohio
Principal Employers
2014 and 2005

		2014(1)		
Employer	Nature of Business	Established Date	Number of Employees	Percentage of Total Employment
Kraftmaid Cabinetry Inc./Masco Corp.	Manufacturer	1969	1,263	2.56%
Geauga County	Government	1806	961	1.95%
University Hospital Health Systems	Hospital/Health Care	1930	954	1.93%
WalMart	(a) Retailer	1962*	720	1.46%
Great Lakes Cheese	Cheese Packager	1958	580	1.17%
Chardon Local School District	School District	1985	551	1.12%
Kenston Local School District	School District	---	544	1.10%
Giant Eagle	(b) Retailer	1931*	457	0.93%
Dillen Products	Manufacturer	---	452	0.91%
West Geauga Local School District	School District	---	317	0.64%
Total			<u>6,799</u>	<u>13.77%</u>
Total County Civilian Workforce			<u>49,400</u>	
		2004		
Employer	Nature of Business	Established Date	Number of Employees	Percentage of Total Employment
Kraftmaid, Inc.	Manufacturer	1969	2,689	5.31%
Six Flags, Inc.	Amusement Park	(2) 1890	2,190	4.33%
Geauga County	Government	1806	1,225	2.42%
University Hospital Health System	Hospital/Health Care	1936	1,093	2.16%
Great Lakes Cheese	Cheese Packager	1958	713	1.41%
Dillen Products	Manufacturer	1985	487	0.96%
Kenston Local School District	School District	---	445	0.88%
Chardon Local School District	School District	---	436	0.86%
Wal-Mart - Middlefield	Retailer	2005	368	0.73%
Duramax, Inc.	Manufacturer	1895	298	0.59%
Total			<u>9,944</u>	<u>19.65%</u>
Total County Civilian Workforce			<u>50,600</u>	

(a) Includes Bainbridge, Chardon and Middlefield locations.

(b) Includes Bainbridge, Chardon, Chesterland and Middlefield locations.

(1) 2015 information is not yet available.

(2) Includes seasonal employees. Cedar fair purchased Six Flags in 2004 and turned it into a waterpark.

* Indicates date national entity began.

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

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

Fiscal Year	Geauga County Population (1)	Geauga County Personal Income Per Capita (2)	West Geauga LSD Area Population	West Geauga LSD Area Personal Income (3)	West Geauga LSD Enrollment (4)	Unemployment Rate (5)
2015	94,295	\$ 55,367	15,911	\$ 880,944,337	2,016	5.1%
2014	93,972	53,970	15,911	858,716,670	2,199	5.0%
2013	93,680	50,918	15,970	813,160,460	2,238	6.0%
2012	93,228	47,830	15,944	762,601,520	2,262	5.7%
2011	95,676	N/A	11,617	N/A	2,278	6.6%
2010	95,676	N/A	11,514	N/A	2,245	7.3%
2009	95,676	39,012	16,841	657,001,092	2,186	7.9%
2008	95,676	46,402	16,841	781,456,082	2,249	6.3%
2007	95,676	52,093	16,841	877,298,213	2,427	4.3%
2006	95,218	50,994	16,841	858,789,954	2,488	4.2%

Source:

- (1) Estimated Figure from Ohio Department of Development
- (2) U.S. Census Bureau.
 Fiscal Year 2005-2011 is presented for Chesterland.
 Fiscal Year 2012-2014 is presented for Geauga County.
- (3) Estimated using West Geauga LSD population multiplied by Geauga County per capita income.
 Information for fiscal years 2010 and 2011 not available.
- (4) School District Records.
- (5) Ohio Department of Job and Family Services for Geauga County.

West Geauga Local School District
Geauga County, Ohio
Building Capacity
Fiscal Years 2015 and 2006

Fiscal Year 2015			
School Buildings:	Number of Students	Building Capacity	Percent of Capacity
Lindsey Elementary School	338	534	63.3%
Westwood Elementary School	413	575	71.8%
West Geauga Middle School	488	727	67.1%
West Geauga High School	777	1,003	77.5%
	2,016	2,839	

Fiscal Year 2006			
School Buildings:	Number of Students	Building Capacity	Percent of Capacity
Lindsey Elementary School	476	534	89.1%
Westwood Elementary School	431	575	75.0%
West Geauga Middle School	656	727	90.2%
West Geauga High School	925	1,003	92.2%
	2,488	2,839	

Source: School District Records

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

Year	Government Wide Expenditures	Average Daily Student Enrollment (1)	Per Pupil Cost	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Students Receiving Reduced or No Cost Lunches	% Students Receiving Reduced or No Cost Lunches
2015	\$ 28,290,541	2,016	\$ 14,033	9.67%	129	15.63	281	13.94%
2014	28,138,739	2,199	12,796	5.76%	129	17.05	297	13.51%
2013	27,077,369	2,238	12,099	-3.97%	129	17.35	297	13.27%
2012	28,498,352	2,262	12,599	3.34%	131	17.27	321	14.19%
2011	27,772,893	2,278	12,192	-0.33%	132	17.26	266	11.68%
2010	27,461,225	2,245	12,232	-4.24%	137	16.39	213	9.49%
2009	27,922,564	2,186	12,773	6.73%	140	15.61	137	6.27%
2008	26,916,409	2,249	11,968	9.95%	146	15.40	110	4.89%
2007	26,418,607	2,427	10,885	0.67%	144	16.85	135	5.56%
2006	26,901,178	2,488	10,812	20.88%	144	17.28	118	4.74%

Source: School District Financial Records, Ohio Department of Education

(1) 2006 - 2014 Information is based on EMIS information provided by the Ohio Department of Education.
2015 Information is based on the October 2014 headcount.

West Geauga Local School District
Geauga County, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years

Function	2015	2014	2013	2012	2011
Regular Instruction					
Teachers	108.00	108.00	118.00	120.50	124.50
Special Instruction					
Teachers	20.00	20.00	16.00	17.00	16.00
Tutors	1.00	1.00	1.00	1.00	1.00
Pupil Support Services					
Guidance counselors	5.00	5.00	5.00	5.00	6.00
Nurses	3.00	1.00	1.00	1.50	2.00
Psychologists	2.00	2.00	2.00	2.00	2.00
Speech/language pathologists	3.00	3.00	3.00	3.00	3.00
Non-teaching support staff	23.50	26.00	30.00	28.00	26.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Instructional Support Service					
Librarians	1.00	1.00	1.00	1.00	2.00
Non-teaching support staff	2.00	2.00	2.00	2.00	2.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Administration					
Admin - elementary	2.00	2.00	2.00	2.00	2.00
Admin - middle school	2.00	2.00	2.00	2.00	2.00
Admin - high school	2.00	2.00	2.00	2.00	2.00
Staff - central/schools	11.00	2.00	1.00	1.00	1.00
Admin - central	3.00	4.00	5.00	5.50	6.50
Fiscal					
Staff - central	2.00	2.00	3.00	3.00	3.00
Admin - central	1.00	1.00	1.00	1.00	1.00
Business - central staff	1.00	2.00	2.00	2.00	2.00
Operation of plant					
Custodial department	17.00	15.50	15.00	16.00	16.00
Maintenance department	3.00	3.00	3.00	3.00	3.00
Admin - central	1.00	3.00	0.00	0.00	0.00
Support services - transportation					
Bus drivers/van drivers	25.00	25.00	27.00	31.00	34.00
Bus aides	1.50	1.50	2.00	2.00	3.00
Mechanics	2.00	2.00	2.00	2.00	2.00
Admin	1.00	1.00	1.00	1.00	1.00
Food Service Program					
Support services	8.50	8.50	9.00	11.00	16.00
Admin	1.00	1.00	1.00	1.00	1.00
Extracurricular-athletic department	1.00	1.00	1.00	1.00	1.00
Totals	255.50	249.50	260.00	269.50	283.00

Source: School District Records.

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

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
127.00	127.00	127.00	127.00	128.00
16.00	16.00	17.00	17.00	16.00
1.00	1.00	1.00	1.00	3.00
6.00	6.00	6.00	6.00	6.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	2.00
26.00	27.00	29.00	30.00	30.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
7.00	7.00	6.00	6.00	6.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
17.00	17.00	17.00	16.00	17.00
3.00	3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00	1.00
34.00	35.00	35.00	34.00	35.00
2.00	2.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
1.00	1.00	2.00	2.00	2.00
17.00	16.00	16.00	16.00	16.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
<u>289.00</u>	<u>290.00</u>	<u>292.00</u>	<u>291.00</u>	<u>294.00</u>

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

Year	West Geauga LSD Average Salary	Statewide Average Salary
2015	N/A	N/A
2014	\$ 61,824	\$ 55,916
2013	64,126	57,966
2012	64,779	58,120
2011	63,109	56,715
2010	60,465	55,958
2009	59,468	54,656
2008	57,829	53,410
2007	57,531	53,536
2006	55,404	50,772

Source: Ohio Department of Education Local Report Card

N/A - Information not currently available

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

Year	Elementary School	Middle School	High School	Total
2015	751	488	777	2,016
2014	824	540	835	2,199
2013	841	538	859	2,238
2012	852	531	879	2,262
2011	849	540	889	2,278
2010	833	547	865	2,245
2009	761	579	846	2,186
2008	806	588	855	2,249
2007	841	619	891	2,351
2006	907	656	925	2,488

Source: School District Records

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

Fiscal Year	West Geauga LSD Attendance Rate	State Average	West Geauga LSD Graduation Rate	State Average
2015	N/A	N/A	N/A	N/A
2014	96.1	94.3	93.8	82.2%
2013	95.6	94.2	93.3	82.20
2012	95.8	94.5	96.0	81.3
2011	95.4	94.5	94.8	79.7
2010	95.2	94.3	99.6	84.3
2009	>95	94.3	97.7	83.0
2008	95.4	94.2	98.6	84.6
2007	95.3	94.1	97.7	86.9
2006	95.2	94.1	98.2	86.1

Source: Ohio Department of Education Local Report Cards

N/A - Information not currently available

West Geauga Local School District

**Single Audit
For the Year Ended June 30, 2015**

West Geauga Local School District

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For the Year Ended June 30, 2015

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

Board of Education
West Geauga Local School District
Chesterland, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the West Geauga Local School District (the “District”), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated December 7, 2015, wherein we noted that the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated their June 30, 2014 net position of the governmental activities, as disclosed in Note 2.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Cini & Paricki, Inc.

Cleveland, Ohio
December 7, 2015

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

Board of Education
West Geauga Local School District
Chesterland, Ohio

Report on Compliance for Each Major Federal Program

We have audited the West Geauga Local School District’s (the “District”) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2015. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

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

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

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

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

Board of Education
West Geauga Local School District

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 7, 2015, which contained unmodified opinions on those financial statements, wherein we noted that the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and as a result restated their June 30, 2014 net position of the governmental activities, as disclosed in Note 2. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Cimini & Panichi, Inc.

Cleveland, Ohio
December 7, 2015

West Geauga Local School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Year	Receipts	Disbursements
U.S. Department of Agriculture:				
Passed-Through Ohio Department of Education:				
Nutrition Cluster:				
National School Lunch Program	10.555	2015	\$ <u>104,261</u>	\$ <u>104,261</u>
Total Nutrition Cluster			<u>104,261</u>	<u>104,261</u>
Total U.S. Department of Agriculture			<u>104,261</u>	<u>104,261</u>
U.S. Department of Education:				
Passed-Through Ohio Department of Education:				
Title I, Part A Cluster:				
Title I	84.010	2014/2015	<u>100,464</u>	<u>115,456</u>
Total Title I, Part A Cluster			<u>100,464</u>	<u>115,456</u>
Special Education Cluster:				
Title VI-B	84.027	2014/2015	<u>445,126</u>	<u>453,811</u>
Total Special Education Cluster			<u>445,126</u>	<u>453,811</u>
Title II-A	84.367	2014/2015	34,814	38,267
ARRA - Race to the Top	84.395	2014/2015	<u>31,644</u>	<u>41,965</u>
Total U.S. Department of Education			<u>612,048</u>	<u>649,499</u>
Total Expenditures of Federal Awards			\$ <u><u>716,309</u></u>	\$ <u><u>753,760</u></u>

The accompanying notes are an integral part of this schedule

West Geauga Local School District

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Note 1: Significant Accounting Policies

Basis of Presentation

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

Child Nutrition Cluster

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

CFDA – Catalog of Federal Domestic Assistance

West Geauga Local School District

Schedule of Findings
OMB Circular A-133 Section .505

For the Year Ended June 30, 2015

1. Summary of Auditor's Results

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

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

None noted

3. Findings for Federal Awards

None noted



Dave Yost • Auditor of State

WEST GEAUGA LOCAL SCHOOL DISTRICT

GEAUGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 23, 2016**