

West Geauga Local School District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

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

INTRODUCTORY SECTION



West Geauga Local School District
Geauga County, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014
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February 20, 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. The School District received a two month filing extension until February 28, 2015. This report is published to fulfill that requirement for the fiscal year ended June 30, 2014.

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

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

Profile of the School District

The West Geauga School District (School District) is one of 612 school districts in the State of Ohio and one of seven school districts in Geauga County. The School District provides education to 2,199 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 at three to five acre minimums in Russell Township and one to three acre minimums in Chester Township. Housing types range from modest homes selling for \$150,000 to multi-million dollar homes. West Geauga Local School District residents also enjoy the presence of West Geauga Commons, a recreational park located in Russell Township. The School District includes small commercial districts located at the intersection of State Routes 306 and 87 in Russell Township and around the intersection of State Routes 306 and 322 in Chester Township.

Organization of the School District

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

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

Reporting Entity

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

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

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

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

Economic Condition and Future Outlook

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

With little revenue growth expected, West Geauga Local Schools continues to keep a tight watch on expenditures. Circumstances necessitate continuing to manage our financial resources in a prudent and conservative manner coupled with a combination of cost reductions and the possibility of additional levies to create revenue growth. The last new operating levy was passed in May 2005. The School District enacted expense reductions and revenue increases as follows: 2010-2011: \$445,000, 2011-2012: \$890,000, 2012-2013: \$385,000 and 2013-2014: \$180,000 due to reductions and retirements, including additions made in key areas to bolster the educational experience of students. Additionally, with the decline of our own student population, it has been able to exercise open enrollment as a revenue source for the past several years.

Financial Information and Relevant Financial Policies

Long-Term Financial Planning

The challenge for West Geauga Local Schools to educate children on a stringent budget is getting even more difficult for our School District. In addition to the continuing operating levies, the School District currently has two five year emergency levies generating approximately \$2.35 million and \$3.7 million each year. In January, the Board voted to place the first 3.7 mills emergency renewal levy on the ballot in May 2015 as a renewal. Funds from emergency levies are used to maintain current programs in the School District. Of the operating funds, the School District received approximately 65% of its revenue from local taxes, 23% from the state, 3% from the federal government and 9% from other sources.

In November 2012, the community voted to approve a 2.75 mill, five year permanent improvement levy to primarily repair/replace the roofs on all school buildings with the goal of providing a safe and secure environment for our students and staff. A carefully designed plan will allow the School District to manage the approximately \$1.7 million dollars that will be collected each year. Any unused funds will be used for significant capital improvements such as: new water well, bus replacements, security upgrades, technology upgrades and district-wide repairs and renovations. The first roof replacement was for Westwood Elementary and was completed in August 2014. The second phase of the project began in June, 2014 included additional roof replacements for Lindsey Elementary, the Middle School and High School.

Financial Policy

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

Internal Accounting and Budgetary Control

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

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

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

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

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

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

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

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

Major Initiatives and Accomplishments

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. Another overarching goal of the plan was to improve communication with all members of the community. Several initiatives to improve communication were implemented during the year such as a district newsletter and the State of the Schools address in February, 2014.

The School District again met all 24 out of 24 state indicators and 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. 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 the changes in curriculum and the new testing format in 2015. Additionally, the School District offered well over 50 hours of personal professional development opportunities to teaching and administrative staff. The School District also made a large investment in both computers and training to incorporate technology as a teaching tool in the classroom.

In February, 2014, the School District treasurer, Michelle Tullai, retired and an interim treasurer was appointed by the Board until Karen Penler was hired in September 2014. In June, 2014 the School District superintendent, Geoff Palmer, resigned his position and an interim superintendent, Michael Nutter, was appointed by the Board for the 2014-15 school year. The Board contracted with the Ohio School Board Association in the fall of 2014 to conduct a superintendent search.

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. This process involves assessing current programs, identifying areas of improvement, developing options, selecting best practices, gathering measurable data and analyzing the results.

Both the high school and middle school are fully accredited by the North Central Association of Colleges and Secondary Schools. Approximately 84% of West Geauga High School graduates elect to continue their education; most pursue four-year degrees. West Geauga High School received the National Blue Ribbon Schools Award as recognized by the United States Department of Education. The success and recognition continued as the high school was honored with the National Green Ribbon Award this past July in Washington, D.C. Again this spring *US News and World Report* recognized West Geauga High School with a Silver Medal award for earning a rank of 57 of 832 schools in the state of Ohio. This year the middle school made multiple adjustments to its schedule in order to increase student curricular offerings. The focus of these changes was to offer students more instruction for individual learners. We hope to increase curricular scheduling modifications as we focus on improving our building index and value added scores.

Additionally, several of our middle school students were ranked at the Ohio State Art Show and their artwork was displayed in Columbus. Over 30 middle school students competed in the OMEA Solo and Ensemble competition and each scored the highest possible score. Lindsey and Westwood Elementary Schools continue to do well on the Ohio Achievement Assessments in grades 3-5. Both elementary school buildings received iPads for many of their classrooms purchased primarily through grants and donations.

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 2013 report. We believe that our current report conforms to the award requirements and submit it to GFOA for consideration.

Additional Information

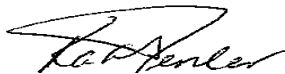
For a more in depth discussion of the financial condition of the West Geauga Local School District, please refer to the Management's Discussion and Analysis and the Notes to the Basic Financial Statement of the Comprehensive Annual Financial Report.

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. 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
Gauga County, Ohio
Principal Officials
June 30, 2014***

Board of Education

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

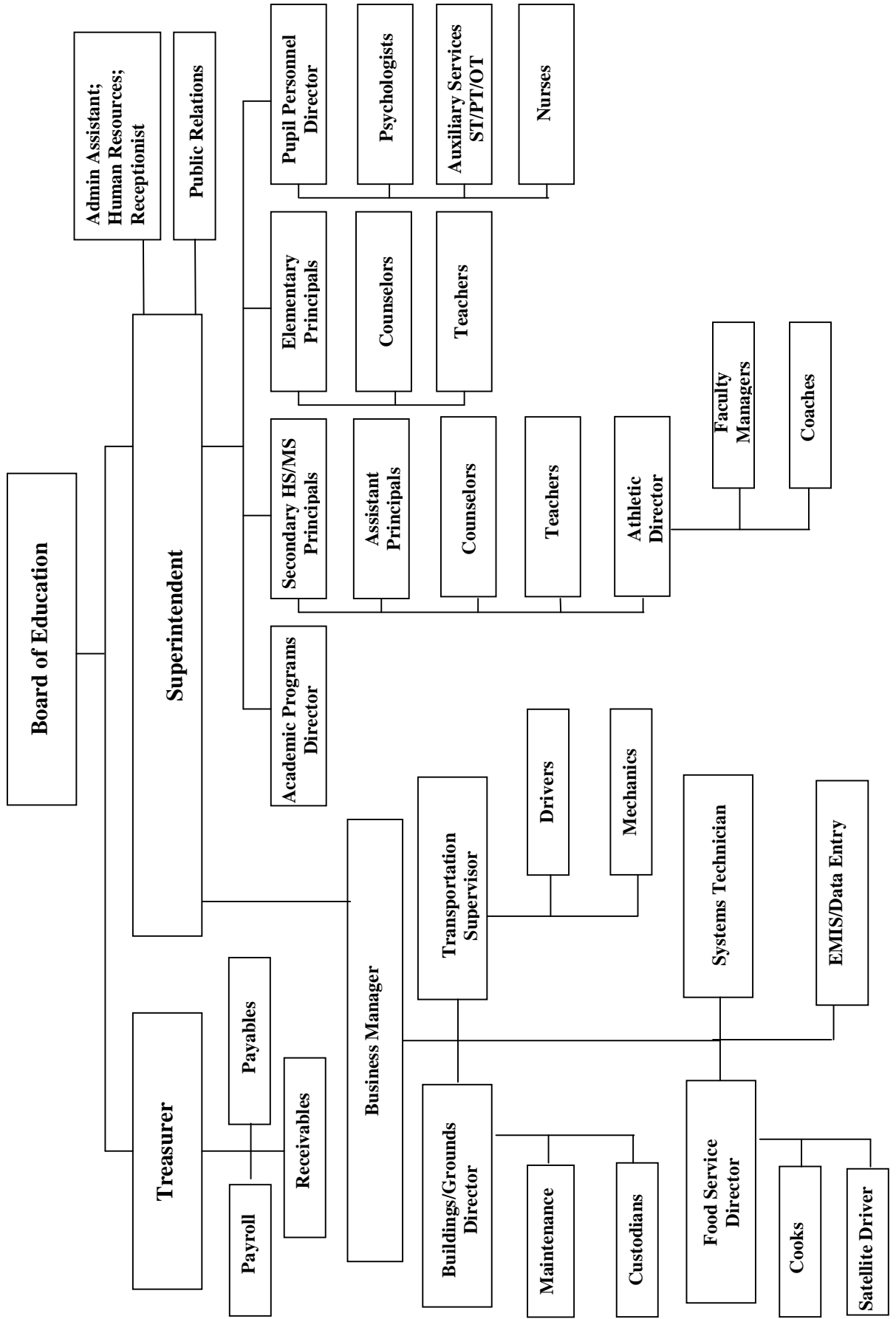
Interim Treasurer

Ms. Shawna Jones

Interim Superintendent

Mr. Michael Nutter

West Geauga Local School District





Government Finance Officers Association

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

Presented to

**West Geauga Local School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

INTRODUCTORY SECTION



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, 2014, 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, 2014, and the respective changes in financial position, and the respective budgetary comparison for the General Fund thereof 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 to the basic financial statements, in fiscal year 2014, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*. 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 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Board of Education
West Geauga Local School District

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 February 20, 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.

Cini & Panichi, Inc.

Cleveland, Ohio
February 20, 2015



West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

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, 2014. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- Net position increased \$2,582,467, which represents an 11 percent increase from 2013.
- Capital assets decreased \$399,260 during fiscal year 2014.
- During the year, outstanding debt decreased from \$1,070,000 to \$900,000 due to principal payments made by the School District.

Using this Comprehensive Annual Financial Report

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor 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 2014?" 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, 2014

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 15. 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 20. 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, 2014

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2014 compared to 2013:

Table 1
Net Position

| | Governmental Activities | |
|----------------------------------|-------------------------|---------------|
| | 2014 | 2013 |
| Assets | | |
| Current and Other Assets | \$ 33,017,548 | \$ 30,009,324 |
| Capital Assets | 15,535,407 | 15,934,667 |
| <i>Total Assets</i> | 48,552,955 | 45,943,991 |
| Liabilities | | |
| Other Liabilities | 3,029,063 | 2,975,413 |
| Long-Term Liabilities | 2,599,669 | 2,906,307 |
| <i>Total Liabilities</i> | 5,628,732 | 5,881,720 |
| Deferred Inflows of Resources | 16,999,537 | 16,720,052 |
| Net Position | | |
| Net Investment in Capital Assets | 14,635,407 | 14,864,667 |
| Restricted | 1,897,960 | 1,227,166 |
| Unrestricted | 9,391,319 | 7,250,386 |
| <i>Total Net Position</i> | \$ 25,924,686 | \$ 23,342,219 |

At year end, capital assets represented 32 percent of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets was \$14,635,407 at June 30, 2014. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$1,897,960 or 7 percent, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position of \$9,391,319 may be used to meet the government's ongoing obligations to students and creditors.

Current and other assets increased \$3,008,224 from fiscal year 2013 due to an increase in cash of over \$2,430,000 from fiscal year 2013. Consistent with prior years, the School District revenues exceeded expenses. Long-term liabilities showed a decrease of \$306,638 from fiscal year 2013 through principal payments on long term obligations.

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Table 2 shows the changes in net position for fiscal year 2014 and 2013.

Table 2
Changes in Net Position

| | Governmental Activities | |
|--|-------------------------|----------------------|
| | 2014 | 2013 |
| Revenues | | |
| <i>Program Revenues:</i> | | |
| Charges for Services | \$ 2,938,449 | \$ 2,608,606 |
| Operating Grants | 1,381,832 | 1,365,685 |
| <i>Total Program Revenues</i> | <u>4,320,281</u> | <u>3,974,291</u> |
| <i>General Revenues:</i> | | |
| Property Taxes | 19,432,477 | 19,504,570 |
| Grants and Entitlements Not Restricted | 6,845,196 | 6,579,325 |
| Other | 123,252 | 90,270 |
| <i>Total General Revenues</i> | <u>26,400,925</u> | <u>26,174,165</u> |
| <i>Total Revenues</i> | <u>30,721,206</u> | <u>30,148,456</u> |
| Program Expenses | | |
| Instruction: | | |
| Regular | 10,814,046 | 10,677,700 |
| Special | 3,690,196 | 3,822,518 |
| Vocational | 571,774 | 347,411 |
| Student Intervention Services | 28,794 | 54,238 |
| Other | 768,083 | 495,618 |
| Support Services: | | |
| Pupils | 1,720,535 | 1,779,194 |
| Instructional Staff | 1,172,723 | 889,090 |
| Board of Education | 114,353 | 64,690 |
| Administration | 1,771,680 | 1,821,255 |
| Fiscal | 606,375 | 619,927 |
| Business | 287,875 | 302,471 |
| Operation and Maintenance of Plant | 2,638,136 | 2,370,163 |
| Pupil Transportation | 2,090,161 | 1,959,575 |
| Central | 22,989 | 23,062 |
| Operation of Non-Instructional Services: | | |
| Food Service Operations | 439,938 | 398,563 |
| Community Services | 503,723 | 552,263 |
| Extracurricular Activities | 853,304 | 806,416 |
| Interest and Fiscal Charges | 44,054 | 93,215 |
| <i>Total Expenses</i> | <u>28,138,739</u> | <u>27,077,369</u> |
| <i>Increase in Net Position</i> | 2,582,467 | 3,071,087 |
| <i>Net Position at Beginning of Year</i> | <u>23,342,219</u> | <u>20,271,132</u> |
| <i>Net Position at End of Year</i> | <u>\$ 25,924,686</u> | <u>\$ 23,342,219</u> |

West Geauga Local School District
Gauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Charges for services increased \$329,843 over fiscal year 2013 from increases in open enrollment and special education tuition and an increase in foundation revenue accounts for the increases in grants and entitlements. Revenues in total increased \$572,750, or 2 percent over fiscal year 2013.

Interest revenue in fiscal year 2014 amounted to \$44,117. The School District invests funds locally to obtain the best rates available as compared with STAR Ohio.

Expenses increased \$1,061,370 over fiscal year 2013. Other instruction showed an increase of over \$270,000 partially due to supplemental instruction costs. Instructional expenses increased over fiscal year 2013 from technology purchases under the capitalization threshold and operation and maintenance expenses increased from lighting and electrical upgrades and replacement of equipment and roof repairs.

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

Table 3
Governmental Activities

| | Total Cost of Service | | Net Cost of Service | |
|---|-----------------------|----------------------|----------------------|----------------------|
| | 2014 | 2013 | 2014 | 2013 |
| Instruction: | | | | |
| Regular | \$ 10,814,046 | \$ 10,677,700 | \$ 9,084,238 | \$ 9,115,887 |
| Special | 3,690,196 | 3,822,518 | 2,830,038 | 3,060,088 |
| Vocational | 571,774 | 347,411 | 571,774 | 347,411 |
| Student Intervention Services | 28,794 | 54,238 | 28,794 | 54,238 |
| Other | 768,083 | 495,618 | 768,083 | 495,618 |
| Support Services: | | | | |
| Pupils | 1,720,535 | 1,779,194 | 1,349,018 | 1,421,372 |
| Instructional Staff | 1,172,723 | 889,090 | 1,143,389 | 788,448 |
| Board of Education | 114,353 | 64,690 | 114,353 | 64,690 |
| Administration | 1,771,680 | 1,821,255 | 1,730,120 | 1,781,810 |
| Fiscal | 606,375 | 619,927 | 599,817 | 611,645 |
| Business | 287,875 | 302,471 | 287,875 | 302,471 |
| Operation and Maintenance of Plant | 2,638,136 | 2,370,163 | 2,638,136 | 2,367,267 |
| Pupil Transportation | 2,090,161 | 1,959,575 | 2,067,883 | 1,923,728 |
| Central | 22,989 | 23,062 | 15,789 | 15,862 |
| Operation of Non-Instructional Services: | | | | |
| Food Service Operations | 439,938 | 398,563 | 22,744 | 47,374 |
| Community Services | 503,723 | 552,263 | (50,216) | 68,304 |
| Extracurricular Activities | 853,304 | 806,416 | 572,569 | 543,650 |
| Interest and Fiscal Charges | 44,054 | 93,215 | 44,054 | 93,215 |
| Total Expenses | \$ 28,138,739 | \$ 27,077,369 | \$ 23,818,458 | \$ 23,103,078 |

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

The dependence upon general revenues for governmental activities is apparent. Almost 85 percent of governmental activities are supported through taxes and other general revenues; such revenues are 86 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

The percentage of net cost of service remained fairly consistent in fiscal year 2014, with the exception of community services due to an increase in grant revenues allocated to those expenses.

Governmental Funds

Information about the School District's major funds starts on page 15. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$30,675,039 and expenditures of \$28,053,278 for fiscal year 2014. The net change in fund balances for the fiscal year was an increase of \$2,628,051 for all governmental funds with the most significant increase in the general fund.

The general fund's net change in fund balance for fiscal year 2014 was an increase of \$2,082,133 over fiscal year 2013. Increases in tuition for special education and open enrollment along with nearly \$196,000 in catastrophic costs reimbursed contributed to the increase. In general, revenues consistently outpace expenditures from year to year.

The fund balance of the debt service fund decreased by \$25,390 from fiscal year 2013 due to principal and interest payments on outstanding debt.

The fund balance of the permanent improvement fund increased by \$515,445 from fiscal year 2013. The passage of the permanent improvement levy contributed to this increase, which outpaced the cost 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 2014, 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 \$151,802 and final budget basis revenue was \$205,182 higher than original budgeted revenue. There is no individually significant line item accounting for these differences.

Final expenditure appropriations of \$25,999,794 were \$222,733 higher than the actual expenditures of \$25,777,061, as cost savings were recognized throughout the year. Original appropriations were \$654,792 lower 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, 2014

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2014, the School District had \$15,535,407 invested in capital assets. Table 4 shows fiscal year 2014 balances compared with 2013.

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

| | Governmental Activities | |
|----------------------------|-------------------------|---------------|
| | 2014 | 2013 |
| Land | \$ 366,380 | \$ 366,380 |
| Land Improvements | 866,950 | 954,407 |
| Buildings and Improvements | 11,706,975 | 11,959,049 |
| Furniture and Equipment | 1,591,064 | 1,683,323 |
| Vehicles | 1,004,038 | 971,508 |
| <i>Totals</i> | \$ 15,535,407 | \$ 15,934,667 |

The \$399,260 decrease in capital assets was attributable to current depreciation and disposals exceeding additional purchases. See Note 9 for more information about the capital assets of the School District.

Debt

At June 30, 2014, the School District had \$900,000 in debt outstanding. See Note 14 for additional details. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

| | Governmental Activities | |
|--|-------------------------|--------------|
| | 2014 | 2013 |
| 2005 Various Purpose Improvement Bonds | \$ 900,000 | \$ 1,070,000 |

West Geauga Local School District
Geauga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

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 year 2015.

West Geauga Schools are considered a suburban school district and are to receive the same foundation allocation as in fiscal year 2014. The total expected is \$3.4 million of which \$1.885 million is due to the "guarantee." The "guarantee" is an amount of money added to the formula to keep districts "whole." The Governor has verbalized that the guarantee is not financially sustainable and the funding formula/guarantee beyond fiscal year 2015 is questionable.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact 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, 2014

| | Governmental Activities |
|--|----------------------------|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | \$ 12,384,588 |
| Receivables: | |
| Intergovernmental | 377,002 |
| Property Taxes | 19,992,998 |
| Prepaid Items | 262,960 |
| Nondepreciable Capital Assets | 366,380 |
| Depreciable Capital Assets (Net) | 15,169,027 |
| <i>Total Assets</i> | 48,552,955 |
| Liabilities | |
| Accounts Payable | 205,291 |
| Accrued Wages and Benefits | 1,880,004 |
| Contracts Payable | 126,960 |
| Intergovernmental Payable | 631,765 |
| Retainage Payable | 56,856 |
| Matured Compensated Absences Payable | 124,691 |
| Accrued Interest Payable | 3,496 |
| Long Term Liabilities: | |
| Due Within One Year | 327,537 |
| Due In More Than One Year | 2,272,132 |
| <i>Total Liabilities</i> | 5,628,732 |
| Deferred Inflows of Resources | |
| Property Taxes Levied for the Next Fiscal Year | 16,999,537 |
| Net Position | |
| Net Investment in Capital Assets | 14,635,407 |
| Restricted For: | |
| Capital Outlay | 1,522,354 |
| Debt Service | 23,494 |
| Extracurricular Activities | 84,921 |
| Auxiliary Services | 72,786 |
| Other Purposes | 194,405 |
| Unrestricted | 9,391,319 |
| <i>Total Net Position</i> | \$ 25,924,686 |

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, 2014

| | 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 | \$ 10,814,046 | \$ 1,668,936 | \$ 60,872 | \$ (9,084,238) |
| Special | 3,690,196 | 685,649 | 174,509 | (2,830,038) |
| Vocational | 571,774 | 0 | 0 | (571,774) |
| Student Intervention Services | 28,794 | 0 | 0 | (28,794) |
| Other | 768,083 | 0 | 0 | (768,083) |
| Support Services: | | | | |
| Pupils | 1,720,535 | 0 | 371,517 | (1,349,018) |
| Instructional Staff | 1,172,723 | 0 | 29,334 | (1,143,389) |
| Board of Education | 114,353 | 0 | 0 | (114,353) |
| Administration | 1,771,680 | 3,963 | 37,597 | (1,730,120) |
| Fiscal | 606,375 | 6,558 | 0 | (599,817) |
| Business | 287,875 | 0 | 0 | (287,875) |
| Operation and Maintenance of Plant | 2,638,136 | 0 | 0 | (2,638,136) |
| Pupil Transportation | 2,090,161 | 22,278 | 0 | (2,067,883) |
| Central | 22,989 | 0 | 7,200 | (15,789) |
| Operation of Non-Instructional Services: | | | | |
| Food Service Operations | 439,938 | 276,289 | 140,905 | (22,744) |
| Community Services | 503,723 | 22,431 | 531,508 | 50,216 |
| Extracurricular Activities | 853,304 | 252,345 | 28,390 | (572,569) |
| Debt Service: | | | | |
| Interest and Fiscal Charges | 44,054 | 0 | 0 | (44,054) |
| Total | \$ 28,138,739 | \$ 2,938,449 | \$ 1,381,832 | (23,818,458) |

General Revenues

Property Taxes Levied for:

| | |
|---|------------|
| General Purposes | 17,255,454 |
| Debt Service | 189,535 |
| Capital Outlay | 1,987,488 |
| Grants and Entitlements Not Restricted to Specific Programs | 6,845,196 |
| Investment Earnings | 44,117 |
| Miscellaneous | 79,135 |

Total General Revenues 26,400,925

Change in Net Position 2,582,467

Net Position Beginning of Year 23,342,219

Net Position End of Year \$ 25,924,686

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Balance Sheet
Governmental Funds
June 30, 2014

| | General Fund | Debt Service Fund | Permanent Improvement Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------|----------------------------------|-----------------------------------|--------------------------------|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 10,376,781 | \$ 26,990 | \$ 1,644,658 | \$ 336,159 | \$ 12,384,588 |
| Receivables: | | | | | |
| Interfund | 67,616 | 0 | 0 | 0 | 67,616 |
| Intergovernmental | 202,375 | 0 | 0 | 174,627 | 377,002 |
| Property Taxes | 17,724,340 | 189,950 | 2,078,708 | 0 | 19,992,998 |
| Prepaid Items | 252,379 | 0 | 0 | 10,581 | 262,960 |
| <i>Total Assets</i> | <u>\$ 28,623,491</u> | <u>\$ 216,940</u> | <u>\$ 3,723,366</u> | <u>\$ 521,367</u> | <u>\$ 33,085,164</u> |
| Liabilities | | | | | |
| Accounts Payable | \$ 98,564 | \$ 0 | \$ 67,350 | \$ 39,377 | \$ 205,291 |
| Accrued Wages and Benefits | 1,812,910 | 0 | 0 | 67,094 | 1,880,004 |
| Contracts Payable | 0 | 0 | 126,960 | 0 | 126,960 |
| Intergovernmental Payable | 604,244 | 0 | 0 | 27,521 | 631,765 |
| Retainage Payable | 0 | 0 | 56,856 | 0 | 56,856 |
| Matured Compensated Absences Payable | 124,691 | 0 | 0 | 0 | 124,691 |
| Interfund Payable | 0 | 0 | 0 | 67,616 | 67,616 |
| <i>Total Liabilities</i> | <u>2,640,409</u> | <u>0</u> | <u>251,166</u> | <u>201,608</u> | <u>3,093,183</u> |
| Deferred Inflows of Resources | | | | | |
| Property Taxes Levied for the Next Fiscal Year | 15,039,123 | 189,950 | 1,770,464 | 0 | 16,999,537 |
| Unavailable Revenue - Delinquent Property Taxes | 508,417 | 0 | 61,044 | 0 | 569,461 |
| Unavailable Revenue - Other | 0 | 0 | 0 | 100,197 | 100,197 |
| <i>Total Deferred Inflows of Resources</i> | <u>15,547,540</u> | <u>189,950</u> | <u>1,831,508</u> | <u>100,197</u> | <u>17,669,195</u> |
| Fund Balances | | | | | |
| Nonspendable | 252,379 | 0 | 0 | 10,581 | 262,960 |
| Restricted | 0 | 26,990 | 1,475,352 | 247,108 | 1,749,450 |
| Committed | 0 | 0 | 165,340 | 0 | 165,340 |
| Assigned | 1,547,094 | 0 | 0 | 0 | 1,547,094 |
| Unassigned (Deficit) | 8,636,069 | 0 | 0 | (38,127) | 8,597,942 |
| <i>Total Fund Balances</i> | <u>10,435,542</u> | <u>26,990</u> | <u>1,640,692</u> | <u>219,562</u> | <u>12,322,786</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$ 28,623,491</u> | <u>\$ 216,940</u> | <u>\$ 3,723,366</u> | <u>\$ 521,367</u> | <u>\$ 33,085,164</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, 2014

| | | |
|---|--------------------|-----------------------------|
| Total Governmental Fund Balances | | \$ 12,322,786 |
| <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. | | 15,535,407 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. | | |
| Property Taxes | \$ 569,461 | |
| Intergovernmental | <u>100,197</u> | 669,658 |
| In the statement of net position, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported. | | (3,496) |
| 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 | (900,000) | |
| Compensated Absences | <u>(1,699,669)</u> | <u>(2,599,669)</u> |
| <i>Net Position of Governmental Activities</i> | | <u><u>\$ 25,924,686</u></u> |

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

| | General Fund | Debt Service Fund | Permanent Improvement Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------|----------------------------------|-----------------------------------|--------------------------------|
| Revenues | | | | | |
| Property and Other Local Taxes | \$ 17,229,626 | \$ 189,535 | \$ 1,984,303 | \$ 0 | \$ 19,403,464 |
| Intergovernmental | 6,509,227 | 0 | 335,969 | 1,246,951 | 8,092,147 |
| Investment Income | 44,117 | 0 | 0 | 338 | 44,455 |
| Tuition and Fees | 2,374,116 | 0 | 0 | 0 | 2,374,116 |
| Extracurricular Activities | 80,976 | 0 | 0 | 206,711 | 287,687 |
| Rentals | 6,558 | 0 | 0 | 0 | 6,558 |
| Charges for Services | 18,700 | 0 | 0 | 276,289 | 294,989 |
| Contributions and Donations | 58,310 | 0 | 0 | 33,835 | 92,145 |
| Miscellaneous | 78,440 | 0 | 0 | 1,038 | 79,478 |
| <i>Total Revenues</i> | <u>26,400,070</u> | <u>189,535</u> | <u>2,320,272</u> | <u>1,765,162</u> | <u>30,675,039</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 9,977,980 | 0 | 0 | 39,011 | 10,016,991 |
| Special | 3,517,372 | 0 | 0 | 166,866 | 3,684,238 |
| Vocational | 571,774 | 0 | 0 | 0 | 571,774 |
| Student Intervention Services | 2,897 | 0 | 0 | 0 | 2,897 |
| Other | 768,083 | 0 | 0 | 0 | 768,083 |
| Support Services: | | | | | |
| Pupils | 1,374,030 | 0 | 0 | 372,178 | 1,746,208 |
| Instructional Staff | 1,134,194 | 0 | 0 | 14,310 | 1,148,504 |
| Board of Education | 103,810 | 0 | 0 | 0 | 103,810 |
| Administration | 1,721,053 | 0 | 0 | 32,585 | 1,753,638 |
| Fiscal | 589,975 | 0 | 36,838 | 0 | 626,813 |
| Business | 283,899 | 0 | 0 | 0 | 283,899 |
| Operation and Maintenance of Plant | 1,947,701 | 0 | 397,515 | 18,498 | 2,363,714 |
| Pupil Transportation | 1,736,741 | 0 | 174,103 | 0 | 1,910,844 |
| Central | 19,292 | 0 | 0 | 3,600 | 22,892 |
| Extracurricular Activities | 573,289 | 0 | 0 | 230,749 | 804,038 |
| Operation of Non-Instructional Services: | | | | | |
| Food Service Operations | 0 | 0 | 0 | 412,247 | 412,247 |
| Community Services | 2,137 | 0 | 0 | 419,255 | 421,392 |
| Capital Outlay | 0 | 0 | 1,196,371 | 0 | 1,196,371 |
| Debt Service: | | | | | |
| Principal Retirement | 0 | 170,000 | 0 | 0 | 170,000 |
| Interest and Fiscal Charges | 0 | 44,925 | 0 | 0 | 44,925 |
| <i>Total Expenditures</i> | <u>24,324,227</u> | <u>214,925</u> | <u>1,804,827</u> | <u>1,709,299</u> | <u>28,053,278</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>2,075,843</u> | <u>(25,390)</u> | <u>515,445</u> | <u>55,863</u> | <u>2,621,761</u> |
| Other Financing Sources (Uses) | | | | | |
| Proceeds from Sale of Capital Assets | 6,290 | 0 | 0 | 0 | 6,290 |
| <i>Net Change in Fund Balance</i> | 2,082,133 | (25,390) | 515,445 | 55,863 | 2,628,051 |
| <i>Fund Balances Beginning of Year</i> | 8,353,409 | 52,380 | 1,125,247 | 163,699 | 9,694,735 |
| <i>Fund Balances End of Year</i> | <u>\$ 10,435,542</u> | <u>\$ 26,990</u> | <u>\$ 1,640,692</u> | <u>\$ 219,562</u> | <u>\$ 12,322,786</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, 2014

| | | |
|--|------------------|-----------------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | 2,628,051 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period. | | |
| Capital Asset Additions | \$ 506,589 | |
| Current Year Depreciation | <u>(879,752)</u> | (373,163) |
| Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. | | |
| | | (26,097) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Property Taxes | 29,013 | |
| Charges for Services | (25,244) | |
| Intergovernmental | <u>42,398</u> | 46,167 |
| Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. | | |
| | | 170,000 |
| In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued. | | |
| Accrued Interest Payable | | 871 |
| 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>136,638</u> |
| <i>Change in Net Position of Governmental Activities</i> | \$ | <u><u>2,582,467</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, 2014

| | Budgeted Amounts | | | Variance with Final Budget Over (Under) |
|---|---------------------|---------------------|---------------------|--|
| | Original | Final | Actual | |
| Revenues | | | | |
| Property and Other Local Taxes | \$ 17,067,353 | \$ 17,203,973 | \$ 17,305,053 | \$ 101,080 |
| Intergovernmental | 6,227,647 | 6,277,500 | 6,314,381 | 36,881 |
| Investment Income | 43,837 | 44,188 | 44,448 | 260 |
| Tuition and Fees | 2,157,373 | 2,174,643 | 2,187,419 | 12,776 |
| Extracurricular Activities | 7,327 | 7,386 | 7,429 | 43 |
| Rentals | 45,008 | 45,368 | 45,635 | 267 |
| Charges for Services | 18,443 | 18,591 | 18,700 | 109 |
| Miscellaneous | 65,133 | 65,654 | 66,040 | 386 |
| <i>Total Revenues</i> | <u>25,632,121</u> | <u>25,837,303</u> | <u>25,989,105</u> | <u>151,802</u> |
| Expenditures | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 10,095,910 | 9,950,329 | 9,911,431 | 38,898 |
| Special | 3,777,830 | 3,891,596 | 3,811,121 | 80,475 |
| Vocational | 329,200 | 373,200 | 571,774 | (198,574) |
| Student Intervention Services | 54,212 | 10,179 | 11,334 | (1,155) |
| Other | 676,974 | 879,385 | 903,100 | (23,715) |
| Support Services: | | | | |
| Pupils | 1,449,902 | 1,405,016 | 1,396,383 | 8,633 |
| Instructional Staff | 1,016,048 | 1,284,542 | 1,099,373 | 185,169 |
| Board of Education | 55,327 | 124,117 | 150,442 | (26,325) |
| Administration | 1,796,566 | 1,849,422 | 1,746,363 | 103,059 |
| Fiscal | 587,869 | 701,218 | 747,848 | (46,630) |
| Business | 321,518 | 328,770 | 310,894 | 17,876 |
| Operation and Maintenance of Plant | 2,768,913 | 2,808,637 | 2,778,492 | 30,145 |
| Pupil Transportation | 1,867,003 | 1,828,415 | 1,768,688 | 59,727 |
| Central | 8,383 | 20,923 | 20,910 | 13 |
| Extracurricular Activities | 539,347 | 544,045 | 548,908 | (4,863) |
| <i>Total Expenditures</i> | <u>25,345,002</u> | <u>25,999,794</u> | <u>25,777,061</u> | <u>222,733</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>287,119</u> | <u>(162,491)</u> | <u>212,044</u> | <u>374,535</u> |
| Other Financing Sources (Uses) | | | | |
| Proceeds from Sale of Capital Assets | 6,290 | 6,290 | 6,290 | 0 |
| Advances In | 15,000 | 15,000 | 15,000 | 0 |
| Advances Out | (10,000) | (15,000) | (67,616) | (52,616) |
| Transfers Out | (65,000) | (19,583) | 0 | 19,583 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(53,710)</u> | <u>(13,293)</u> | <u>(46,326)</u> | <u>(33,033)</u> |
| <i>Net Change in Fund Balance</i> | 233,409 | (175,784) | 165,718 | 341,502 |
| <i>Fund Balance Beginning of Year</i> | 7,727,167 | 7,727,167 | 7,727,167 | 0 |
| Prior Year Encumbrances Appropriated | 730,751 | 730,751 | 730,751 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$ 8,691,327</u> | <u>\$ 8,282,134</u> | <u>\$ 8,623,636</u> | <u>\$ 341,502</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, 2014

| | <u>Agency</u> |
|--|-------------------------|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | <u>\$ 59,247</u> |
| <i>Total Assets</i> | <u><u>\$ 59,247</u></u> |
| | |
| Liabilities | |
| Due to Students | <u>\$ 59,247</u> |
| <i>Total Liabilities</i> | <u><u>\$ 59,247</u></u> |

See accompanying notes to the basic financial statements.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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 15 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred 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 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Inflows of Resources and Deferred Outflows of Resources A deferred inflow of resources is an acquisition of assets by the School District that is applicable to a future reporting period. A deferred outflow of resources is a consumption of assets by the School District that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2014, are recorded as deferred inflows of resources in governmental funds.

On governmental fund financial statements receivables that will not be collected within the available period have been reported as a deferred inflow of resources.

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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 2014.

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 2014, investments were limited to STAR Ohio (the State Treasurer's Investment Pool).

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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, 2014. 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 2014 amounted to \$44,117, which includes \$6,783 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, 2014

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” in the fund from which the employees who have accumulated leave are paid.

J. 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, 2014

K. 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, 2014, 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.

L. 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, 2014

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.

M. 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.

N. 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.

O. Changes in Accounting Principles

For the fiscal year ended June 30, 2014, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the School District's fiscal year 2014 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of GASB Statement No. 66 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, 2014

GASB Statement No. 70 improves comparability of financial statements by requiring consistent reporting and specifying information required to be disclosed for extending and receiving nonexchange financial guarantees. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the School District.

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:

| | General Fund | Debt Service Fund | Permanent Improvement Fund | Nonmajor Governmental Funds | Total |
|-------------------------|----------------------|-------------------------|----------------------------------|-----------------------------------|----------------------|
| Nonspendable for: | | | | | |
| Prepays | \$ 252,379 | \$ 0 | \$ 0 | \$ 10,581 | \$ 262,960 |
| Restricted for: | | | | | |
| Special Trusts | 0 | 0 | 0 | 58,057 | 58,057 |
| Education Foundation | 0 | 0 | 0 | 4,597 | 4,597 |
| Athletics | 0 | 0 | 0 | 84,921 | 84,921 |
| Auxiliary Services | 0 | 0 | 0 | 72,786 | 72,786 |
| State Grants | 0 | 0 | 0 | 3,618 | 3,618 |
| Federal Grants | 0 | 0 | 0 | 22,157 | 22,157 |
| Capital Improvements | 0 | 0 | 1,475,352 | 972 | 1,476,324 |
| Debt Service Payments | 0 | 26,990 | 0 | 0 | 26,990 |
| Total Restricted | 0 | 26,990 | 1,475,352 | 247,108 | 1,749,450 |
| Committed to: | | | | | |
| Permanent Improvements | 0 | 0 | 165,340 | 0 | 165,340 |
| Total Committed | 0 | 0 | 165,340 | 0 | 165,340 |
| Assigned for: | | | | | |
| Uniform School Supplies | 47,627 | 0 | 0 | 0 | 47,627 |
| Adult Education | 12 | 0 | 0 | 0 | 12 |
| Public School Support | 22,095 | 0 | 0 | 0 | 22,095 |
| Other Local Grants | 17,804 | 0 | 0 | 0 | 17,804 |
| Rotary | 32,737 | 0 | 0 | 0 | 32,737 |
| Encumbrances: | | | | | |
| Instruction | 446,279 | 0 | 0 | 0 | 446,279 |
| Student Support | 980,540 | 0 | 0 | 0 | 980,540 |
| Total Assigned | 1,547,094 | 0 | 0 | 0 | 1,547,094 |
| Unassigned (Deficit) | 8,636,069 | 0 | 0 | (38,127) | 8,597,942 |
| Total Fund Balance | <u>\$ 10,435,542</u> | <u>\$ 26,990</u> | <u>\$ 1,640,692</u> | <u>\$ 219,562</u> | <u>\$ 12,322,786</u> |

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 4 - Accountability

Fund balances at June 30, 2014 included the following individual fund deficits:

| | <u>Fund Balance</u> |
|------------------------------|-------------------------|
| Nonmajor Governmental Funds: | |
| Food Service | \$ 33,325 |
| Race to the Top | 49 |
| Classroom Reduction | 57 |

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

Note 5 - Budgetary Basis of Accounting

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

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

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

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Net Change in Fund Balance

| | | |
|---|-----------|--------------------|
| GAAP Basis | \$ | 2,082,133 |
| Net Adjustment for Revenue Accruals | | (83,617) |
| Advance In | | 15,000 |
| Advance Out | | (67,616) |
| Net Adjustment for Expenditure Accruals | | (167,847) |
| Funds Budgeted Elsewhere ** | | 9,684 |
| Adjustment for Encumbrances | | <u>(1,622,019)</u> |
| Budget Basis | <u>\$</u> | <u>165,718</u> |

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

Note 6 - Deposits and Investments

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

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

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

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

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

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

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

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

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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 \$12,385,056 and the bank balance was \$12,485,829. Of the bank balance:

1. \$500,000 of the bank balance was covered by depository insurance; and
2. \$11,985,829 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Investments: Investments are reported at fair value. As of June 30, 2014, the School District had the following investments:

| Standard & Poors Rating | Investment | Fair Value | Investment Maturity (in months) 0 - 12 | % Total Investments |
|-------------------------------|------------|---------------|---|---------------------------|
| AAAm | STAR Ohio | \$ 58,779 | \$ 58,779 | 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 STAROhio as of June 30, 2014, is 51 days and carries a rating of AAAM by Standard and Poor's.

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Credit Risk: The School District's investments at June 30, 2014 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

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

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, 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.

Public utility property tax revenue received in calendar year 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 and are collected in 2014 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, 2014, are available to finance fiscal year 2014 operations. The amount available as an advance at June 30, 2014 was \$2,176,800 in the general fund and \$247,200 in the permanent improvement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2014 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.

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

The assessed values upon which the fiscal year 2014 taxes were collected are:

| | 2013 Second Half Collections | | 2014 First Half Collections | |
|---|---------------------------------|---------|--------------------------------|---------|
| | Amount | Percent | Amount | Percent |
| Agricultural/Residential and Other Real Estate | \$ 607,686,610 | 96.77% | \$609,217,530 | 96.49% |
| Public Utility | 20,295,250 | 3.23% | 22,167,580 | 3.51% |
| | \$ 627,981,860 | 100.00% | \$ 631,385,110 | 100.00% |
| Tax rate per \$1,000 assessed valuation | \$ 55.70 | | \$ 55.70 | |

Note 8 - Receivables

Receivables at June 30, 2014, 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 \$194,846 in excess costs receivable, \$8,051 in SERS refund receivable and \$174,105 in grants receivable.

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West Geauga Local School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2014, was as follows:

| | Balance 6/30/13 | Additions | Reductions | Balance 6/30/14 |
|---|----------------------|---------------------|--------------------|----------------------|
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| 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 | 0 | 0 | 3,117,981 |
| Buildings and Improvements | 19,844,847 | 48,262 | 0 | 19,893,109 |
| Furniture and Equipment | 5,530,779 | 260,454 | (103,243) | 5,687,990 |
| Vehicles | 2,198,402 | 197,873 | (111,874) | 2,284,401 |
| | <u>30,692,009</u> | <u>506,589</u> | <u>(215,117)</u> | <u>30,983,481</u> |
| Total Capital Assets, being depreciated | | | | |
| Less Accumulated Depreciation: | | | | |
| Land Improvements | (2,163,574) | (87,457) | 0 | (2,251,031) |
| Buildings and Improvements | (7,885,798) | (300,336) | 0 | (8,186,134) |
| Furniture and Equipment | (3,847,456) | (326,616) | 77,146 | (4,096,926) |
| Vehicles | (1,226,894) | (165,343) | 111,874 | (1,280,363) |
| | <u>(15,123,722)</u> | <u>(879,752)</u> | <u>189,020</u> | <u>(15,814,454)</u> |
| Total Accumulated Depreciation | | | | |
| Total Capital Assets being depreciated, net | <u>15,568,287</u> | <u>(373,163)</u> | <u>(26,097)</u> | <u>15,169,027</u> |
| Governmental Activities Capital | | | | |
| Assets, Net | <u>\$ 15,934,667</u> | <u>\$ (373,163)</u> | <u>\$ (26,097)</u> | <u>\$ 15,535,407</u> |

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
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Depreciation expense was charged as follows:

| | |
|------------------------------------|-------------------|
| <i>Governmental Activities:</i> | |
| Instruction: | |
| Regular | \$ 417,748 |
| Special | 21,701 |
| Support Services: | |
| Pupil | 973 |
| Instructional Staff | 45,721 |
| Board of Education | 10,543 |
| Administration | 9,120 |
| Fiscal | 2,363 |
| Business | 3,547 |
| Operation and Maintenance of Plant | 143,473 |
| Pupil Transportaion | 138,312 |
| Central Services | 97 |
| Food Service Operations | 26,424 |
| Community Services | 28,236 |
| Extracurricular Activities | <u>31,494</u> |
| Total Depreciation | <u>\$ 879,752</u> |

Note 10 - Risk Management

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Professional liability insurance is provided by a major carrier and has limits of \$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 \$100 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.

West Geauga Local School District
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Notes to the Basic Financial Statements
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B. Medical

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

C. Workers' Compensation

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

Note 11 - Other Employee Benefits

A. Compensated Absences

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

All certified and classified employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made to classified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 286 days. Classified employees are paid within 120 days of the retirement date. Upon retirement, payment is made to certified employees for one-fourth of their accumulated sick leave with a maximum accumulation of 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.

B. Early Retirement Incentive

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

Classified employees also receive a retirement incentive that is paid in January of the year following the date of retirement as long as the employees meet the criteria for retirement and notifies the Superintendent on or before March 1. The payments are made from the general fund.

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Note 12 - Pension Plans

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2014, the allocation to pension and death benefits is 13.10 percent. The remaining 0.90 percent of the 14 percent employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's contributions to SERS for the years ended June 30, 2014, 2013, and 2012 were \$427,054, \$471,651 and \$537,578, respectively, which equaled the required contributions each year.

B. State Teachers Retirement System

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

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

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

Funding Policy - For fiscal year 2014, plan members were required to contribute 11 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 11 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$1,357,742, \$1,465,888 and \$1,411,995, respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$63,160 made by the School District and \$49,626 made by the plan members. \$244,408 represents the unpaid contribution for fiscal year 2014, and is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2014, five members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

Note 13 - Postemployment Benefits

A. School Employees Retirement System

In addition to a cost-sharing, multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan The Medicare Part B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50 if they participated in one of SERS' health care plans.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation is 0.76 percent. The School District contributions for the years ended June 30, 2014, 2013 and 2012 were \$24,776, \$24,930, \$31,872, respectively, which equaled the required contributions each year.

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Health Care Plan ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans. The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14 percent contribution to the Health Care Fund. For the year ended June 30, 2014, the health care allocation is 0.14 percent. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the minimum compensation level was established at \$20,250. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District contributions assigned to health care for the years ended June 30, 2014, 2013, and 2012 were \$57,892, \$54,090 and \$76,211, respectively, which equaled the required contributions each year.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status. The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

B. State Teachers Retirement System

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

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Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for postemployment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$104,442, \$104,706, and \$113,849 respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The unpaid portion for fiscal year 2014 is recorded as a liability within the respective funds.

Note 14 - Long - Term Obligations

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

| | Outstanding 6/30/13 | Additions | Reductions | Outstanding 6/30/14 | Amounts Due in One Year |
|---|------------------------|-----------------|-------------------|------------------------|-------------------------------|
| Governmental Activities: | | | | | |
| General Obligation Bonds: | | | | | |
| 2005 Various Improvement Bonds \$2,275,000 at 3.0% - 5.25% | \$ 1,070,000 | \$ 0 | \$ 170,000 | \$ 900,000 | \$ 180,000 |
| Compensated Absences | <u>1,836,307</u> | <u>3,783</u> | <u>140,421</u> | <u>1,699,669</u> | <u>147,537</u> |
| Total Governmental Activities Long-Term Liabilities | <u>\$ 2,906,307</u> | <u>\$ 3,783</u> | <u>\$ 310,421</u> | <u>\$ 2,599,669</u> | <u>\$ 327,537</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.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2014 are as follows:

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| Fiscal Year Ending June 30, | Serial Bonds | |
|--------------------------------|--------------|------------|
| | Principal | Interest |
| 2015 | \$ 180,000 | \$ 37,450 |
| 2016 | 130,000 | 29,700 |
| 2017 | 140,000 | 22,950 |
| 2018 | 145,000 | 15,825 |
| 2019 | 150,000 | 9,200 |
| 2020 | 155,000 | 3,100 |
| Total | \$ 900,000 | \$ 118,225 |

Note 15 - Jointly Governed Organizations

A. Lake Geauga Computer Association

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its eighteen member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$99,756 to LGCA during fiscal year 2014. 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 2014, the School District paid \$67,439 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 "Council") is a jointly governed organization. The School District appoints one member of the six-member board. The purpose of the Council is to further athletic and recreational opportunities. The School District has not contributed to the Council in fiscal year 2014. The School District's degree of control is limited to its representation on the board. The Council's continued existence is not dependent on the School District's continued participation. To obtain financial information, write to West Geauga Joint Recreational Board, P.O. Box 384, Chesterland, Ohio 44026.

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Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 16 – Contingencies and Significant Commitments

A. Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2014, if applicable, cannot be determined at this time.

B. Litigation

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

C. Contractual Commitments

As of June 30, 2014, the School District had contractual commitments as follows:

| | Contractual Commitment | Expended | Balance 6/30/2014 |
|-------------------------|---------------------------|-------------------|----------------------|
| Roof Replacement | \$ 1,621,700 | \$ 653,844 | \$ 967,856 |
| Artificial Turf Project | 642,590 | 0 | 642,590 |
| | \$ 2,264,290 | \$ 653,844 | \$ 1,610,446 |

The roof is a replacement; therefore, the expenditures have been recorded as repair and maintenance.

D. Encumbrance Commitments

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

| Fund | Amount |
|-----------------------------|---------------------|
| General Fund | \$ 1,442,942 |
| Permanent Improvement Fund | 1,067,712 |
| Nonmajor Governmental Funds | 93,381 |
| | \$ 2,604,035 |

West Geauga Local School District
Geauga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 17 - Interfund Receivables/Payables

Interfund balances at June 30, 2014 consisted of the following:

| | Interfund Receivable | Interfund Payable |
|-----------------------------|-------------------------|----------------------|
| General Fund | \$ 67,616 | \$ 0 |
| Nonmajor Governmental Funds | 0 | 67,616 |
| Total | \$ 67,616 | \$ 67,616 |

The general fund advanced monies to nonmajor governmental funds to cover expenditures until expected revenues were received. All interfund loans will be repaid in fiscal year 2015 with monies to be received from reimbursable expenditures incurred during fiscal year 2014.

Note 18 - Set-Asides

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

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

| | Capital Improvement Reserve |
|---|-----------------------------------|
| Set Aside Restricted Balance June 30, 2013 | \$ 0 |
| Current Year Set-Aside Requirement | 359,047 |
| Current Year Qualifying Expenditures | (2,216,992) |
| Total | \$ (1,857,945) |
| Balance Carried Forward to Fiscal Year 2015 | \$ 0 |
| Set Aside Balance June 30, 2014 | \$ 0 |

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

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



West Geauga Local School District
Gauga 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.

SchoolNet Professional Development Fund This fund accounts for State monies to assist staff in gaining knowledge of technology.

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

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

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

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

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

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

Nonmajor Capital Project Fund

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

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

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

| | Nonmajor Special Revenue Funds | Schoolnet Fund | Total Nonmajor Governmental Funds |
|---|---|-------------------|--|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 335,187 | \$ 972 | \$ 336,159 |
| Receivables: | | | |
| Intergovernmental | 174,627 | 0 | 174,627 |
| Prepaid Items | 10,581 | 0 | 10,581 |
| <i>Total Assets</i> | <u>\$ 520,395</u> | <u>\$ 972</u> | <u>\$ 521,367</u> |
| Liabilities | | | |
| Accounts Payable | \$ 39,377 | \$ 0 | \$ 39,377 |
| Accrued Wages and Benefits | 67,094 | 0 | 67,094 |
| Intergovernmental Payable | 27,521 | 0 | 27,521 |
| Interfund Payable | 67,616 | 0 | 67,616 |
| <i>Total Liabilities</i> | <u>201,608</u> | <u>0</u> | <u>201,608</u> |
| Deferred Inflows of Resources | | | |
| Unavailable Revenue - Other | 100,197 | 0 | 100,197 |
| Fund Balances (Deficit) | | | |
| Nonspendable | 10,581 | 0 | 10,581 |
| Restricted | 246,136 | 972 | 247,108 |
| Unassigned (Deficit) | (38,127) | 0 | (38,127) |
| <i>Total Fund Balances</i> | <u>218,590</u> | <u>972</u> | <u>219,562</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$ 520,395</u> | <u>\$ 972</u> | <u>\$ 521,367</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, 2014

| | Nonmajor Special Revenue Funds | Schoolnet Fund | Total Nonmajor Governmental Funds |
|--|---|-------------------|--|
| Revenues: | | | |
| Intergovernmental | \$ 1,246,951 | \$ 0 | \$ 1,246,951 |
| Investment Income | 338 | 0 | 338 |
| Extracurricular Activities | 206,711 | 0 | 206,711 |
| Charges for Services | 276,289 | 0 | 276,289 |
| Contributions and Donations | 33,835 | 0 | 33,835 |
| Miscellaneous | 1,038 | 0 | 1,038 |
| <i>Total Revenues</i> | <u>1,765,162</u> | <u>0</u> | <u>1,765,162</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 39,011 | 0 | 39,011 |
| Special | 166,866 | 0 | 166,866 |
| Support Services: | | | |
| Pupils | 372,178 | 0 | 372,178 |
| Instructional Staff | 14,310 | 0 | 14,310 |
| Administration | 32,585 | 0 | 32,585 |
| Operation and Maintenance of Plant | 18,498 | 0 | 18,498 |
| Central | 3,600 | 0 | 3,600 |
| Extracurricular Activities | 230,749 | 0 | 230,749 |
| Operation of Non-Instructional Services: | | | |
| Food Service Operations | 412,247 | 0 | 412,247 |
| Community Services | 419,255 | 0 | 419,255 |
| <i>Total Expenditures</i> | <u>1,709,299</u> | <u>0</u> | <u>1,709,299</u> |
| <i>Net Change in Fund Balance</i> | 55,863 | 0 | 55,863 |
| <i>Fund Balance at Beginning of Year</i> | <u>162,727</u> | <u>972</u> | <u>163,699</u> |
| <i>Fund Balance at End of Year</i> | <u>\$ 218,590</u> | <u>\$ 972</u> | <u>\$ 219,562</u> |

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

| | Food Service Fund | Special Trust Fund | Education Foundation Fund | District Managed Activities Fund |
|---|-------------------------|--------------------------|---------------------------------|---|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 48,156 | \$ 58,057 | \$ 5,126 | \$ 100,931 |
| Intergovernmental Receivable | 314 | 0 | 0 | 0 |
| Prepaid Items | 4,696 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$ 53,166</u> | <u>\$ 58,057</u> | <u>\$ 5,126</u> | <u>\$ 100,931</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 0 | \$ 0 | \$ 529 | \$ 15,801 |
| Accrued Wages and Benefits | 19,614 | 0 | 0 | 0 |
| Intergovernmental Payable | 15,793 | 0 | 0 | 209 |
| Interfund Payable | 51,084 | 0 | 0 | 0 |
| <i>Total Liabilities</i> | <u>86,491</u> | <u>0</u> | <u>529</u> | <u>16,010</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable Revenue - Other | 0 | 0 | 0 | 0 |
| Fund Balances (Deficit) | | | | |
| Nonspendable | 4,696 | 0 | 0 | 0 |
| Restricted | 0 | 58,057 | 4,597 | 84,921 |
| Unassigned (Deficit) | (38,021) | 0 | 0 | 0 |
| <i>Total Fund Balances (Deficit)</i> | <u>(33,325)</u> | <u>58,057</u> | <u>4,597</u> | <u>84,921</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$ 53,166</u> | <u>\$ 58,057</u> | <u>\$ 5,126</u> | <u>\$ 100,931</u> |

(continued)

West Geauga Local School District
Geauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

| | Auxiliary Services Fund | Data Communications Fund | Miscellaneous State Grants Fund | Race to the Top Fund |
|---|-------------------------------|--------------------------------|---------------------------------------|----------------------------|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 93,993 | \$ 3,600 | \$ 18 | \$ 54 |
| Intergovernmental Receivable | 12 | 0 | 0 | 43,252 |
| Prepaid Items | 0 | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$ 94,005</u> | <u>\$ 3,600</u> | <u>\$ 18</u> | <u>\$ 43,306</u> |
| Liabilities | | | | |
| Accounts Payable | \$ 20,060 | \$ 0 | \$ 0 | \$ 51 |
| Accrued Wages and Benefits | 127 | 0 | 0 | 0 |
| Intergovernmental Payable | 1,032 | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 0 | 52 |
| <i>Total Liabilities</i> | <u>21,219</u> | <u>0</u> | <u>0</u> | <u>103</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable Revenue - Other | 0 | 0 | 0 | 43,252 |
| Fund Balances (Deficit) | | | | |
| Nonspendable | 0 | 0 | 0 | 0 |
| Restricted | 72,786 | 3,600 | 18 | 0 |
| Unassigned (Deficit) | 0 | 0 | 0 | (49) |
| <i>Total Fund Balances (Deficit)</i> | <u>72,786</u> | <u>3,600</u> | <u>18</u> | <u>(49)</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$ 94,005</u> | <u>\$ 3,600</u> | <u>\$ 18</u> | <u>\$ 43,306</u> |

(continued)

West Geauga Local School District
Gauga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

| | 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 | \$ 4,883 | \$ 8,150 | \$ 10,832 | \$ 1,387 | \$ 335,187 |
| Intergovernmental Receivable | 79,916 | 0 | 42,495 | 8,638 | 174,627 |
| Prepaid Items | 4,842 | 0 | 1,043 | 0 | 10,581 |
| <i>Total Assets</i> | <u>\$ 89,641</u> | <u>\$ 8,150</u> | <u>\$ 54,370</u> | <u>\$ 10,025</u> | <u>\$ 520,395</u> |
| Liabilities: | | | | | |
| Accounts Payable | \$ 99 | \$ 0 | \$ 2,837 | \$ 0 | \$ 39,377 |
| Accrued Wages and Benefits | 28,504 | 0 | 12,398 | 6,451 | 67,094 |
| Intergovernmental Payable | 8,206 | 0 | 2,187 | 94 | 27,521 |
| Interfund Payable | 6,506 | 0 | 9,974 | 0 | 67,616 |
| <i>Total Liabilities</i> | <u>43,315</u> | <u>0</u> | <u>27,396</u> | <u>6,545</u> | <u>201,608</u> |
| Deferred Inflows of Resources | | | | | |
| Unavailable Revenue - Other | 28,539 | 0 | 24,869 | 3,537 | 100,197 |
| Fund Balances (Deficit) | | | | | |
| Nonspendable | 4,842 | 0 | 1,043 | 0 | 10,581 |
| Restricted | 12,945 | 8,150 | 1,062 | 0 | 246,136 |
| Unassigned (Deficit) | 0 | 0 | 0 | (57) | (38,127) |
| <i>Total Fund Balances (Deficit)</i> | <u>17,787</u> | <u>8,150</u> | <u>2,105</u> | <u>(57)</u> | <u>218,590</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$ 89,641</u> | <u>\$ 8,150</u> | <u>\$ 54,370</u> | <u>\$ 10,025</u> | <u>\$ 520,395</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, 2014

| | Food Service Fund | Special Trust Fund | Education Foundation Fund | District Managed Activities Fund |
|--|-------------------------|--------------------------|---------------------------------|---|
| Revenues: | | | | |
| Intergovernmental | \$ 140,905 | \$ 0 | \$ 0 | \$ 0 |
| Investment Income | 0 | 143 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 206,711 |
| Charges for Services | 276,289 | 0 | 0 | 0 |
| Contributions and Donations | 0 | 900 | 4,545 | 28,390 |
| Miscellaneous | 0 | 0 | 0 | 1,038 |
| <i>Total Revenues</i> | <u>417,194</u> | <u>1,043</u> | <u>4,545</u> | <u>236,139</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 2,852 | 0 |
| Special | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupils | 0 | 837 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 18,498 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 230,749 |
| Operation of Non-Instructional Services: | | | | |
| Food Service Operations | 412,247 | 0 | 0 | 0 |
| Community Services | 0 | 4,040 | 0 | 0 |
| <i>Total Expenditures</i> | <u>430,745</u> | <u>4,877</u> | <u>2,852</u> | <u>230,749</u> |
| <i>Net Change in Fund Balance</i> | (13,551) | (3,834) | 1,693 | 5,390 |
| <i>Fund Balance (Deficit) at Beginning of Year</i> | <u>(19,774)</u> | <u>61,891</u> | <u>2,904</u> | <u>79,531</u> |
| <i>Fund Balance (Deficit) at End of Year</i> | <u>\$ (33,325)</u> | <u>\$ 58,057</u> | <u>\$ 4,597</u> | <u>\$ 84,921</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, 2014

| | Auxiliary Services Fund | Data Communications Fund | Miscellaneous State Grants Fund | Race to the Top Fund |
|--|-------------------------------|--------------------------------|---------------------------------------|----------------------------|
| Revenues: | | | | |
| Intergovernmental | \$ 480,580 | \$ 7,200 | \$ 0 | \$ 1,406 |
| Investment Income | 195 | 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>480,775</u> | <u>7,200</u> | <u>0</u> | <u>1,406</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 0 | 0 | 0 | 1,092 |
| Special | 0 | 0 | 0 | 0 |
| Support Services: | | | | |
| Pupils | 0 | 0 | 0 | 0 |
| Instructional Staff | 0 | 0 | 0 | 1,946 |
| Administration | 0 | 0 | 0 | 0 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 |
| Central | 0 | 3,600 | 0 | 0 |
| Extracurricular Activities | 0 | 0 | 0 | 0 |
| Operation of Non-Instructional Services: | | | | |
| Food Service Operations | 0 | 0 | 0 | 0 |
| Community Services | 413,867 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>413,867</u> | <u>3,600</u> | <u>0</u> | <u>3,038</u> |
| <i>Net Change in Fund Balance</i> | 66,908 | 3,600 | 0 | (1,632) |
| <i>Fund Balance (Deficit) at Beginning of Year</i> | <u>5,878</u> | <u>0</u> | <u>18</u> | <u>1,583</u> |
| <i>Fund Balance (Deficit) at End of Year</i> | <u>\$ 72,786</u> | <u>\$ 3,600</u> | <u>\$ 18</u> | <u>\$ (49)</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, 2014

| | Title VI-B Fund | Title III Limited English Proficiency Fund | Title I Fund | Classroom Reduction Fund | Total Nonmajor Special Revenue Funds |
|--|--------------------|--|-----------------|--------------------------------|---|
| Revenues: | | | | | |
| Intergovernmental | \$ 471,210 | \$ 2,727 | \$ 104,179 | \$ 38,744 | \$ 1,246,951 |
| Investment Income | 0 | 0 | 0 | 0 | 338 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 206,711 |
| Charges for Services | 0 | 0 | 0 | 0 | 276,289 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 33,835 |
| Miscellaneous | 0 | 0 | 0 | 0 | 1,038 |
| <i>Total Revenues</i> | <u>471,210</u> | <u>2,727</u> | <u>104,179</u> | <u>38,744</u> | <u>1,765,162</u> |
| Expenditures: | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Regular | 0 | 0 | 0 | 35,067 | 39,011 |
| Special | 69,597 | 0 | 97,269 | 0 | 166,866 |
| Support Services: | | | | | |
| Pupils | 371,341 | 0 | 0 | 0 | 372,178 |
| Instructional Staff | 1,745 | 0 | 8,369 | 2,250 | 14,310 |
| Administration | 32,585 | 0 | 0 | 0 | 32,585 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 0 | 18,498 |
| Central | 0 | 0 | 0 | 0 | 3,600 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 230,749 |
| Operation of Non-Instructional Services: | | | | | |
| Food Service Operations | 0 | 0 | 0 | 0 | 412,247 |
| Community Services | 0 | 0 | 1,348 | 0 | 419,255 |
| <i>Total Expenditures</i> | <u>475,268</u> | <u>0</u> | <u>106,986</u> | <u>37,317</u> | <u>1,709,299</u> |
| <i>Net Change in Fund Balance</i> | (4,058) | 2,727 | (2,807) | 1,427 | 55,863 |
| <i>Fund Balance (Deficit) at Beginning of Year</i> | <u>21,845</u> | <u>5,423</u> | <u>4,912</u> | <u>(1,484)</u> | <u>162,727</u> |
| <i>Fund Balance (Deficit) at End of Year</i> | <u>\$ 17,787</u> | <u>\$ 8,150</u> | <u>\$ 2,105</u> | <u>\$ (57)</u> | <u>\$ 218,590</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, 2014

| | Final Budget | Actual | Variance |
|---|---------------------|---------------------|-------------------|
| Revenues: | | | |
| Property and Other Local Taxes | \$ 17,067,353 | \$ 17,305,053 | \$ 237,700 |
| Intergovernmental | 6,227,647 | 6,314,381 | 86,734 |
| Investment Income | 43,837 | 44,448 | 611 |
| Tuition and Fees | 2,157,373 | 2,187,419 | 30,046 |
| Extracurricular Activities | 7,327 | 7,429 | 102 |
| Rentals | 45,008 | 45,635 | 627 |
| Charges for Services | 18,443 | 18,700 | 257 |
| Miscellaneous | 65,133 | 66,040 | 907 |
| <i>Total Revenues</i> | <u>25,632,121</u> | <u>25,989,105</u> | <u>356,984</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 9,950,329 | 9,911,431 | 38,898 |
| Special | 3,891,596 | 3,811,121 | 80,475 |
| Vocational | 373,200 | 571,774 | (198,574) |
| Student Intervention Services | 10,179 | 11,334 | (1,155) |
| Other | 879,385 | 903,100 | (23,715) |
| Support Services: | | | |
| Pupils | 1,405,016 | 1,396,383 | 8,633 |
| Instructional Staff | 1,284,542 | 1,099,373 | 185,169 |
| Board of Education | 124,117 | 150,442 | (26,325) |
| Administration | 1,849,422 | 1,746,363 | 103,059 |
| Fiscal | 701,218 | 747,848 | (46,630) |
| Business | 328,770 | 310,894 | 17,876 |
| Operation and Maintenance of Plant | 2,808,637 | 2,778,492 | 30,145 |
| Pupil Transportation | 1,828,415 | 1,768,688 | 59,727 |
| Central | 20,923 | 20,910 | 13 |
| Extracurricular | 544,045 | 548,908 | (4,863) |
| <i>Total Expenditures</i> | <u>25,999,794</u> | <u>25,777,061</u> | <u>222,733</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(367,673)</u> | <u>212,044</u> | <u>579,717</u> |
| Other Financing Sources (Uses): | | | |
| Proceeds from Sale of Assets | 6,290 | 6,290 | 0 |
| Advances In | 15,000 | 15,000 | 0 |
| Advances Out | (15,000) | (67,616) | (52,616) |
| Transfers In | (19,583) | 0 | 19,583 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(13,293)</u> | <u>(46,326)</u> | <u>(33,033)</u> |
| <i>Net Change in Fund Balance</i> | (380,966) | 165,718 | 546,684 |
| <i>Fund Balance at Beginning of Year</i> | 7,727,167 | 7,727,167 | 0 |
| Prior Year Encumbrances Appropriated | 730,751 | 730,751 | 0 |
| <i>Fund Balance at End of Year</i> | <u>\$ 8,076,952</u> | <u>\$ 8,623,636</u> | <u>\$ 546,684</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, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|------------|----------|
| Revenues: | | | |
| Property and Other Local Taxes | \$ 214,925 | \$ 217,900 | \$ 2,975 |
| Expenditures: | | | |
| Debt Service: | | | |
| Principal Retirement | 170,000 | 170,000 | 0 |
| Interest and Fiscal Charges | 44,925 | 44,925 | 0 |
| Total Debt Service | 214,925 | 214,925 | 0 |
| <i>Total Expenditures</i> | 214,925 | 214,925 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | 2,975 | 2,975 |
| <i>Fund Balance at Beginning of Year</i> | 24,015 | 24,015 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 24,015 | \$ 26,990 | \$ 2,975 |

West Geauga Local School District
Gauga 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, 2014

| | Final Budget | Actual | Variance |
|--|-------------------|-------------------|-------------------|
| Revenues: | | | |
| Property and Other Local Taxes | \$ 1,933,278 | \$ 1,998,665 | \$ 65,387 |
| Intergovernmental | 324,978 | 335,969 | 10,991 |
| <i>Total Revenues</i> | <u>2,258,256</u> | <u>2,334,634</u> | <u>76,378</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Fiscal | 37,200 | 36,838 | 362 |
| Operation and Maintenance of Plant | 465,586 | 440,426 | 25,160 |
| Pupil Transportation | 175,000 | 174,103 | 897 |
| Capital Outlay | <u>2,479,261</u> | <u>2,392,199</u> | <u>87,062</u> |
| <i>Total Expenditures</i> | <u>3,157,047</u> | <u>3,043,566</u> | <u>113,481</u> |
| <i>Net Change in Fund Balance</i> | (898,791) | (708,932) | 189,859 |
| <i>Fund Balance at Beginning of Year</i> | 585,001 | 585,001 | 0 |
| Prior Year Encumbrances Appropriated | <u>506,567</u> | <u>506,567</u> | <u>0</u> |
| <i>Fund Balance at End of Year</i> | <u>\$ 192,777</u> | <u>\$ 382,636</u> | <u>\$ 189,859</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, 2014

| | Final Budget | Actual | Variance |
|---|-----------------|------------|--------------|
| Revenues: | | | |
| Intergovernmental | \$ 145,697 | \$ 113,965 | \$ (31,732) |
| Charges for Services | 353,219 | 276,289 | (76,930) |
| <i>Total Revenues</i> | 498,916 | 390,254 | (108,662) |
| Expenditures: | | | |
| Current: | | | |
| Support Services | | | |
| Operation and Maintenance of Plant | 19,236 | 18,404 | 832 |
| Operation of Non-Instructional Services: | | | |
| Food Service Operations | 430,000 | 430,832 | (832) |
| <i>Total Expenditures</i> | 449,236 | 449,236 | 0 |
| <i>Excess of Revenues Over (Under) Expenses</i> | 49,680 | (58,982) | (108,662) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 51,084 | 51,084 | 0 |
| <i>Net Change in Fund Balance</i> | 100,764 | (7,898) | (108,662) |
| <i>Fund Balance at Beginning of Year</i> | 3,361 | 3,361 | 0 |
| Prior Year Encumbrances Appropriated | 4,595 | 4,595 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 108,720 | \$ 58 | \$ (108,662) |

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, 2014

| | Final Budget | Actual | Variance |
|--|------------------|------------------|--------------------|
| Revenues: | | | |
| Investment Income | \$ 3,428 | \$ 143 | \$ (3,285) |
| Gifts and Donations | 21,572 | 900 | (20,672) |
| <i>Total Revenues</i> | <u>25,000</u> | <u>1,043</u> | <u>(23,957)</u> |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Pupils | 825 | 837 | (12) |
| Operation of Non-Instructional Services: | | | |
| Community Services | 4,600 | 4,050 | 550 |
| <i>Total Expenditures</i> | <u>5,425</u> | <u>4,887</u> | <u>538</u> |
| <i>Net Change in Fund Balance</i> | 19,575 | (3,844) | (23,419) |
| <i>Fund Balance at Beginning of Year</i> | 61,841 | 61,841 | 0 |
| Prior Year Encumbrances Appropriated | <u>50</u> | <u>50</u> | <u>0</u> |
| <i>Fund Balance at End of Year</i> | <u>\$ 81,466</u> | <u>\$ 58,047</u> | <u>\$ (23,419)</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, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|-----------------|-------------------|
| Revenues: | | | |
| Gifts and Donations | \$ 10,000 | \$ 4,545 | \$ (5,455) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 6,045 | 4,462 | 1,583 |
| <i>Net Change in Fund Balance</i> | 3,955 | 83 | (3,872) |
| <i>Fund Balance at Beginning of Year</i> | 1,404 | 1,404 | 0 |
| Prior Year Encumbrances Appropriated | 1,500 | 1,500 | 0 |
| <i>Fund Balance at End of Year</i> | <u>\$ 6,859</u> | <u>\$ 2,987</u> | <u>\$ (3,872)</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, 2014

| | Final Budget | Actual | Variance |
|--|-------------------|------------------|---------------------|
| Revenues: | | | |
| Extracurricular Activities | \$ 393,920 | \$ 206,711 | \$ (187,209) |
| Gifts and Donations | 54,102 | 28,390 | (25,712) |
| Miscellaneous | 1,978 | 1,038 | (940) |
| <i>Total Revenues</i> | <u>450,000</u> | <u>236,139</u> | <u>(213,861)</u> |
| Expenditures: | | | |
| Current: | | | |
| Extracurricular Activities | 318,171 | 261,445 | 56,726 |
| <i>Net Change in Fund Balance</i> | 131,829 | (25,306) | (157,135) |
| <i>Fund Balance at Beginning of Year</i> | 78,128 | 78,128 | 0 |
| Prior Year Encumbrances Appropriated | 3,904 | 3,904 | 0 |
| <i>Fund Balance at End of Year</i> | <u>\$ 213,861</u> | <u>\$ 56,726</u> | <u>\$ (157,135)</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, 2014

| | Final Budget | Actual | Variance |
|--|--------------------|------------------|-------------------|
| Revenues: | | | |
| Intergovernmental | \$ 435,198 | \$ 480,580 | \$ 45,382 |
| Investment Income | 177 | 195 | 18 |
| <i>Total Revenues</i> | <u>435,375</u> | <u>480,775</u> | <u>45,400</u> |
| Expenditures: | | | |
| Current: | | | |
| Operation of Non-Instructional Services: | | | |
| Community Services | <u>502,270</u> | <u>431,335</u> | <u>70,935</u> |
| <i>Net Change in Fund Balance</i> | (66,895) | 49,440 | 116,335 |
| <i>Fund Balance at Beginning of Year</i> | 1,465 | 1,465 | 0 |
| Prior Year Encumbrances Appropriated | <u>20,097</u> | <u>20,097</u> | <u>0</u> |
| <i>Fund Balance (Deficit) at End of Year</i> | <u>\$ (45,333)</u> | <u>\$ 71,002</u> | <u>\$ 116,335</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, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|----------|------------|
| Revenues: | | | |
| Intergovernmental | \$ 10,000 | \$ 7,200 | \$ (2,800) |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Central | 3,600 | 3,600 | 0 |
| <i>Net Change in Fund Balance</i> | 6,400 | 3,600 | 2,800 |
| <i>Fund Balance at Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 6,400 | \$ 3,600 | \$ 2,800 |

West Geauga Local School District
Gauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
SchoolNet Professional Development Fund
For the Fiscal Year Ended June 30, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|--------|------------|
| Revenues: | | | |
| Intergovernmental | \$ 3,000 | \$ 0 | \$ (3,000) |
| <i>Net Change in Fund Balance</i> | 3,000 | 0 | 3,000 |
| <i>Fund Balance at Beginning of Year</i> | 0 | 0 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 3,000 | \$ 0 | \$ 3,000 |

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, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|--------|------------|
| Revenues: | | | |
| Intergovernmental | \$ 6,500 | \$ 0 | \$ (6,500) |
| <i>Net Change in Fund Balance</i> | 6,500 | 0 | (6,500) |
| <i>Fund Balance at Beginning of Year</i> | 18 | 18 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 6,518 | \$ 18 | \$ (6,500) |

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, 2014

| | Final Budget | Actual | Variance |
|---|-----------------|-----------|-------------|
| Revenues: | | | |
| Intergovernmental | \$ 25,000 | \$ 14,892 | \$ (10,108) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 2,035 | 2,035 | 0 |
| Support Services: | | | |
| Instructional Staff | 13,535 | 13,523 | 12 |
| <i>Total Expenditures</i> | 15,570 | 15,558 | 12 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 9,430 | (666) | (10,096) |
| Other Financing Sources (Uses): | | | |
| Advances In | 0 | 51 | 51 |
| Advances Out | (15,000) | (15,000) | 0 |
| <i>Total Other Financing Sources (Uses)</i> | (15,000) | (14,949) | 51 |
| <i>Net Change in Fund Balance</i> | (5,570) | (15,615) | (10,045) |
| <i>Fund Balance at Beginning of Year</i> | 3,562 | 3,562 | 0 |
| Prior Year Encumbrances Appropriated | 12,053 | 12,053 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 10,045 | \$ 0 | \$ (10,045) |

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, 2014

| | Final Budget | Actual | Variance |
|---|-----------------|------------|-------------|
| Revenues: | | | |
| Intergovernmental | \$ 465,958 | \$ 450,750 | \$ (15,208) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special | 75,699 | 75,574 | 125 |
| Support Services: | | | |
| Pupils | 380,316 | 380,123 | 193 |
| Instructional Staff | 1,058 | 1,386 | (328) |
| Administration | 33,836 | 33,817 | 19 |
| <i>Total Expenditures</i> | 490,909 | 490,900 | 9 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (24,951) | (40,150) | (15,199) |
| Other Financing Sources (Uses): | | | |
| Advances In | 6,506 | 6,506 | 0 |
| <i>Net Change in Fund Balance</i> | (18,445) | (33,644) | (15,199) |
| <i>Fund Balance at Beginning of Year</i> | 25,615 | 25,615 | 0 |
| Prior Year Encumbrances Appropriated | 8,029 | 8,029 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 15,199 | \$ 0 | \$ (15,199) |

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, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|----------|------------|
| Revenues: | | | |
| Intergovernmental | \$ 4,000 | \$ 2,727 | \$ (1,273) |
| Expenditures: | | | |
| Current: | | | |
| Support Services: | | | |
| Instructional Staff | 7,941 | 0 | 7,941 |
| <i>Net Change in Fund Balance</i> | (3,941) | 2,727 | 6,668 |
| <i>Fund Balance at Beginning of Year</i> | 5,423 | 5,423 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 1,482 | \$ 8,150 | \$ 6,668 |

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, 2014

| | Final Budget | Actual | Variance |
|---|-----------------|-----------|-----------|
| Revenues: | | | |
| Intergovernmental | \$ 79,476 | \$ 94,288 | \$ 14,812 |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Special | 97,775 | 97,775 | 0 |
| Support Services: | | | |
| Instructional Staff | 11,748 | 11,748 | 0 |
| Operation of Non-Instructional Services: | | | |
| Community Services | 1,348 | 1,348 | 0 |
| <i>Total Expenditures</i> | 110,871 | 110,871 | 0 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (31,395) | (16,583) | 14,812 |
| Other Financing Sources (Uses): | | | |
| Advances In | 9,974 | 9,974 | 0 |
| <i>Net Change in Fund Balance</i> | (21,421) | (6,609) | 14,812 |
| <i>Fund Balance at Beginning of Year</i> | 10,420 | 10,420 | 0 |
| Prior Year Encumbrances Appropriated | 1,025 | 1,025 | 0 |
| <i>Fund Balance (Deficit) at End of Year</i> | \$ (9,976) | \$ 4,836 | \$ 14,812 |

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, 2014

| | Final Budget | Actual | Variance |
|--|------------------|-----------------|-------------------|
| Revenues: | | | |
| Intergovernmental | \$ 45,000 | \$ 33,643 | \$ (11,357) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 35,954 | 35,067 | 887 |
| Support Services: | | | |
| Instructional Staff | 2,750 | 2,250 | 500 |
| <i>Total Expenditures</i> | <u>38,704</u> | <u>37,317</u> | <u>1,387</u> |
| <i>Net Change in Fund Balance</i> | 6,296 | (3,674) | (9,970) |
| <i>Fund Balance at Beginning of Year</i> | 2,811 | 2,811 | 0 |
| Prior Year Encumbrances Appropriated | <u>2,250</u> | <u>2,250</u> | <u>0</u> |
| <i>Fund Balance at End of Year</i> | <u>\$ 11,357</u> | <u>\$ 1,387</u> | <u>\$ (9,970)</u> |

West Geauga Local School District
Geauga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2014

| | Final Budget | Actual | Variance |
|--|-----------------|------------|-------------|
| Revenues: | | | |
| Tuition and Fees | \$ 255,000 | \$ 196,294 | \$ (58,706) |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 261,775 | 226,314 | 35,461 |
| <i>Net Change in Fund Balance</i> | (6,775) | (30,020) | (23,245) |
| <i>Fund Balance at Beginning of Year</i> | 61,238 | 61,238 | 0 |
| Prior Year Encumbrances Appropriated | 5,617 | 5,617 | 0 |
| <i>Fund Balance at End of Year</i> | \$ 60,080 | \$ 36,835 | \$ (23,245) |

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, 2014

| | 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, 2014

| | Final Budget | Actual | Variance |
|--|------------------|------------------|------------------|
| Revenues: | | | |
| Tuition and Fees | \$ 26,578 | \$ 26,340 | \$ (238) |
| Extracurricular | 31,265 | 30,985 | (280) |
| Gifts and Donations | 2,157 | 2,138 | (19) |
| <i>Total Revenues</i> | <u>60,000</u> | <u>59,463</u> | <u>(537)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 62,592 | 46,456 | 16,136 |
| Support Services: | | | |
| Administration | 1,000 | 4,887 | (3,887) |
| <i>Total Expenditures</i> | <u>63,592</u> | <u>51,343</u> | <u>12,249</u> |
| <i>Net Change in Fund Balance</i> | (3,592) | 8,120 | 11,712 |
| <i>Fund Balance at Beginning of Year</i> | 19,296 | 19,296 | 0 |
| Prior Year Encumbrances Appropriated | 4,448 | 4,448 | 0 |
| <i>Fund Balance at End of Year</i> | <u>\$ 20,152</u> | <u>\$ 31,864</u> | <u>\$ 11,712</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, 2014

| | Final Budget | Actual | Variance |
|--|------------------|------------------|--------------------|
| Revenues: | | | |
| Extracurricular Activities | \$ 1,141 | \$ 625 | \$ (516) |
| Gifts and Donations | 14,158 | 7,758 | (6,400) |
| Miscellaneous | 24,701 | 13,535 | (11,166) |
| <i>Total Revenues</i> | <u>40,000</u> | <u>21,918</u> | <u>(18,082)</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 17,917 | 13,686 | 4,231 |
| Support Services: | | | |
| Administration | 9,058 | 8,265 | 793 |
| <i>Total Expenditures</i> | <u>26,975</u> | <u>21,951</u> | <u>5,024</u> |
| <i>Net Change in Fund Balance</i> | 13,025 | (33) | (13,058) |
| <i>Fund Balance at Beginning of Year</i> | 18,263 | 18,263 | 0 |
| Prior Year Encumbrances Appropriated | 1,314 | 1,314 | 0 |
| <i>Fund Balance at End of Year</i> | <u>\$ 32,602</u> | <u>\$ 19,544</u> | <u>\$ (13,058)</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, 2014

| | Final Budget | Actual | Variance |
|--|--------------------|------------------|------------------|
| Revenues: | | | |
| Extracurricular Activities | \$ 1,417 | \$ 3,731 | \$ 2,314 |
| Gifts and Donations | 18,393 | 48,414 | 30,021 |
| Miscellaneous | 190 | 500 | 310 |
| <i>Total Revenues</i> | <u>20,000</u> | <u>52,645</u> | <u>32,645</u> |
| Expenditures: | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | 3,929 | 2,114 | 1,815 |
| Support Services: | | | |
| Instructional Staff | 51,550 | 51,550 | 0 |
| Operation of Non-Instructional Services: | | | |
| Community Services | 8,522 | 3,365 | 5,157 |
| Extracurricular | 2,345 | 0 | 2,345 |
| <i>Total Expenditures</i> | <u>66,346</u> | <u>57,029</u> | <u>9,317</u> |
| <i>Net Change in Fund Balance</i> | (46,346) | (4,384) | 41,962 |
| <i>Fund Balance at Beginning of Year</i> | 19,684 | 19,684 | 0 |
| Prior Year Encumbrances Appropriated | 751 | 751 | 0 |
| <i>Fund Balance (Deficit) at End of Year</i> | <u>\$ (25,911)</u> | <u>\$ 16,051</u> | <u>\$ 41,962</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, 2014

| | 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
Gauga County, Ohio
Combining Statements – Agency Fund

Agency Fund

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

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

West Geauga Local School District
Gauga County, Ohio
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2014

| | Beginning Balance 7/1/13 | Additions | Deductions | Ending Balance 6/30/14 |
|--|---|------------------|-------------------|---------------------------------------|
| Student Activities | | | | |
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$ 54,644 | \$ 77,324 | \$ 72,721 | \$ 59,247 |
| Liabilities | | | | |
| Due to Students | \$ 54,644 | \$ 77,324 | \$ 72,721 | \$ 59,247 |



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.

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

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities: | | | | |
| Net Investment in Capital Assets | \$ 14,635,407 | \$ 14,864,667 | \$ 13,251,326 | \$ 11,425,167 |
| Restricted | 1,897,960 | 1,227,166 | 1,387,178 | 2,209,131 |
| Unrestricted | 9,391,319 | 7,250,386 | 5,632,628 | 4,004,346 |
| <i>Total Governmental Activities</i> | | | | |
| <i>Net Position</i> | <u>\$ 25,924,686</u> | <u>\$ 23,342,219</u> | <u>\$ 20,271,132</u> | <u>\$ 17,638,644</u> |
| Business-Type Activities: | | | | |
| Net Investment in Capital Assets | N/A | N/A | N/A | N/A |
| Unrestricted | N/A | N/A | N/A | N/A |
| <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 | \$ 14,635,407 | \$ 14,864,667 | \$ 13,251,326 | \$ 11,425,167 |
| Restricted | 1,897,960 | 1,227,166 | 1,387,178 | 2,209,131 |
| Unrestricted | 9,391,319 | 7,250,386 | 5,632,628 | 4,004,346 |
| <i>Total Primary Government</i> | | | | |
| <i>Net Position</i> | <u>\$ 25,924,686</u> | <u>\$ 23,342,219</u> | <u>\$ 20,271,132</u> | <u>\$ 17,638,644</u> |

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 8,359,303 | \$ 5,900,292 | \$ 3,745,774 | \$ 2,092,443 | \$ 1,837,934 | \$ 705,718 |
| 2,295,568 | 2,348,020 | 2,744,398 | 2,878,517 | 3,811,634 | 3,759,648 |
| 2,605,747 | 2,743,598 | 1,928,583 | 1,418,626 | (3,674,775) | 15,172 |
| <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> | <u>\$ 4,480,538</u> |
| \$ 1,200,169 | \$ 1,204,409 | \$ 1,228,371 | \$ 1,252,455 | \$ 1,277,136 | \$ 1,302,145 |
| (26,444) | 78,433 | 153,221 | 150,458 | 116,534 | (16,188) |
| <u>\$ 1,173,725</u> | <u>\$ 1,282,842</u> | <u>\$ 1,381,592</u> | <u>\$ 1,402,913</u> | <u>\$ 1,393,670</u> | <u>\$ 1,285,957</u> |
| \$ 9,559,472 | \$ 7,104,701 | \$ 4,974,145 | \$ 3,344,898 | \$ 3,115,070 | \$ 2,007,863 |
| 2,295,568 | 2,348,020 | 2,744,398 | 2,878,517 | 3,811,634 | 3,759,648 |
| 2,579,303 | 2,822,031 | 2,081,804 | 1,569,084 | (3,558,241) | (1,016) |
| <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> | <u>\$ 5,766,495</u> |

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

| | 2014 | 2013 | 2012 | 2011 |
|--|----------------------|----------------------|----------------------|----------------------|
| Expenses: | | | | |
| Governmental Activities: | | | | |
| Regular Instruction | \$ 10,814,046 | \$ 10,677,700 | \$ 11,306,827 | \$ 11,011,297 |
| Special Instruction | 3,690,196 | 3,822,518 | 3,873,958 | 3,493,129 |
| Vocational Instruction | 571,774 | 347,411 | 332,260 | 309,061 |
| Student Intervention Services | 28,794 | 54,238 | 64,113 | 42,900 |
| Other Instruction | 768,083 | 495,618 | 406,071 | 502,297 |
| Pupil Support | 1,720,535 | 1,779,194 | 1,923,647 | 1,974,773 |
| Instructional Staff Support | 1,172,723 | 889,090 | 942,218 | 833,666 |
| Board of Education | 114,353 | 64,690 | 127,610 | 56,094 |
| Administration | 1,771,680 | 1,821,255 | 1,789,418 | 1,797,465 |
| Fiscal | 606,375 | 619,927 | 850,572 | 686,250 |
| Business | 287,875 | 302,471 | 324,808 | 323,354 |
| Operation and Maintenance of Plant | 2,638,136 | 2,370,163 | 2,415,953 | 2,245,054 |
| Pupil Transportation | 2,090,161 | 1,959,575 | 2,045,889 | 2,066,693 |
| Central | 22,989 | 23,062 | 16,349 | 80,608 |
| Food Service Operations | 439,938 | 398,563 | 494,548 | 678,763 |
| Community Services | 503,723 | 552,263 | 457,134 | 461,489 |
| Enterprise Operations | 0 | 0 | 400 | 1,001 |
| Extracurricular Activities | 853,304 | 806,416 | 922,831 | 928,726 |
| Capital Outlay | 0 | 0 | 0 | 0 |
| Interest and Fiscal Charges | 44,054 | 93,215 | 203,746 | 280,273 |
| Total Governmental Activities Expenses | 28,138,739 | 27,077,369 | 28,498,352 | 27,772,893 |
| 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 | \$ 28,138,739 | \$ 27,077,369 | \$ 28,498,352 | \$ 27,772,893 |
| Program Revenues: | | | | |
| Governmental Activities: | | | | |
| Charges for Services: | | | | |
| Regular Instruction | \$ 1,668,936 | \$ 1,476,021 | \$ 1,359,364 | \$ 948,008 |
| Special Instruction | 685,649 | 582,794 | 553,016 | 509,556 |
| Other Instruction | 0 | 0 | 0 | 0 |
| Instructional Staff Support | 0 | 0 | 0 | 2,126 |
| Administration | 3,963 | 0 | 0 | 13,394 |
| Fiscal | 6,558 | 8,282 | 6,886 | 0 |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 10,264 |
| Pupil Transportation | 22,278 | 35,847 | 24,667 | 7,028 |
| Central | 0 | 0 | 0 | 1,455 |
| Food Service Operations | 276,289 | 258,986 | 285,356 | 297,398 |
| Community Services | 22,431 | 0 | 0 | 5,043 |
| Extracurricular Activities | 252,345 | 246,676 | 280,290 | 336,726 |
| Operating Grants and Contributions: | | | | |
| Regular Instruction | 60,872 | 85,792 | 134,408 | 90,843 |
| Special Instruction | 174,509 | 179,636 | 156,359 | 435,538 |
| Vocational Instruction | 0 | 0 | 0 | 0 |
| Student Intervention Services | 0 | 0 | 3,567 | 19,997 |
| Other Instruction | 0 | 0 | 0 | 190,527 |
| Pupil Support | 371,517 | 357,822 | 421,447 | 546,963 |
| Instructional Staff Support | 29,334 | 100,642 | 130,176 | 178,321 |

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ | 10,066,334 | \$ 10,694,447 | \$ 10,540,611 | \$ 10,353,894 | \$ 11,284,889 | \$ 10,173,341 |
| | 3,538,688 | 3,077,259 | 2,528,956 | 2,679,904 | 2,505,389 | 2,288,866 |
| | 289,587 | 214,889 | 201,165 | 180,952 | 185,821 | 390,495 |
| | 24,156 | 15,000 | 0 | 0 | 0 | 0 |
| | 505,827 | 425,899 | 411,484 | 375,634 | 391,716 | 322,298 |
| | 2,008,819 | 2,264,365 | 2,143,840 | 1,919,449 | 1,790,903 | 1,700,703 |
| | 833,338 | 804,471 | 830,321 | 784,377 | 870,190 | 814,183 |
| | 70,832 | 68,921 | 60,464 | 48,817 | 44,858 | 51,367 |
| | 1,886,260 | 1,840,520 | 1,770,671 | 1,835,968 | 1,640,485 | 1,612,665 |
| | 674,803 | 585,951 | 636,471 | 779,457 | 735,376 | 590,209 |
| | 356,402 | 332,112 | 201,183 | 187,079 | 190,818 | 169,750 |
| | 2,270,317 | 2,544,297 | 2,715,582 | 2,426,892 | 1,757,726 | 2,819,479 |
| | 2,007,110 | 2,048,743 | 1,914,042 | 1,919,444 | 1,782,371 | 1,761,637 |
| | 82,197 | 83,631 | 85,407 | 91,810 | 67,306 | 78,217 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 455,226 | 524,520 | 479,862 | 516,393 | 472,983 | 441,421 |
| | 1,257 | 100 | 0 | 0 | 0 | 0 |
| | 960,079 | 897,337 | 838,562 | 779,025 | 765,699 | 735,399 |
| | 0 | 0 | 0 | 0 | 977,742 | 44,011 |
| | 405,754 | 518,186 | 620,617 | 630,801 | 673,506 | 812,376 |
| | <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> | <u>24,806,417</u> |
| | 764,410 | 710,305 | 688,011 | 666,096 | 647,620 | 681,896 |
| | 259,829 | 271,611 | 249,160 | 242,615 | 115,780 | 179,733 |
| | <u>1,024,239</u> | <u>981,916</u> | <u>937,171</u> | <u>908,711</u> | <u>763,400</u> | <u>861,629</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> | <u>25,668,046</u> |

| | | | | | | |
|----|---------|------------|------------|------------|-----------|------------|
| \$ | 766,165 | \$ 642,853 | \$ 429,548 | \$ 276,947 | \$ 81,152 | \$ 342,736 |
| | 212,462 | 156,787 | 0 | 0 | 0 | 8,343 |
| | 0 | 0 | 0 | 0 | 5,035 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 7,501 | 10,325 | 7,227 | 9,904 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 5,702 | 6,291 | 8,371 | 7,696 | 0 | 0 |
| | 8,282 | 12,084 | 8,090 | 12,654 | 9,412 | 11,777 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 16,383 |
| | 366,967 | 338,371 | 313,654 | 274,319 | 392,610 | 311,563 |
| | 71,549 | 99,134 | 219,384 | 202,659 | 31,367 | 48,126 |
| | 569,738 | 147,990 | 151,317 | 58,104 | 640,076 | 532,114 |
| | 0 | 20,615 | 0 | 0 | 0 | 0 |
| | 16,256 | 0 | 0 | 0 | 0 | 0 |
| | 133,592 | 0 | 0 | 0 | 0 | 0 |
| | 305,580 | 421,047 | 486,236 | 413,498 | 0 | 0 |
| | 186,537 | 14,374 | 20,407 | 17,415 | 56,364 | 71,304 |

(continued)

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

| | 2014 | 2013 | 2012 | 2011 |
|---|------------------------|------------------------|------------------------|------------------------|
| Administration | 37,597 | 39,445 | 0 | 47,808 |
| Fiscal | 0 | 0 | 112,675 | 0 |
| Business | 0 | 0 | 5,940 | 0 |
| Operation and Maintenance of Plant | 0 | 2,896 | 0 | 0 |
| Pupil Transportation | 0 | 0 | 32,667 | 0 |
| Central | 7,200 | 7,200 | 7,200 | 9,100 |
| Food Service Operations | 140,905 | 92,203 | 124,941 | 133,017 |
| Community Services | 531,508 | 483,959 | 472,026 | 409,968 |
| Enterprise Operations | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 28,390 | 16,090 | 21,724 | 59,601 |
| Capital Grants and Contributions: | | | | |
| Operation and Maintenance of Plant | 0 | 0 | 0 | 19,270 |
| Pupil Transportation | 0 | 0 | 0 | 0 |
| Community Services | 0 | 0 | 0 | 0 |
| <i>Total Governmental Activities Program Revenues</i> | <u>4,320,281</u> | <u>3,974,291</u> | <u>4,132,709</u> | <u>4,271,951</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>4,320,281</u> | <u>3,974,291</u> | <u>4,132,709</u> | <u>4,271,951</u> |
| Net (Expense) Revenue: | | | | |
| Governmental Activities | (23,818,458) | (23,103,078) | (24,365,643) | (23,500,942) |
| Business-Type Activities | N/A | N/A | N/A | N/A |
| <i>Total Primary Government Net Expense</i> | <u>\$ (23,818,458)</u> | <u>\$ (23,103,078)</u> | <u>\$ (24,365,643)</u> | <u>\$ (23,500,942)</u> |
| General Revenues and Other Changes in Net Position | | | | |
| Governmental Activities: | | | | |
| Property and Other Local Taxes Levied For: | | | | |
| General Purposes | \$ 17,255,454 | \$ 17,139,804 | \$ 17,773,567 | \$ 12,081,806 |
| Debt Service | 189,535 | 1,030,208 | 2,126,810 | 2,195,812 |
| Capital Projects | 1,987,488 | 1,334,558 | 303,437 | 5,561,466 |
| Grants and Entitlements not Restricted | | | | |
| to Specific Programs | 6,845,196 | 6,579,325 | 6,663,911 | 6,742,781 |
| Investment Earnings | 44,117 | 63,355 | 81,413 | 89,044 |
| Miscellaneous | 79,135 | 26,915 | 48,893 | 34,434 |
| Capital Contributions | 0 | 0 | 0 | 0 |
| Transfers | 0 | 0 | 0 | 0 |
| <i>Total Governmental Activities</i> | <u>26,400,925</u> | <u>26,174,165</u> | <u>26,998,031</u> | <u>26,705,343</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>\$ 26,400,925</u> | <u>\$ 26,174,165</u> | <u>\$ 26,998,031</u> | <u>\$ 26,705,343</u> |
| Change in Net Position | | | | |
| Governmental Activities | \$ 2,582,467 | \$ 3,071,087 | \$ 2,632,388 | \$ 3,204,401 |
| Business-Type Activities | N/A | N/A | N/A | N/A |
| <i>Total Primary Government</i> | <u>\$ 2,582,467</u> | <u>\$ 3,071,087</u> | <u>\$ 2,632,388</u> | <u>\$ 3,204,401</u> |

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 21,954 | 62,613 | 60,333 | 65,699 | 0 | 0 |
| 0 | 0 | 0 | 0 | 8,469 | 7,982 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 6,188 | 80,122 | 0 | 425,558 | 431,366 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 9,145 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 416,932 | 470,048 | 463,219 | 446,464 | 0 | 0 |
| 0 | 800 | 0 | 0 | 0 | 0 |
| 36,760 | 39,136 | 22,699 | 11,467 | 0 | 0 |
| 1,450 | 0 | 0 | 0 | 0 | 0 |
| 0 | 23,466 | 13,050 | 26,427 | 0 | 0 |
| 5,120 | 0 | 0 | 0 | 0 | 0 |
| <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> | <u>1,793,694</u> |
| 379,598 | 384,312 | 389,662 | 410,561 | 419,854 | 420,539 |
| 229,868 | 249,259 | 231,307 | 235,142 | 210,483 | 169,299 |
| 90,590 | 79,026 | 65,566 | 65,453 | 60,776 | 43,189 |
| 700,056 | 712,597 | 686,535 | 711,156 | 691,113 | 633,027 |
| <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> | <u>2,426,721</u> |
| (23,302,795) | (24,459,350) | (23,680,483) | (23,677,320) | (24,465,831) | (23,012,723) |
| (324,183) | (269,319) | (250,636) | (197,555) | (72,287) | (228,602) |
| <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> | <u>\$ (23,241,325)</u> |
| \$ 11,452,809 | \$ 16,814,672 | \$ 15,513,341 | \$ 17,873,911 | \$ 12,786,535 | \$ 17,665,219 |
| 2,413,096 | 2,807,697 | 2,750,325 | 2,978,363 | 1,783,847 | 3,156,687 |
| 4,980,626 | 285,059 | 300,056 | 303,448 | 294,544 | 649,873 |
| 6,790,611 | 7,049,554 | 6,853,798 | 6,597,341 | 6,652,326 | 6,381,823 |
| 118,459 | 237,115 | 508,802 | 443,321 | 293,555 | 117,274 |
| 23,654 | 8,977 | 12,645 | 102,527 | 329,279 | 86,891 |
| 7,314 | 0 | 0 | 0 | 0 | 0 |
| (215,066) | (170,569) | (229,315) | (206,798) | (180,000) | (170,000) |
| <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> | <u>27,887,767</u> |
| 0 | 0 | 0 | 0 | 0 | 19,029 |
| 215,066 | 170,569 | 229,315 | 206,798 | 180,000 | 170,000 |
| 215,066 | 170,569 | 229,315 | 206,798 | 180,000 | 189,029 |
| <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> | <u>\$ 28,076,796</u> |
| \$ 2,268,708 | \$ 2,573,155 | \$ 2,029,169 | \$ 4,414,793 | \$ (2,505,745) | \$ 4,875,044 |
| (109,117) | (98,750) | (21,321) | 9,243 | 107,713 | (39,573) |
| <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> | <u>\$ 4,835,471</u> |

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

| | 2014 | 2013 | 2012 | 2011 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | | | | |
| Instruction: | | | | |
| Regular | \$ 1,729,808 | \$ 1,561,813 | \$ 1,493,772 | \$ 1,038,851 |
| Special | 860,158 | 762,430 | 709,375 | 945,094 |
| Vocational | 0 | 0 | 0 | 0 |
| Student Intervention Services | 0 | 0 | 3,567 | 19,997 |
| Other | 0 | 0 | 0 | 190,527 |
| Support Services: | | | | |
| Pupil | 371,517 | 357,822 | 421,447 | 546,963 |
| Instructional | 29,334 | 100,642 | 130,176 | 180,447 |
| Administration | 41,560 | 39,445 | 112,675 | 61,202 |
| Fiscal | 6,558 | 8,282 | 6,886 | 0 |
| Business | 0 | 0 | 5,940 | 0 |
| Operation and Maintenance of Plant | 0 | 2,896 | 0 | 29,534 |
| Pupil Transportation | 22,278 | 35,847 | 57,334 | 7,028 |
| Central | 7,200 | 7,200 | 7,200 | 10,555 |
| Food Service Operations | 417,194 | 351,189 | 410,297 | 430,415 |
| Community Services | 553,939 | 483,959 | 472,026 | 415,011 |
| Enterprise Operations | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 280,735 | 262,766 | 302,014 | 396,327 |
| <i>Total Governmental Activities</i> | <u>4,320,281</u> | <u>3,974,291</u> | <u>4,132,709</u> | <u>4,271,951</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>\$ 4,320,281</u> | <u>\$ 3,974,291</u> | <u>\$ 4,132,709</u> | <u>\$ 4,271,951</u> |

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----|-----------|--------------|--------------|--------------|--------------|--------------|
| \$ | 837,714 | \$ 741,987 | \$ 648,932 | \$ 479,606 | \$ 112,519 | \$ 390,862 |
| | 782,200 | 304,777 | 151,317 | 58,104 | 640,076 | 540,457 |
| | 0 | 20,615 | 0 | 0 | 0 | 0 |
| | 16,256 | 0 | 0 | 0 | 0 | 0 |
| | 133,592 | 0 | 0 | 0 | 5,035 | 0 |
| | 305,580 | 421,047 | 486,236 | 413,498 | 0 | 0 |
| | 186,537 | 14,374 | 20,407 | 17,415 | 56,364 | 71,304 |
| | 21,954 | 70,114 | 70,658 | 72,926 | 9,904 | 0 |
| | 0 | 0 | 0 | 0 | 8,469 | 7,982 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 7,152 | 12,479 | 88,493 | 7,696 | 425,558 | 431,366 |
| | 8,282 | 35,550 | 21,140 | 39,081 | 9,412 | 11,777 |
| | 9,145 | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 422,052 | 470,048 | 463,219 | 446,464 | 0 | 16,383 |
| | 0 | 800 | 0 | 0 | 0 | 0 |
| | 403,727 | 377,507 | 336,353 | 285,786 | 392,610 | 311,563 |
| | 3,134,191 | 2,481,298 | 2,298,755 | 1,832,576 | 1,671,947 | 1,793,694 |
| | 470,188 | 633,571 | 455,228 | 476,014 | 480,630 | 463,728 |
| | 229,868 | 79,026 | 231,307 | 235,142 | 210,483 | 169,299 |
| | 700,056 | 712,597 | 686,535 | 711,156 | 691,113 | 633,027 |
| \$ | 3,834,247 | \$ 3,193,895 | \$ 2,985,290 | \$ 2,543,732 | \$ 2,363,060 | \$ 2,426,721 |

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

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|----------------------|---------------------|---------------------|---------------------|
| General Fund | | | | |
| Reserved | N/A | N/A | N/A | N/A |
| Unreserved (Deficit) | N/A | N/A | N/A | N/A |
| Nonspendable | \$ 252,379 | \$ 0 | \$ 0 | \$ 30,390 |
| Restricted | 0 | 0 | 0 | 783,137 |
| Assigned | 1,547,094 | 789,734 | 1,305,498 | 3,506,373 |
| Unassigned | 8,636,069 | 7,563,675 | 5,375,973 | 1,485,144 |
| <i>Total General Fund</i> | <u>10,435,542</u> | <u>8,353,409</u> | <u>6,681,471</u> | <u>5,805,044</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 | 10,581 | 0 | 0 | 11,213 |
| Restricted | 1,749,450 | 1,126,941 | 1,252,910 | 1,405,669 |
| Committed | 165,340 | 235,643 | 256,555 | 249,724 |
| Unassigned (Deficit) | (38,127) | (21,258) | (45,114) | (124,848) |
| <i>Total All Other Governmental Funds</i> | <u>1,887,244</u> | <u>1,341,326</u> | <u>1,464,351</u> | <u>1,541,758</u> |
| <i>Total Governmental Funds</i> | <u>\$ 12,322,786</u> | <u>\$ 9,694,735</u> | <u>\$ 8,145,822</u> | <u>\$ 7,346,802</u> |

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----|-----------|--------------|--------------|--------------|--------------|--------------|
| \$ | 2,612,539 | \$ 2,864,189 | \$ 2,803,465 | \$ 3,603,609 | \$ 2,598,257 | \$ 5,608,433 |
| | 1,653,481 | 1,969,909 | 1,979,817 | 1,296,585 | 578,955 | (325,413) |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | 4,266,020 | 4,834,098 | 4,783,282 | 4,900,194 | 3,177,212 | 5,283,020 |
| | 371,341 | 301,107 | 307,426 | 622,410 | 3,666,748 | 3,575,172 |
| | 268,934 | 223,732 | 290,162 | 152,776 | 186,942 | 124,912 |
| | 1,053,366 | 1,394,564 | 1,450,719 | 1,503,541 | 0 | 0 |
| | 41,241 | 72,744 | 484,082 | 655,543 | 186,230 | 223,008 |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | N/A | N/A | N/A | N/A | N/A | N/A |
| | 1,734,882 | 1,992,147 | 2,532,389 | 2,934,270 | 4,039,920 | 3,923,092 |
| \$ | 6,000,902 | \$ 6,826,245 | \$ 7,315,671 | \$ 7,834,464 | \$ 7,217,132 | \$ 9,206,112 |

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

| | 2014 | 2013 | 2012 | 2011 |
|---|---------------------|---------------------|-------------------|---------------------|
| Revenues: | | | | |
| Property and Other Local Taxes | \$ 19,403,464 | \$ 19,505,485 | \$ 20,220,677 | \$ 19,825,970 |
| Intergovernmental | 8,092,147 | 7,882,291 | 7,992,179 | 8,778,508 |
| Investment Earnings | 44,455 | 63,891 | 82,212 | 89,996 |
| Tuition and Fees | 2,374,116 | 2,036,527 | 1,873,355 | 1,411,363 |
| Transportation Fees | 0 | 0 | 0 | 0 |
| Extracurricular Activities | 287,687 | 282,086 | 330,765 | 407,287 |
| Rentals | 6,558 | 8,282 | 6,886 | 10,264 |
| Charges for Services | 294,989 | 279,047 | 301,358 | 319,525 |
| Contributions and Donations | 92,145 | 128,049 | 170,424 | 102,492 |
| Miscellaneous | 79,478 | 27,785 | 49,219 | 47,004 |
| <i>Total Revenues</i> | <u>30,675,039</u> | <u>30,213,443</u> | <u>31,027,075</u> | <u>30,992,409</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | 10,016,991 | 10,236,637 | 10,855,577 | 10,512,559 |
| Special | 3,684,238 | 3,789,319 | 3,840,509 | 3,466,303 |
| Vocational | 571,774 | 347,411 | 332,260 | 309,061 |
| Student Intervention Services | 2,897 | 53,619 | 62,115 | 42,900 |
| Other | 768,083 | 495,618 | 406,750 | 501,618 |
| Support Services: | | | | |
| Pupils | 1,746,208 | 1,771,516 | 1,909,158 | 1,993,589 |
| Instructional Staff | 1,148,504 | 851,840 | 1,064,845 | 810,116 |
| Board of Education | 103,810 | 54,147 | 117,067 | 45,551 |
| Administration | 1,753,638 | 1,783,789 | 1,771,424 | 1,797,065 |
| Fiscal | 626,813 | 617,164 | 846,987 | 694,901 |
| Business | 283,899 | 295,461 | 324,547 | 317,122 |
| Operation and Maintenance of Plant | 2,363,714 | 2,199,894 | 2,408,034 | 2,160,890 |
| Pupil Transportation | 1,910,844 | 1,820,031 | 1,986,343 | 1,947,501 |
| Central | 22,892 | 22,810 | 16,097 | 84,487 |
| Extracurricular Activities | 804,038 | 773,821 | 888,648 | 894,287 |
| Operation of Non-Instructional Services: | | | | |
| Food Service Operations | 412,247 | 373,597 | 470,048 | 656,787 |
| Community Services | 421,392 | 531,028 | 439,968 | 442,267 |
| Enterprise Operations | 0 | 521,019 | 400 | 1,001 |
| Capital Outlay | 1,196,371 | 0 | 59,681 | 552,606 |
| Debt Service: | | | | |
| Principal Retirement | 170,000 | 2,025,077 | 2,219,776 | 2,124,948 |
| Interest and Fiscal Charges | 44,925 | 110,592 | 220,416 | 294,843 |
| <i>Total Expenditures</i> | <u>28,053,278</u> | <u>28,674,390</u> | <u>30,240,650</u> | <u>29,650,402</u> |
| <i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i> | <u>2,621,761</u> | <u>1,539,053</u> | <u>786,425</u> | <u>1,342,007</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 | 6,290 | 9,860 | 12,595 | 0 |
| Refund of Prior Year Receipts | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 45,000 | 154,000 | 225,056 |
| Transfers Out | 0 | (45,000) | (154,000) | (225,056) |
| <i>Total Financing Sources and (Uses)</i> | <u>6,290</u> | <u>9,860</u> | <u>12,595</u> | <u>0</u> |
| <i>Net Change in Fund Balance</i> | <u>\$ 2,628,051</u> | <u>\$ 1,548,913</u> | <u>\$ 799,020</u> | <u>\$ 1,342,007</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 0.78% | 7.58% | 8.22% | 8.32% |

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

| | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----|------------|---------------|---------------|---------------|----------------|---------------|
| \$ | 18,889,263 | \$ 19,593,926 | \$ 18,622,281 | \$ 21,079,961 | \$ 14,841,150 | \$ 21,457,011 |
| | 8,471,553 | 8,273,526 | 8,163,764 | 7,853,819 | 7,749,341 | 7,484,715 |
| | 119,598 | 240,153 | 513,410 | 451,737 | 293,555 | 117,274 |
| | 750,821 | 639,967 | 296,717 | 143,728 | 109,702 | 48,474 |
| | 0 | 0 | 0 | 0 | 0 | 11,777 |
| | 512,437 | 482,883 | 433,306 | 395,267 | 373,647 | 395,234 |
| | 5,702 | 6,291 | 8,533 | 7,536 | 0 | 0 |
| | 13,746 | 16,310 | 17,438 | 16,393 | 0 | 21,095 |
| | 77,474 | 121,684 | 181,553 | 61,962 | 0 | 0 |
| | 43,924 | 28,217 | 26,352 | 43,735 | 430,568 | 278,930 |
| | 28,884,518 | 29,402,957 | 28,263,354 | 30,054,138 | 23,797,963 | 29,814,510 |
| | 9,542,008 | 10,237,068 | 10,112,374 | 9,926,219 | 9,810,466 | 9,660,731 |
| | 3,507,252 | 3,054,767 | 2,488,878 | 2,662,670 | 2,540,051 | 2,290,299 |
| | 289,587 | 214,889 | 201,165 | 180,952 | 196,594 | 374,643 |
| | 24,156 | 15,000 | 0 | 0 | 0 | 0 |
| | 505,827 | 425,899 | 411,484 | 375,634 | 391,716 | 322,298 |
| | 2,004,415 | 2,260,011 | 2,111,677 | 1,900,344 | 1,817,375 | 1,721,167 |
| | 806,586 | 786,011 | 795,902 | 748,915 | 857,253 | 818,954 |
| | 60,289 | 58,378 | 49,921 | 38,274 | 34,315 | 31,984 |
| | 1,854,627 | 1,843,252 | 1,776,370 | 1,910,087 | 1,711,426 | 1,643,107 |
| | 661,796 | 582,198 | 630,507 | 774,986 | 744,869 | 585,373 |
| | 348,028 | 327,419 | 199,100 | 189,169 | 191,854 | 167,507 |
| | 2,168,602 | 2,416,580 | 2,641,474 | 2,477,775 | 2,206,736 | 3,088,188 |
| | 1,862,795 | 1,894,539 | 1,754,442 | 1,794,955 | 1,888,445 | 1,665,844 |
| | 77,592 | 77,600 | 76,574 | 80,327 | 56,040 | 64,649 |
| | 926,430 | 865,225 | 805,064 | 751,647 | 748,321 | 747,934 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 414,139 | 478,797 | 405,634 | 441,561 | 425,148 | 502,142 |
| | 1,257 | 100 | 0 | 0 | 0 | 0 |
| | 1,329,590 | 1,097,567 | 958,172 | 1,813,796 | 977,742 | 44,011 |
| | 2,688,069 | 2,554,119 | 2,500,580 | 2,432,431 | 1,520,000 | 9,735,000 |
| | 421,750 | 532,395 | 633,514 | 730,266 | 754,886 | 777,563 |
| | 29,494,795 | 29,721,814 | 28,552,832 | 29,230,008 | 26,873,237 | 34,241,394 |
| | (610,277) | (318,857) | (289,478) | 824,130 | (3,075,274) | (4,426,884) |
| | 0 | 0 | 0 | 0 | 0 | 10,700,000 |
| | 0 | 0 | 0 | 0 | 1,375,000 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 2,350,000 |
| | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | (9,706) | (716) |
| | 2,387 | 0 | 207,459 | 215,783 | 591 | 18,466 |
| | (217,453) | (170,569) | (436,774) | (422,581) | (180,591) | (188,466) |
| | (215,066) | (170,569) | (229,315) | (206,798) | 1,185,294 | 12,879,284 |
| \$ | (825,343) | \$ (489,426) | \$ (518,793) | \$ 617,332 | \$ (1,889,980) | \$ 8,452,400 |
| | 11.04% | 10.78% | 11.36% | 11.54% | 8.78% | 30.74% |

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> |
| 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 |
| 2005 | 573,741,140 | 1,639,260,400 | 17,117,120 | 19,451,273 | 6,360,100 | 25,440,400 |

- (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> |
| \$ | 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 |
| | 597,218,360 | 1,684,152,073 | 35.46% | 53.25 |

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 | |
| 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 |
| 2005 | 48.70 | 1.00 | 3.55 | 53.25 | 0.20 | 21.09 | 1.00 | 15.10 | 90.64 |

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 |
|-----------------|-----------------------|----------------------------|-------------------|----------------------------|--|------------------------------|-----------------------------|---|
| 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% |
| 2004 | 18,987,484 | 737,347 | 19,724,831 | 18,518,737 | 97.53% | 504,130 | 19,022,867 | 100.19% |

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, 2013 and December 31, 2004

| Name of Taxpayer | Assessed Value (1) | Percent of Real Assessed Value |
|------------------------------------|-----------------------|--------------------------------|
| December 31, 2013 | | |
| Petronzio Management | \$ 1,617,790 | 0.27% |
| Consolidated Investment | 1,496,820 | 0.25% |
| Lucia S. Nash | 1,461,130 | 0.24% |
| West Geauga Plaza | 1,320,620 | 0.22% |
| Angelo and Anna Cianci | 935,880 | 0.15% |
| David Miller | 865,680 | 0.14% |
| Armand and Maria DiNardo, Trustees | 833,630 | 0.14% |
| Robert Vadas and Bonnie Young | 784,180 | 0.13% |
| Gary Waxman | 700,000 | 0.11% |
| Virginia Lindseth | 661,230 | 0.11% |
| Totals | <u>\$ 10,676,960</u> | <u>1.75%</u> |
| Total Assessed Valuation | <u>\$ 609,217,530</u> | |
| December 31, 2004 | | |
| Petronzio Management | \$ 1,619,600 | 0.28% |
| Consolidated Investment | 1,541,100 | 0.27% |
| West Geauga Plaza | 1,383,450 | 0.24% |
| TGUJ Ltd | 1,312,230 | 0.23% |
| Lucia S. Nash | 1,291,510 | 0.23% |
| Gary Waxman | 904,540 | 0.16% |
| Christopher H. Muzzin | 892,500 | 0.16% |
| Angelo and Anna Cianci | 835,110 | 0.15% |
| Robert J. Vadas | 831,260 | 0.14% |
| GBC Real Estate | 775,190 | 0.14% |
| Totals | <u>\$ 11,386,490</u> | <u>1.98%</u> |
| Total Assessed Valuation | <u>\$ 573,741,140</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
Principal Taxpayers
Public Utility Property Tax
December 31, 2013 and December 31, 2004

| <u>Name of Taxpayer</u> | <u>Assessed Value (1)</u> | <u>Percent of Real Assessed Value</u> |
|---|---------------------------|---------------------------------------|
| December 31, 2013 | | |
| Cleveland Electric Illuminating Company | \$ 16,487,540 | 74.38% |
| American Transmission Systems, Inc. | 3,572,790 | 16.12% |
| Dominion East Ohio Gas Company | 2,088,240 | 9.42% |
| Orwell Natural Gas Co, Inc. | 19,010 | 0.08% |
| Totals | <u>\$ 22,167,580</u> | <u>100.00%</u> |
| Total Assessed Valuation | <u>\$ 22,167,580</u> | |
| December 31, 2004 | | |
| Cleveland Electric Illuminating Company | \$ 10,385,610 | 60.67% |
| American Transmission Systems, Inc. | 2,263,130 | 13.22% |
| Ohio Bell Telephone | 1,803,160 | 10.53% |
| Western Reserve Telephone Company | 999,950 | 5.84% |
| Dominion East Ohio Gas Company | 779,400 | 4.55% |
| Totals | <u>\$ 16,231,250</u> | <u>94.81%</u> |
| Total Assessed Valuation | <u>\$ 17,117,120</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, 2014

| | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed Valuation (2) | <u>\$ 609,217,530</u> | <u>\$ 607,686,610</u> | <u>\$ 608,760,220</u> | <u>\$ 646,667,530</u> |
| Bonded Debt Limit - 9% of Assessed Value (1) | \$ 54,829,578 | \$ 54,691,795 | \$ 54,788,420 | \$ 58,200,078 |
| Outstanding debt: | | | | |
| General Obligation Bonds | 900,000 | 1,070,000 | 2,870,000 | 4,875,000 |
| Less Amount Available in Debt Service Fund | <u>(26,990)</u> | <u>(52,380)</u> | <u>(1,017,110)</u> | <u>(1,159,526)</u> |
| Amount of Debt Subject to Debt Limit: | <u>873,010</u> | <u>1,017,620</u> | <u>1,852,890</u> | <u>3,715,474</u> |
| Overall Debt Margin | <u>\$ 53,956,568</u> | <u>\$ 53,674,175</u> | <u>\$ 52,935,530</u> | <u>\$ 54,484,604</u> |
| Bonded Debt Limit - .1% of Assessed Value (1) | \$ 609,218 | \$ 607,687 | \$ 608,760 | \$ 646,668 |
| Amount of Debt Applicable | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Unvoted Debt Margin | <u>\$ 609,218</u> | <u>\$ 607,687</u> | <u>\$ 608,760</u> | <u>\$ 646,668</u> |
| Additional Limit for Unvoted Energy Conservation Conservation Bonds: | | | | |
| Debt Limit - .9% of Assessed Valuation | <u>\$ 5,482,958</u> | <u>\$ 5,469,179</u> | <u>\$ 5,478,842</u> | <u>\$ 5,820,008</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.

| 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--------------------------|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <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> | <u>\$ 597,218,360</u> |
| \$ 58,282,107 | \$ 58,357,239 | \$ 58,075,997 | \$ 57,675,310 | \$ 57,589,846 | \$ 53,749,652 |
| 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) | 15,410,000 (2,128,389) |
| <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>13,281,611</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> | <u>\$ 40,468,041</u> |
| \$ 647,579 0 | \$ 648,414 0 | \$ 645,289 0 | \$ 640,837 0 | \$ 639,887 0 | \$ 597,218 0 |
| <u>\$ 647,579</u> | <u>\$ 648,414</u> | <u>\$ 645,289</u> | <u>\$ 640,837</u> | <u>\$ 639,887</u> | <u>\$ 597,218</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> | <u>\$ 5,374,965</u> |

West Geauga Local School District
Geauga County, Ohio
Computation of Direct & Overlapping General Obligation Bonded Debt
as of June 30, 2014

| | General Obligation Bonded Debt Outstanding | Percentage Applicable to School District (1) | Amount Application to School District |
|-----------------------------------|---|---|--|
| Direct: | | | |
| West Geauga Local School District | \$ 900,000 | 100.00% | \$ 900,000 |
| Overlapping: | | | |
| Geauga County | 7,099,473 | 21.02% | 1,492,309 |
| Hunting Valley Village | 5,250,000 | 11.45% | 601,125 |
| Russell Township | 1,535,000 | 95.63% | 1,467,921 |
| Geauga-Trumbull Jt. Solid Waste | 550,000 | 10.12% | 55,660 |
| Total Overlapping | 14,434,473 | | 3,617,015 |
| Total | \$ 15,334,473 | | \$ 4,517,015 |

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 2013 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 |
|--------------------|---|---------------------------|-----------------------|---|--|
| 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 |
| 2005 | 13,281,611 | 597,218,360 | 16,841 | 2.22% | 788.65 |

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) |
|--------------------|---------------------------------|-------------------------------|----------------------------------|---------------------------------|---|
| 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 | 656,994,691 |
| 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 |
| 2005 | 15,410,000 | 2,350,000 | 0 | 17,760,000 | 788,046,215 |

Source: School District Records

(1) Personal income calculated on S-27

N/A - Information not available.

| Percentage of Personal Income | | Net Debt Per Capita |
|--|----|--------------------------------|
| 0.10% | \$ | 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 |
| 2.25% | | 1,055 |

West Geauga Local School District
Geauga County, Ohio
Principal Employers
2013 and 2004

| | | 2013(1) | | |
|--------------------------------------|----------------------|-----------|------|--------------------------------|
| Employer | Nature of Business | Employees | Rank | Percentage of Total Employment |
| Kraftmaid Cabinetry Inc./Masco Corp. | Manufacturer | 1,218 | | 2.47% |
| Geauga County | Government | 1,024 | | 2.07% |
| University Hospital Health Systems | Hospital/Health Care | 873 | | 1.77% |
| WalMart | Retailer | 765 | | 1.55% |
| Great Lakes Cheese | Cheese Packager | 620 | | 1.26% |
| Chardon Local School District | School District | 590 | | 1.19% |
| Kenston Local School District | School District | 559 | | 1.13% |
| Giant Eagle | Retailer | 545 | | 1.10% |
| Dillen Products | Manufacturer | 358 | | 0.72% |
| West Geauga Local School District | School District | 292 | | 0.59% |
| | | 6,844 | | 13.85% |
| Total County Civilian Workforce | | 49,400 | | |

| | | 2004 | | |
|-----------------------------------|----------------------|-----------|------|--------------------------------|
| Employer | Nature of Business | Employees | Rank | Percentage of Total Employment |
| Kraftmaid, Inc. | Manufacturer | 2,689 | | 5.31% |
| Six Flags, Inc. | Amusement Park | 2,190 | (2) | 4.33% |
| University Hospital Health System | Hospital/Health Care | 1,225 | | 2.42% |
| Geauga County | Government | 1,093 | | 2.16% |
| Duramax, Inc. | Manufacturer | 713 | | 1.41% |
| Great Lakes Cheese | Cheese Packager | 487 | | 0.96% |
| Dillen Products | Manufacturer | 445 | | 0.88% |
| Kenston Local School District | School District | 436 | | 0.86% |
| Chardon Local School District | School District | 368 | | 0.73% |
| West Geauga Local School District | School District | 298 | | 0.59% |
| | | 9,944 | | 19.65% |
| Total County Civilian Workforce | | 50,600 | | |

Source: Geauga County Auditor

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

(1) 2014 information is not yet available.

(2) Includes seasonal employees.

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

| Fiscal Year | Geauga County Population (1) | Geauga County Personal Income Per Capita (2) | West Geauga LSD Area Population | West Geauga LSD Area Personal Income (3) | West Geauga LSD Enrollment (4) | Unemployment Rate (5) |
|--------------------|-------------------------------------|---|--|---|---------------------------------------|------------------------------|
| 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% |
| 2005 | 94,602 | 46,793 | 16,841 | 788,040,913 | 2,517 | 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 2014 and 2007

| Fiscal Year 2014 | | | |
|----------------------------|-----------------------|----------------------|------------------------|
| School Buildings: | Number of Students | Building Capacity | Percent of Capacity |
| Lindsey Elementary School | 389 | 534 | 72.8% |
| Westwood Elementary School | 435 | 575 | 75.7% |
| West Geauga Middle School | 540 | 727 | 74.3% |
| West Geauga High School | 835 | 1,003 | 83.3% |
| | 2,199 | 2,839 | |

| Fiscal Year 2007 (1) | | | |
|-----------------------------|-----------------------|----------------------|------------------------|
| School Buildings: | Number of Students | Building Capacity | Percent of Capacity |
| Lindsey Elementary School | 476 | 534 | 89.1% |
| Westwood Elementary School | 431 | 575 | 75.0% |
| West Geauga Middle School | 656 | 727 | 90.2% |
| West Geauga High School | 925 | 1,003 | 92.2% |
| | 2,488 | 2,839 | |

Source: School District Records

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

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

| Year | Government Wide Expenditures | Average Daily Student Enrollment (1) | Per Pupil Cost | Percentage Change | Teaching Staff | Pupil/Teacher Ratio | Students Receiving Reduced or No Cost Lunches | % Students Receiving Reduced or No Cost Lunches |
|-------------|-------------------------------------|---|-----------------------|--------------------------|-----------------------|----------------------------|--|--|
| 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 | 6.03% | 144 | 17.28 | 118 | 4.74% |
| 2005 | 25,668,046 | 2,517 | 10,198 | 14.01% | 148 | 17.01 | 108 | 4.29% |

Source: School District Financial Records, Ohio Department of Education

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

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

| Function | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|--------|--------|--------|--------|--------|
| Regular Instruction | | | | | |
| Teachers | 108.00 | 118.00 | 120.50 | 124.50 | 127.00 |
| Special Instruction | | | | | |
| Teachers | 20.00 | 16.00 | 17.00 | 16.00 | 16.00 |
| Tutors | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Pupil Support Services | | | | | |
| Guidance counselors | 5.00 | 5.00 | 5.00 | 6.00 | 6.00 |
| Nurses | 1.00 | 1.00 | 1.50 | 2.00 | 2.00 |
| Psychologists | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Speech/language pathologists | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Non-teaching support staff | 26.00 | 30.00 | 28.00 | 26.00 | 26.00 |
| Admin - central | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Instructional Support Service | | | | | |
| Librarians | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 |
| Non-teaching support staff | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 |
| Admin - central | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Administration | | | | | |
| Admin - elementary | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Admin - middle school | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Admin - high school | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Staff - central | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Admin - central | 4.00 | 5.00 | 5.50 | 6.50 | 7.00 |
| Fiscal | | | | | |
| Staff - central | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Admin - central | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Business - central | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Operation of plant | | | | | |
| Custodial department | 15.50 | 15.00 | 16.00 | 16.00 | 17.00 |
| Maintenance department | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Admin - central | 3.00 | 0.00 | 0.00 | 0.00 | 1.00 |
| Support services - transportation | | | | | |
| Bus drivers/van drivers | 25.00 | 27.00 | 31.00 | 34.00 | 34.00 |
| Bus aides | 1.50 | 2.00 | 2.00 | 3.00 | 2.00 |
| Mechanics | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Admin | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Food Service Program | | | | | |
| Support services | 8.50 | 9.00 | 11.00 | 16.00 | 17.00 |
| 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 | 249.50 | 260.00 | 269.50 | 283.00 | 289.00 |

Source: School District Records.

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

| <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|---------------|---------------|---------------|---------------|---------------|
| 127.00 | 127.00 | 127.00 | 128.00 | 133.00 |
| 16.00 | 17.00 | 17.00 | 16.00 | 18.00 |
| 1.00 | 1.00 | 1.00 | 3.00 | 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 | 2.00 | 2.00 |
| 27.00 | 29.00 | 30.00 | 30.00 | 31.00 |
| 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 | 6.00 | 6.00 | 6.00 | 7.00 |
| 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 | 16.00 | 17.00 | 19.00 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 35.00 | 35.00 | 34.00 | 35.00 | 35.00 |
| 2.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 1.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 16.00 | 16.00 | 16.00 | 16.00 | 17.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| <u>290.00</u> | <u>292.00</u> | <u>291.00</u> | <u>294.00</u> | <u>306.00</u> |

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

| Year | West Geauga LSD Average Salary | Statewide Average Salary |
|-------------|---|---|
| 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 |
| 2005 | 52,721 | 49,438 |

Source: Ohio Department of Education Local Report Card

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

| Year | Elementary School | Middle School | High School | Total |
|-------------|------------------------------|--------------------------|------------------------|--------------|
| 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 |
| 2005 | 862 | 678 | 877 | 2,417 |

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 |
|--------------------|--|----------------------|--|----------------------|
| 2014 | 96.1% | 94.3% | 93.8% | N/A |
| 2013 | 95.6 | 94.2 | 93.3 | 82.2% |
| 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 |
| 2005 | 95.3 | 94.3 | 97.7 | 86.2 |

Source: Ohio Department of Education Local Report Cards

N/A - Information not available

West Geauga Local School District

**Single Audit
For the Year Ended June 30, 2014**

West Geauga Local School District

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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, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 20, 2015, wherein we noted that the District adopted Governmental Accounting Standards Board (GASB) Statement No. 65, 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.



Cleveland, Ohio
February 20, 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, 2014. 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, 2014.

Report on Internal Control over Compliance

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

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

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

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

Report on 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, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated February 20, 2015, which contained unmodified opinions on those financial statements, wherein we noted the District adopted GASB Statement No. 65, 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.

Board of Education
West Geauga Local School District

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.

Cioni & Paricki, Inc.

Cleveland, Ohio
February 20, 2015

West Geauga Local School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2014

| 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 | 2014 | \$ <u>112,715</u> | \$ <u>112,715</u> |
| Total Nutrition Cluster | | | <u>112,715</u> | <u>112,715</u> |
| Total U.S. Department of Agriculture | | | <u>112,715</u> | <u>112,715</u> |
| U.S. Department of Education: | | | | |
| Passed-Through Ohio Department of Education: | | | | |
| Title I, Part A Cluster: | | | | |
| Title I | 84.010 | 2013/2014 | <u>99,838</u> | <u>110,423</u> |
| Total Title I, Part A Cluster | | | <u>99,838</u> | <u>110,423</u> |
| Special Education Cluster: | | | | |
| Title VI-B | 84.027 | 2013/2014 | <u>458,286</u> | <u>493,554</u> |
| Total Special Education Cluster | | | <u>458,286</u> | <u>493,554</u> |
| Title III | 84.365 | 2014 | 2,727 | - |
| Title II-A | 84.367 | 2013/2014 | 33,643 | 37,317 |
| ARRA - Race to the Top | 84.395 | 2013/2014 | <u>14,903</u> | <u>30,518</u> |
| Total U.S. Department of Education | | | <u>609,397</u> | <u>671,812</u> |
| Total Expenditures of Federal Awards | | | \$ <u><u>722,112</u></u> | \$ <u><u>784,527</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, 2014

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, 2014

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