



Dave Yost • Auditor of State



**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2011**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i>	Federal CFDA		Non-Cash		Non-Cash
Program Title	Number	Receipts	Receipts	Expenditures	Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>					
<i>Passed Through Ohio Department of Education</i>					
Non-Cash Assistance (Food Distribution):	10.555	\$0	\$25,593	\$0	\$25,593
National School Lunch Program					
Cash Assistance: National School Lunch Program	10.555	35,013	0	35,013	0
Total U.S. Department of Agriculture		<u>35,013</u>	<u>25,593</u>	<u>35,013</u>	<u>25,593</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>					
<i>Passed Through Ohio Department of Education</i>					
Title IV-B- Special Education-Grants to States (IDEA, Part B) (2009-2010)	84.027	0	0	5,393	0
Title IV-B-Special Education-Grants to States (IDEA Part B) (2010-2011)	84.027	358,377	0	342,737	0
ARRA- Title VI-B Special Education (IDEA Part B)- Grants to States (2009-2010)	84.391	0	0	6,160	0
ARRA- Title VI-B Special Education (IDEA Part B)- Grants to States (2010-2011)	84.391	218,926	0	286,725	0
Special Education-Preschool Grants	84.173	9,790	0	9,790	0
ARRA- Special Education- Preschool Grants	84.392	12,881	0	12,881	0
Total Special Education Cluster		<u>599,974</u>	<u>0</u>	<u>663,686</u>	<u>0</u>
Total Title I-Grants to Local Educational Agencies	84.010	49,150	0	49,150	0
Improving Teacher Quality (Title II Part A) (2009-2010)	84.367	0	0	3,960	
Improving Teacher Quality (Title II Part A) (2010-2011)	84.367	33,227	0	33,227	0
Total CFDA 84.367		<u>33,227</u>	<u>0</u>	<u>37,187</u>	<u>0</u>
Total Safe and Drug-Free Schools and Communities Grant (Title IV) (2009-2010)	84.186	0	0	1,040	0
Total Educational Technology State Grant (Title II Part D)	84.319	164	0	164	0
Total ARRA-State Fiscal Stabilization (SFSF)	84.397	138,963	0	143,241	0
Total English Language Acquisition	84.365	2,010	0	2,010	0
Total U.S. Department of Education		<u>823,488</u>	<u>25,593</u>	<u>896,478</u>	<u>25,593</u>
<b><u>U.S. Department of Transportation</u></b>					
<i>Passed Through the Ohio Department of Transportation</i>					
Total Safe Routes to School Grant Program	20.205	17,272	0	17,272	0
<b>Total Federal Financial Assistance</b>		<u><b>\$875,773</b></u>	<u><b>\$25,593</b></u>	<u><b>\$948,763</b></u>	<u><b>\$25,593</b></u>

The accompanying notes are an integral part of this schedule.

**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) reports the Chagrin Falls Exempted Village School District (the District's) federal award programs' receipts and disbursements. The schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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



# Dave Yost • Auditor of State

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

Chagrin Falls Exempted Village School District  
Cuyahoga County  
400 East Washington Street  
Chagrin Falls, Ohio 44022

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2011, wherein we noted the District implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

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

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

### **Compliance and Other Matters**

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 14, 2011.

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

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

**Dave Yost**  
Auditor of State

December 14, 2011



# Dave Yost • Auditor of State

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

Chagrin Falls Exempted Village School District  
Cuyahoga County  
400 East Washington Street  
Chagrin Falls, Ohio 44022

To the Board of Education:

### Compliance

We have audited the compliance of Chagrin Falls Exempted Village School District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Chagrin Falls Exempted Village School District's major federal programs for the year ended June 30, 2011. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Chagrin Falls Exempted Village School District complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned costs lists this instance as Finding 2011-01.

### **Internal Control Over Compliance**

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

The District's response to the finding we identified is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

We also noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 14, 2011.

### **Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2011, and have issued our report thereon dated December 14, 2011, wherein we noted the District implemented Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



**Dave Yost**  
Auditor of State

December 14, 2011

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**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2011**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	Yes
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	CFDA# 84.027, 84.391, 84.173, 84.392: Special Education Cluster
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

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

None

**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2011**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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**Noncompliance – Activities Allowed or Unallowed- Time and Effort Requirements**

<b>Finding Number</b>	2011-001
<b>CFDA Title and Number</b>	CFDA 84.027,84.391, 84.173, 84.392: Special Education Cluster
<b>Federal Award Number / Year</b>	2011
<b>Federal Agency</b>	United States Department of Education
<b>Pass-Through Agency</b>	Ohio Department of Education

OMB Circular A-87, Attachment B, paragraphs 8.h.(4), (5), and (6) states an employee who works in part on a single cost objective (i.e., the consolidated administrative cost objective) and in part on a Federal program whose administrative funds have not been consolidated or on activities funded from other revenue sources must maintain time and effort distribution records documenting the portion of time and effort dedicated to the single cost objective and each program or other cost objective supported by non-consolidated Federal funds or other revenue sources.

During our review of the District's special education cluster, we noted one employee, for which time and effort documentation was not maintained.

Failure to maintain the required documentation results in questioned costs of \$14,600.

We recommend the District maintain time and effort documentation for applicable employees and ensure costs charged to each federal program are allowable.

**Official Response:** The pupil services department provides the payroll department a list of employees to be paid from special education funds. In the future, the pupil services department will also submit time and effort documentation when required.



# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURE

Chagrin Falls Exempted Village School District  
Cuyahoga County  
400 East Washington Street  
Chagrin Falls, Ohio 44022

To the Board of Education:

Ohio Revised Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether the Chagrin Falls Exempted Village School District (the District) has updated its anti-harassment policy in accordance with Ohio Revised Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on August 16, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board is not intended to be and should not be used by anyone other than these specified parties.

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

**Dave Yost**  
Auditor of State

December 14, 2011

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# **Chagrin Falls, Ohio Exempted Village School District**

## **Comprehensive Annual Financial Report**

For the Fiscal Year Ended June 30, 2011

Prepared by

Treasurer's Office  
Anne Spano  
Treasurer/CFO



**Chagrin Falls Exempted Village School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2011*  
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**Chagrin Falls Exempted Village School District**  
*Comprehensive Annual Financial Report*  
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**INTRODUCTORY  
SECTION**





# Chagrin Falls Exempted Village Schools

400 EAST WASHINGTON STREET • CHAGRIN FALLS, OHIO 44022  
PHONE (440) 247-4388 • FAX (440) 247-5831

WILLIAM G. KOONS, Ph.D.  
*Superintendent*  
CHARLES A. MURPHY, JR.  
*Director of Curriculum and Instruction*  
KURT GABRAM  
*Director of Business and Personnel*  
CHRISTINE A. JACKSON, Ph.D.  
*Director of Pupil Services*

BOARD OF EDUCATION  
KAREN WISE  
*President*  
MARY KAY O'TOOLE  
*Vice President*  
ELIZABETH H. O'NEIL  
KAREN PENLEP, CPA  
ANNE B. THOMAS, Ph.D.  
ANNE SPANO  
*Treasurer/CFO*

December 14, 2011

## Board of Education Members and Residents of the Chagrin Falls Exempted Village School District

We are pleased to submit to you the Chagrin Falls Exempted Village School District's Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2011. This CAFR includes an audit opinion from the Ohio Auditor of State's office and conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Chagrin Falls Exempted Village School District with comprehensive financial data in a format of which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the local villages and cities comprising the School District, the Cuyahoga and Geauga County Public Libraries, major taxpayers, financial rating services, and other interested parties.

### **The School District**

The Chagrin Falls Exempted Village School District is located in both Cuyahoga and Geauga counties in northeastern Ohio, approximately thirteen miles east of the City of Cleveland. The School District's territory encompasses the entire territory of Chagrin Falls Township and the Villages of Chagrin Falls, Bentleyville, South Russell, and a portion of the territories of the Village of Moreland Hills and the Townships of Bainbridge and Russell. The School District operates one elementary school (built in 1968 – PreK – grade 3), one intermediate school (built in 1938 – grades 4-6), one middle school (built in 1999 – grades 7-8) and a high school (built in 1960 – grades 9-12). Current enrollment (for the 2010-2011 school year) was 2,018, and enrollment projections show that enrollment will remain steady over the next ten years (no substantial growth or reductions).

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and/or Federal agencies.

### **The Reporting Entity**

The School District has reviewed its reporting entity definition in order to insure 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 all agencies, departments and organizations making up the Chagrin Falls Exempted Village School District (the primary government) and its potential component units.

The Lake Geauga Computer Association (LGCA) and the Ohio Schools Council are jointly governed organizations whose relationship to the School District is described in Note 15 to the basic financial statements. The School District also participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool that is described in Note 16 to the basic financial statements.

## Major Initiatives

The 2010 – 2011 school year marked the beginning of our 163<sup>rd</sup> year of educating our school district's students. Last June at our 123<sup>rd</sup> commencement, our 10,000<sup>th</sup> graduate received a diploma. Throughout our many years, we have had a long and successful history as a school system. Each and every year we strive to focus on our district goal to "Improve Student Learning." The district has been ranked by the Ohio Department of Education as "Excellent with Distinction" for eleven straight years. The Intermediate School, Middle School and High School are all recipients of the National Blue Ribbon from the Department of Education, while Gurney School has been honored as a Hall of Fame School. *Newsweek* magazine ranked Chagrin High School this year as the top school in Northeast Ohio, fourth best in the state and the ninety-second best school in the entire country. These awards are a result of a supportive community working together with a quality staff to provide the best possible education for our children. Our high school Advanced Placement program achieved record numbers of students participating, record number of tests taken and record number of scores of three or higher. Our high school activities include, among many others, Academic Challenge, International Club and Key Club. Last year we competed in the state championship level in debate, football, gymnastics, swimming, tennis and track. In so doing, our swim team set twelve new school records. In addition, our students traveled to China, Costa Rica, South Africa and Spain as part of school projects.

Gurney Elementary School is a very warm, welcoming environment in which a child-centered atmosphere is maintained along with a focus on academic excellence. All teachers at Gurney provide daily experiences for their students that encourage emotional, social, physical and academic growth. During the 2010-2011 school year, almost 600 students in preschool, kindergarten, first, second and third Grades attended Gurney. In addition to the high caliber instruction within the academic programs, students identified with exceptional needs are supported by the assistance of intervention specialists, speech therapists, an occupational therapist, a physical therapist, reading interventionists, a math interventionist, and a guidance counselor. Weekly instruction was provided for all students in art, music, physical education, and library. Second and third graders also received instruction in Chinese and Spanish. Along with those specialty areas, each classroom teacher utilizes the computer lab, smart boards/mimios, digital storytelling applications, blogs, digital/flip cameras and extensive science materials to supplement and extend learning experiences.

Gurney staff and students were proud of many achievements in 2010-11. All Gurney students participated in the Cuyahoga County Solid Waste Contest to produce a Zero Waste Lunch and placed in the top 10 for all of Cuyahoga County. Our third grade Gurney Service Learning Club provided many services this year to various community groups including Geauga County Meals on Wheels, Hamlet Senior Center, and the Leukemia/Lymphoma Society. All Gurney students were introduced to a much more kinesthetic feel in our classrooms as traditional student chairs were replaced with stability balls, and teachers utilized Brain Breaks activities to infuse the days with movement, enhancing readiness to learn. We also joined the national initiative Let's Move in School and had an entire week of physical activity throughout the day, recess challenges, and physical activity for homework. Gurney also joined the national One School One Book initiative this year. Students were introduced to the book, *A Cricket in Times Square*, at a surprise assembly, and then all kindergarten, first, second, and third graders read a chapter each night at home. Every class in the school contributed to our own newspaper (a link to the newsstand in the novel) by writing an article related to our One School One Book experience. With the help of our high school student newspaper crew, we were able to have it formatted, and thanks to the Chagrin Valley Times, we were able to have 600 copies printed – just like a real newspaper.

Grade level and department teams worked together to create instructional units that engaged students in the learning process. Kindergarteners' reading and writing skills soared through poetry and writer's workshop

activities. First graders worked with some of our Chagrin Falls High School science students to learn about nocturnal animals. Second graders learned basic economics concepts and created their own “mini-societies” in which they each provided goods and services. Third graders enjoyed science and social studies rotations among all of their teachers through which students were challenged and engaged with hands-on activities. Both second and third graders enjoyed a literacy day with the seventh and eighth graders at Chagrin Falls Middle School where they were able to read together and share pieces of their own writing. Of course the famous Gurney Holiday Show was a fantastic musical hit. The Gurney Art Walk left many in awe as over 600 pieces of student art were displayed in the hallways, display cases, and library. In physical education classes, our students learned dances from all over the world, practiced their roller skating skills, and learned the basics of many popular sports. All of these programs and more have enhanced the culture at Gurney Elementary School and will only continue to support our goal of improving student learning.

Chagrin Falls Intermediate School houses our district’s fourth, fifth and sixth graders. In the 2010-2011 school year the enrollment reached 476 students. The faculty and student body work together to transition from Gurney School to the Middle School in just three short years. The Intermediate School staff worked on several goals this year. The first goal was to implement our new language arts program in grade four and to investigate a new language arts program in grades five and six. The second goal was to continue the development of RTI programs and procedures. The third goal was to continue developing and implementing Short Cycle Assessments in all content areas three times a year. The school’s fourth goal was to create opportunities for students to have physical activity breaks throughout the school day based on current research and in support of the kidsMoveSmart Program. In addition, the Intermediate School staff implemented the One Book One School program. We surprised our students with an opening day assembly that introduced the program as well as the novel that the entire school read for the month of May: *The Indian in the Cupboard*. We invited a Native American guest speaker to our opening assembly who talked with the students at the assembly about the beliefs and culture of real Native Americans, while staff members dressed up as the two main characters of the story and put on a skit to introduce the book.

After-school activities are very important at our school. In the spring, many of our fifth grade students made rockets in Rocket Club. This culminated with a huge rocket launch behind the Middle School. PAWS (People Always Willing to Serve) is a service-learning club that works on different projects to help others. They raised money for the Leukemia/Lymphoma, Harvest for Hunger, and Tsunami Relief through the Red Cross. In total, they raised nearly \$4,500 for these very worthwhile organizations. Student Council made their presence known this year by promoting two spirit weeks, facilitating Family Movie Night, and working with PAWS on the Harvest for Hunger food drive. Destination Imagination was very successful again this year. We had three teams, one of which made it to the state competition.

Our “specials” play a huge part in the education of our students. We enjoyed several outstanding music concerts this year, including fourth grade recorder, fourth through sixth grade strings, fifth and sixth grade band, and fifth and sixth grade select choir. We even had our second annual general music concert this year and held our first ever “Drum with Me” concert that featured students teaching their parents how to use the African Drums. All of our students took Chinese and Spanish classes as part of our specials programming. Physical education had a large impact on our school as our students participated in Hoops for Heart to help raise money for the American Heart Association. COSI-on-Wheels came in this year to present *It’s Simply Chemistry* to all of our students. With the help of over sixty volunteers, students were able to perform many hands-on experiments that were designed to help our students understand the complexities of energy. We ended the year with our sixth grade talent show that featured singing, dancing, and comedy acts, as well as skits and a performance by the sixth grade teachers. In addition, the sixth graders enjoyed their annual three day retreat at the Cuyahoga Valley Environmental Education Center located in Peninsula, Ohio. Students learned about sustainability and how their daily choices impact the environment. This is an event that also builds relationships among staff and students. We continued a program called Project Wisdom whose centerpiece was a series of passages that quote famous people and cover a wide range of themes that inspire staff and students. Each morning during announcements, a different staff member read one of these daily messages that always end with, “Make it a great day, or not, the choice is yours.” Our staff and students found these daily messages to be both inspirational and a way of modeling good choices.

Chagrin Falls Middle School had a student enrollment of 312 seventh and eighth graders for the 2010-2011 academic year. The Middle School staff provided many opportunities for academic and social growth that benefited all the Middle School students. The students also benefited from a shared high school/ middle school campus. This year, students were provided many educational opportunities that included three tiers of language arts instruction, accelerated courses for high school credit, several foreign language opportunities, and special classes including choir, band, art, computer, health, physical education, and consumer science. Students performed exceptionally well on the Ohio Achievement Tests administered in the spring. In reading, 95.7% of all seventh graders and 100% of all eighth graders performed above the proficient level. In math, 96.9% of all seventh graders and 97.3% of all eighth graders performed above the proficient level. In science, 93.9% of all eighth graders performed above the proficient level. This is evidence of the strong instructional strategies used by the staff. Because of our strong academic performance, the Middle School was named a National Blue Ribbon School for the 2010-2011 school year.

Chagrin Falls Middle School is a member of the Chagrin Valley Conference. This allows our students to participate in 12 interscholastic sports. Other extracurricular activities include student council, Principal Advisory Committee, Ski Club, middle school select choir, yearbook, newspaper, and Power of the Pen. One member of our Power of the Pen club placed in state competition this year. We also hosted a Geography Bee with one of our students qualifying to compete at the state level. Several teams of students participated in the Greater Cleveland Council of Mathematics competition. All of those teams placed either first or second in their competition categories. Middle School students had many opportunities to participate in educational field trips this year. Foreign language students took six field trips that extended their knowledge of their chosen language. Both the eighth grade and seventh grade classes attended a playhouse production of *A Christmas Carol*. Two of our seventh grade students performed in that production. Ten eighth graders were chosen to participate in the Chagrin Valley Leadership Conference located at Independence Middle School. Twelve 8th grade students attended a leadership conference hosted by the Diversity Center of Northeast Ohio with one of our students being named a Diversity Champion. The eighth graders traveled to Washington, D.C. in May. This trip extended student learning and supported state standards in all content areas.

The Middle School also has a strong focus on fine arts with many of our students performing in strings, choir, and band concerts throughout the year. The Middle School hosted the Chagrin Valley Art Forum with thirteen schools in attendance. All our students had artwork displayed at the district art show at Hamlet, with many of them winning awards. Several of our students performed in the district spring musical, and our honors English classes hosted a Shakespeare Festival. Participation in these kinds of activities enhances and supports academics in the classroom. The Middle School focused on effective education by organizing a variety of student development days. Topics included bullying, tolerance and diversity, literacy, healthy lifestyle changes and effective study skills. We ended the year with a "Kindness Assembly" that was organized and delivered by a team of our students. We awarded great behavior and hard work with our weekly PAW Pack Program and the students started a "Kindness Wall" in the cafeteria. The Middle School staff will continue to strive for academic excellence by providing successful opportunities for all our students.

Chagrin Falls High School is a four-year comprehensive high school that continues to be recognized as a National School of Excellence. We had yet another successful Advanced Placement (AP) testing season in which 226 juniors and seniors took 552 tests. Last year our results were outstanding, and we expect sustained outcomes this year. 74% of the AP tests administered last year were scored at a 3 or higher. During the 2010-2011 school year, Chagrin Falls High School had an enrollment of 651 students. Small class sizes, over 131 course offerings and 17 advanced placement classes provided students with the opportunity for academic and personal growth. The commitment to academic excellence was highlighted with ten commended and three finalists in the National Merit Corporation competition. We inducted 29 students into the Cum Laude Society. This is the third year of the Performing Arts Academy at Chagrin Falls. This program is an accredited, half day program under the umbrella of northeast Ohio's Mayfield Consortium. The Academy is a college preparatory program that inspires character development and self discovery.

The Fine Arts are a vital portion of the well-rounded education provided at Chagrin Falls High School. The Drama and Music Departments presented outstanding performances of *Father Knows Best* and *Beauty and the Beast*. Our Music Program featured marching band and concert bands, string orchestra, women's choir and mixed ensemble. Many of our art students received recognition at the local, state and national levels for their work.

The school is committed to the full development of its student-athletes by offering 24 varsity sports. Football, Girls Tennis, Swimming, and Track were represented in the state semis or finals. All students had the opportunity to participate in various extra-curricular activities and student enrichment programs including the school newspaper, student government, a literary magazine, yearbook, and service and academic clubs, along with an in-house television station.

Students also gave back to the community by participating in several service projects which included a blood drive, canned food drive, and donations to various charities such as Adopt a Family and Meals on Wheels. Over 134 of our graduating seniors took part in the senior project, which provided them with an opportunity to experience on-the-job training in various career settings.

As proud as we are of our students' achievements, our staff continues to demonstrate success and excellence. Numerous teachers continue to develop themselves professionally through post graduate course work and seminars. The combined efforts of our students and staff made this another great year at Chagrin Falls High School.

### **Major Event**

On November 5, 2010, Moody's Investors Service upgraded the district's outstanding general obligation debt to Aa1 from Aa2. Moody's also assigned the Aa1 rating to the district's \$1.34 million General Obligation Limited Tax Energy Conservation Improvement Bonds. According to Moody's the assignment and upgrade to the Aa1 rating reflects the district's strong socioeconomic profile, well-managed financial operations and manageable debt level.

### **Future Projects**

The educational program serves our students, parents and community in an effort to continuously improve. This process involves assessing current programs, identifying areas to improve, developing options, selecting the best option and assessing results. Course of study revisions for the 2011 - 2012 school year are science, art and guidance. The district continues to develop and expand the use of technology in the classroom. The district continues to utilize a response to intervention model to assist at risk students. The entire teaching staff is reading the book Focus by Michael Schmoker in preparation for adopting the new Common Core and state standards. The district remains committed to offering a well-rounded education that promotes international mindedness. We continue to foster international collaborative relationships in China and partnered with South Africa this year and will look to expand that in the coming years with additional countries.

In the winter of 2011 the district approved a House Bill 264 Energy Conservation Project. The project includes upgrades to lighting, HVAC and other initiatives providing energy efficiency to each of the buildings throughout the district. The project is expected to conclude during the 2011-2012 school year.

From a financial viewpoint, the School District will continue to monitor and impact, where possible, the Ohio Supreme Court's decisions regarding school funding and the legislative implementation of solutions. The district will also continue to monitor the effects of Ohio House Bill 66, approved by the Ohio Legislature during the summer of 2005. H.B. 66 includes the phased-out elimination of the tangible personal property tax (including taxes on business tangible property and public utility property for telephone companies and railroads). In the spring of 2011, legislation passed that accelerated the phase-out of the state's reimbursement to school districts for tangible personal property taxes. The district completed contract negotiations with the non-certificated union in the spring of 2011.

The School District will also seek the Certificate of Excellence in Financial Reporting for the School District's 2011 Comprehensive Annual Financial Report.

## **Economic Conditions and Outlook**

The Chagrin Falls Exempted Village School District area is an affluent residential community encompassing 27.5 square miles. The School District is rich in heritage, while maintaining an "old time" atmosphere with specialty shopping. Approximately 85% of the area is residential and 15% of the area is business property. The average federal adjusted gross income levels were at \$132,925 based on the 2009 Ohio Department of Taxation records, which maintains the Chagrin Falls Exempted Village School District as fifth in the State among 614 school districts. The School District has been ranked among the top ten school districts for the past twenty-two years.

Economic conditions have continued to weaken during the past year, and a recovery will depend upon a number of events, both nationally and worldwide. Legislative changes in the calculation of personal property taxes continue to affect the district through decreasing revenues, as do decreases in state funding. Federal Stimulus dollars were available during the 2010-2011 school year. Student enrollment has increased at a manageable rate. The 2010-11 enrollment of 2,018 students reflects an increase of two students as compared to the 2009-10 school year, and an increase of 99 students compared to the 2000-2001 school year.

The School District's general area is served by diversified transportation facilities. School District residents have convenient access to four State and United States highways and two interstate highways. The School District is adjacent to areas served by Conrail, Amtrak and Norfolk and Western Railroads, and is served by passenger air service at Cleveland Hopkins International Airport. The City of Cleveland is easily accessible within a half-hour's drive of the School District.

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. As a result, school districts throughout Ohio must place funding issues on the ballot to receive significant revenue growth. Chagrin Falls Exempted Village School District garners excellent levy support from its constituents. Historically, constituents of the School District have approved operating levies that have been submitted to the voters, in advance of the School District experiencing financial shortcomings.

## **Financial Information**

### *Internal Accounting and Budgetary Control*

The School District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Reports for general governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

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 capital assets and payroll. These systems, coupled with the manual auditing of each invoice prior to payment, ensure that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, a permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within three months after the start of the fiscal year.

Annual appropriations may not exceed the 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 amounts 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 in the general and debt service funds and at the fund level for all other funds. All purchase order requests must be approved by the Building Principal and certified by the Treasurer; necessary funds are then encumbered and purchase orders 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 year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

The basis of accounting and the various funds and account groups utilized by the School District 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.

### ***Financial Condition***

This is the ninth year the School District has prepared financial statements following GASB Statement 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." GASB 34 created new basic financial statements for reporting on the School District's financial activities as follows:

***Government-wide financial statements*** - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

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

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

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion provides an assessment of the School District's finances for 2011 and a discussion of current issues that affect the School District's outlook for the future. Because that discussion focuses on major funds, other nonmajor funds are discussed briefly in this letter.

## **Independent Audit**

State statutes require the School District to be subjected to an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. The Ohio Auditor of State's office rendered an opinion on the School District's financial statements for the year ended June 30, 2011. The opinion appears at the beginning of the financial section of this report.

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

## **Awards**

### *Certificate of Achievement*

The Government Finance Office Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chagrin Falls Exempted Village School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

## **Acknowledgements**

The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, the District's Audit Committee, and various administrators and employees of the School District. Assistance of the Cuyahoga and Geauga County Auditors' office staffs and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to Rea & Associates, Inc. for their assistance in planning, designing and reviewing this financial report.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully,



Dr. William G. Koons  
Interim Superintendent



Ms. Anne Spano  
Treasurer

***Chagrin Falls Exempted Village School District***  
*Principal Officials*  
*June 30, 2011*

***Board of Education***

Karen Wise	President
Mary Kay O'Toole	Vice President
Elizabeth H. O'Neil	Member
Karen Penler	Member
Anne B. Thomas Ph.D.	Member

***Treasurer/CFO***

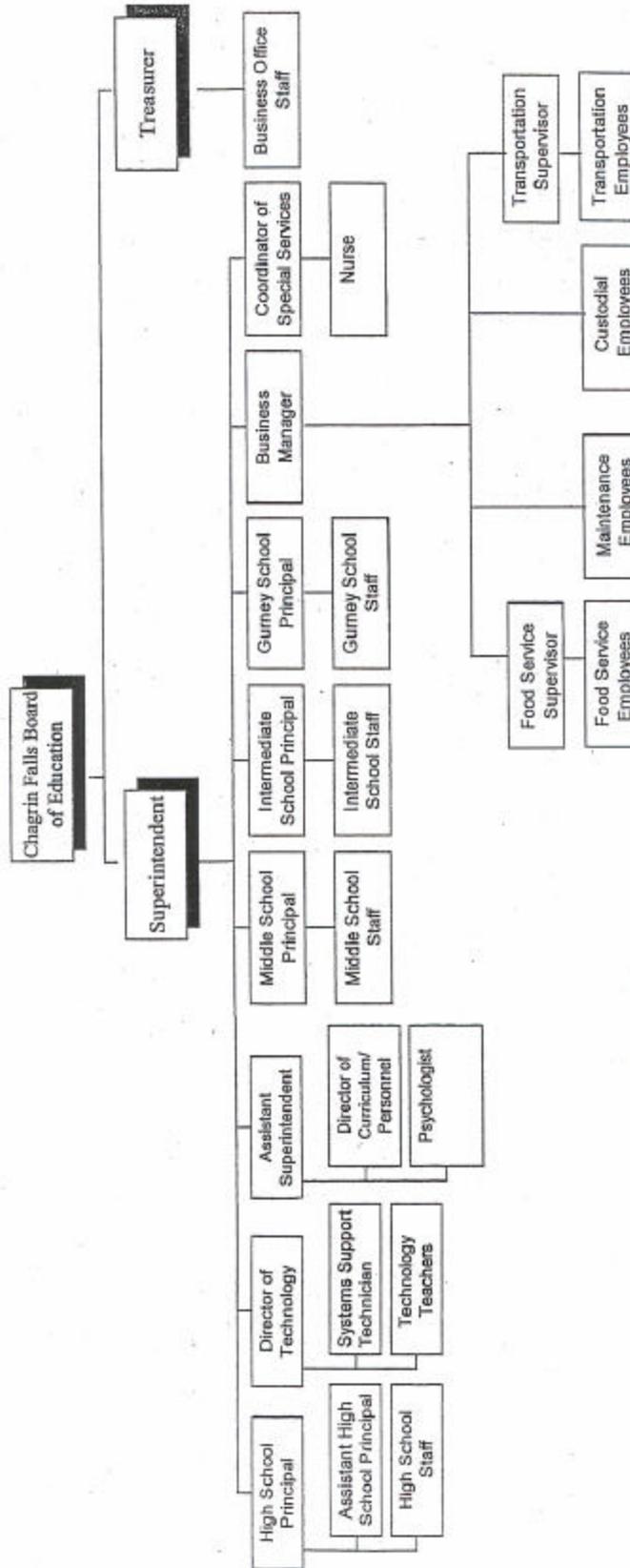
Anne Spano

***Superintendent***

William G. Koons, Ph.D.

# CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

## ORGANIZATION CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Chagrin Falls Exempted  
Village School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2010

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



A stylized, handwritten signature in black ink, appearing to read "Jeffrey R. Enos".

President

A second, more legible handwritten signature in black ink, appearing to read "Jeffrey R. Enos".

Executive Director

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# **FINANCIAL SECTION**





# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Chagrin Falls Exempted Village School District  
Cuyahoga County  
400 East Washington Street  
Chagrin Falls, Ohio 44022

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, as of June 30, 2011, and the respective changes in financial position and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, the District adopted the provisions of Governmental Accounting Standard Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and restated the June 30, 2010 fund balances of the Governmental Funds due to a change in fund structure.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2011, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



**Dave Yost**  
Auditor of State

December 14, 2011

## **Chagrin Falls Exempted Village School District**

### *Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011 (Unaudited)*

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The discussion and analysis of the Chagrin Falls Exempted Village 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, 2011. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, 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 2011 are as follows:

- ❑ On July 1, 2010, the School District implemented Governmental Accounting Standards Board Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions.*" As a result, several funds have been reclassified for GAAP purposes, including combining the business-type activities to governmental funds. See Note 2Q in the Notes to the Financial Statements for complete details.
- ❑ General Revenues accounted for \$27.1 million in revenue or 89% of all revenues in the governmental activities. Program specific revenues in the form of charges for services and sales, grants, contributions and interest accounted for approximately \$3.3 million or 11% of total revenues of \$30.3 million. Program expenses amounted to \$29.0 million for the governmental activities.
- ❑ Net assets increased \$1.3 million over fiscal year 2010.
- ❑ Capital assets in the governmental activities decreased \$.8 million through depreciation exceeding acquisitions. In fiscal year 2011, the School District continued with building improvements and renovations and purchased a school bus and pickup truck.
- ❑ The School District issued a \$1.3 million Energy Conservation Bond and made principal payments on outstanding debt of \$1.0 million in fiscal year 2011.

#### **Using this Comprehensive Annual Financial Report (CAFR)**

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 Chagrin Falls Exempted Village 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 Assets* 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 highlight the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Chagrin Falls Exempted Village School District, the general fund is by far the most significant fund.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*(Unaudited)*

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***Reporting the School District as a Whole***

*Statement of Net Assets and the Statement of Activities*

While this document contains 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 2011?" The *Statement of Net Assets* and the *Statement of Activities* answer this question.

These statements include *all assets and liabilities* 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.

These two statements report the School District's *net assets and changes in those assets*. This change in net assets 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 Assets and the Statement of Activities, the School District activities are listed as:

- Governmental Activities - Most of the School District's programs and services are reported here, including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.

***Reporting the School District's Most Significant Funds***

*Fund Financial Statements*

The analysis of the School District's major funds begins on page 9. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for 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 and the debt service 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 Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
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*(Unaudited)*

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Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The School District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements begin on page 16.

**Fiduciary Funds** - These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the School District's own programs. The accounting for the fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements are on page 21.

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

The notes to the basic financial statements begin on page 23.

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**Chagrin Falls Exempted Village School District**  
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**The School District as a Whole**

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2011 compared to 2010:

**(Table 1)**  
**Net Assets**  
**Governmental Activities**

	2011	Restated 2010
<b>Assets</b>		
Current and Other Assets	\$ 32,848,988	\$ 30,871,799
Capital Assets	28,647,106	29,459,219
 Total Assets	 61,496,094	 60,331,018
<b>Liabilities</b>		
Other Liabilities	20,341,782	20,561,501
Long-Term Liabilities	28,341,175	28,256,729
 Total Liabilities	 48,682,957	 48,818,230
<b>Net Assets</b>		
Invested in Capital		
Assets Net of Debt	4,722,780	4,490,753
Restricted	5,141,274	3,843,429
Unrestricted (Deficit)	2,949,083	3,178,606
 Total Net Assets	 \$ 12,813,137	 \$ 11,512,788

Total assets in the governmental activities increased by \$1.2 million, which includes an increase in cash. A decrease of approximately \$.8 million in total capital assets reflects depreciation exceeding additional purchases. Other liabilities decreased by \$.2 million mainly due to a decrease in deferred tax revenue in the governmental activities. Tax revenue available to the School District at June 30, 2011 increased from the prior year which decreases the amount of revenue deferred to finance fiscal year 2012 activities. The net assets of the School District's governmental activities increased approximately \$1.3 million or 11% over fiscal year 2010.

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Table 2 shows the changes in net assets for fiscal year 2011 compared to 2010.

**(Table 2)**  
**Governmental Activities**

	2011	Restated 2010
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for Services	\$ 1,904,912	\$ 1,744,820
Operating Grants	1,098,640	826,831
Capital Grants	272,000	0
<i>General Revenue:</i>		
Property Taxes	21,347,769	20,602,754
Grants and Entitlements, not Restricted to Specific Programs	5,608,901	5,493,978
Other	114,848	261,752
<i>Total Revenues</i>	30,347,070	28,930,135
<b>Program Expenses</b>		
Instruction	15,906,862	15,222,121
Support Services	9,990,048	8,781,827
Operation of Non-Instructional	202,322	160,455
Food Service Operations	583,757	669,562
Extracurricular Activities	994,169	844,500
Interest and Fiscal Charges	1,369,563	1,360,443
<i>Total Expenses</i>	29,046,721	27,038,908
Increase (Decrease) in Net Assets	\$ 1,300,349	\$ 1,891,227

The vast majority of revenue supporting governmental activities is general revenue (property taxes). General revenue in governmental activities increased 3% from \$26.4 million in 2010 to \$27.1 million in 2011. Program revenues in governmental activities increased \$.7 million over fiscal year 2010. Grants through the Education Jobs and Race to the Top programs in addition to a donation for the new fitness center contributed to this increase. Program expenses in governmental activities increased from \$27.0 million in 2010 to \$29.0 million in 2011 or 7%. An increase in operation and maintenance expenses account for the majority of this change. The School District has been upgrading windows and doors along with paving the campus. These projects will help maintain current capital asset operational efficiencies.

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*(Unaudited)*

**Governmental Activities**

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. All governmental activities had total revenues of \$30.3 million and expenses of \$29.0 million in fiscal year 2011.

**(Table 3)**  
**Governmental Activities**

	2011		Restated 2010	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 15,906,862	\$ 14,725,235	\$ 15,222,121	\$ 14,328,250
Support Services:				
Pupil and Instructional Staff	2,776,399	2,211,547	2,502,847	1,886,707
Board of Education, Administration and Fiscal	3,210,535	3,205,215	3,011,126	3,002,138
Operation and Maintenance of Plant	2,626,552	2,626,552	2,003,459	1,990,526
Pupil Transportation and Central	1,376,562	1,359,290	1,264,395	1,264,395
Operation of Non-Instructional	202,322	17,533	160,455	34,399
Food Service Operations	583,757	(45,825)	669,562	(7,684)
Extracurricular Activities	994,169	327,927	844,500	608,083
Interest and Fiscal Charges	1,369,563	1,343,695	1,360,443	1,360,443
	<u>\$ 29,046,721</u>	<u>\$ 25,771,169</u>	<u>\$ 27,038,908</u>	<u>\$ 24,467,257</u>

Instruction and student support services comprise 64% of governmental program expenses. Pupil transportation accounts for 5% and the operation and maintenance of facilities accounts for 9% of governmental program expenses. Interest and fiscal charges were 5%. Interest expense was attributable to the outstanding bonds and fiscal expenses including payments to the County Auditors for administrative fees.

Program revenues covered 11% of costs in fiscal year 2011 compared to 10% in fiscal year 2010. The dependence upon tax revenues for governmental activities is apparent. The community, as a whole, is by far the primary support for Chagrin Falls Exempted Village School District students.

**Chagrin Falls Exempted Village School District**  
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**Financial Analysis of the Government's Funds**

***Governmental Funds***

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the School District's net resources available for spending at year-end.

The School District's governmental funds (as presented on the balance sheet on page 16) reported a total fund balance of \$11.5 million, which is \$2.2 million over last year's balance of \$9.3 million. The most significant changes within the School District's major funds was reported in the general fund with an increase in fund balance of \$.9 million.

***General Fund***

The general fund is the main operating fund of the School District. At the end of fiscal year 2011, the fund balance in the general fund was \$6.7 million. This \$.9 million increase from 2010 is due, in part, to the timing of the taxes and intergovernmental revenues received.

***Bond Retirement Fund***

The debt service fund is the School District fund that accumulates tax revenues to pay general obligation bonds. At the end of fiscal year 2011, the fund balance in the bond retirement fund was \$3.2 million, an increase of slightly over \$73,000, from fiscal year 2010.

***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 2011, the School District modified 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, there was a difference of \$.7 million between the final budgeted revenue of \$24.5 million and the original budget estimates of \$23.8 million mainly in tuition and intergovernmental revenues.

Original and final appropriations were \$.4 million more than the \$23.5 million actual expenditures with instructional expenditures comprising most of that higher estimate. This was accomplished by sound financial management cost saving measures.

**Chagrin Falls Exempted Village School District**  
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*(Unaudited)*

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**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2011, the School District had \$28.6 million invested in land, buildings and improvements, furniture and equipment, vehicles and textbooks. Table 4 shows fiscal year 2011 balances compared with 2010.

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

	2011	Restated 2010
Land	\$ 1,386,635	\$ 1,386,635
Buildings and Improvements	25,939,906	26,790,009
Furniture and Equipment	481,975	519,985
Vehicles	515,620	519,572
Textbooks	322,970	243,018
	\$ 28,647,106	\$ 29,459,219

The \$.8 million decrease in capital assets was attributable to depreciation expense exceeding additional purchases, which included building improvements and renovations, a pickup truck, a new bus and textbooks. Additional information on capital assets can be found in Note 9 to the basic financial statements.

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**Chagrin Falls Exempted Village School District**

*Management's Discussion and Analysis*

*For the Fiscal Year Ended June 30, 2011*

*(Unaudited)*

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**Debt**

At June 30, 2011, the School District had \$26.8 million in bonds and related liabilities outstanding with \$1.3 million due within one year. During fiscal year 2011, \$1.0 million of general obligation bonds were retired. Table 5 summarizes bonds outstanding.

**(Table 5)**  
**Outstanding Debt, at June 30**  
**Governmental Activities**

	<u>2011</u>	<u>2010</u>
General Obligation Bonds:		
1988 Additions/Facilities	\$ 0	\$ 385,000
2005 Capital Improvement (Refunding)	13,795,000	13,905,000
Unamortized Bond Premiums	1,222,410	1,248,486
Capital Appreciation Bonds	181,926	409,990
Accretion on CAB	620,277	1,025,192
School Improvement Bonds	8,430,000	8,725,000
Unamortized Bond Premiums	487,841	494,286
Capital Appreciation Bonds	294,990	294,990
Accretion on CAB	437,516	333,267
2011 Energy Conservation Bonds	<u>1,342,983</u>	<u>0</u>
	<u>\$26,812,943</u>	<u>\$26,821,211</u>

In 1988, the School District passed a bond issue providing \$4.3 million for renovations to the four buildings in the School District. In 1997, the School District passed a bond issue providing \$21.8 million for the construction of a new middle school, classroom additions at Gurney Elementary and the refurbishing of the former middle school (now known as the intermediate school). In 2005, the School District passed a bond issue for \$9,949,990 for construction and facility improvements. In 2005, the School District also issued \$16.8 million in refunded bonds. The proceeds were used to refund portions of the 1997 bond issue. In 2011, the School District issued \$1.3 million in energy conservation bonds. More information about the long-term obligations is in Note 14 to the basic financial statements.

At June 30, 2011, the School District's overall bonded debt limit was \$43,945,250 and the unvoted debt margin was \$488,281. The School District maintains an Aa1 bond rating from Moody's Rating Committee.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*(Unaudited)*

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**Current Issues**

The Chagrin Falls Exempted Village School District continues to receive strong support from the residents of the School District. As the preceding information shows, the School District relies heavily on its local property taxpayers. An operating levy was passed by the voters in November, 2007.

Real estate tax collections have shown very small increases, and personal property tax collections have decreased. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a levy will not increase solely as a result of inflation due to Ohio House Bill 920 (passed in 1976). As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become .5 mills, and the owner would still pay \$35.00.

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Local property taxes made up 72% of revenues for governmental activities for the Chagrin Falls Schools in fiscal year 2011.

The School District has been affected by changes in the personal property tax structure (utility deregulation) and commercial business/property uncertainties. During the summer of 2005, the Ohio legislature approved Ohio House Bill 66, which includes the phased-out elimination of the tangible personal property tax. This affects taxes on all business tangible property and public utility property (telephone companies and railroads). While this discontinued revenue will be partially reimbursed by the State of Ohio for five (5) years, this loss of revenue must be anticipated and replaced in the future.

Maintaining a four year levy cycle continues to be increasingly difficult in light of rising utility and gasoline costs, increased special education services required for our students, and potential increases in health insurance and property/liability/fleet insurance. Due to the School District's management of these expenses, we maintained a cash position which allowed us to postpone an additional levy until 2012.

From a State funding perspective, the Ohio Supreme Court found the State of Ohio in March 1997 to be operating an unconstitutional education system, one that was neither "adequate" nor "equitable". Since 1997, the State has directed its tax revenue growth toward school districts with little property tax wealth (which is unlike our School District). It is still undetermined whether the State has met the standards of the Ohio Supreme Court. The Governor appointed a Task Force to address the issues raised in the DeRolph Court Case, and recommendations were released in February 2005. The Ohio Legislature continues to review these recommendations and action may be taken in the future.

The Chagrin Falls Exempted Village School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the Court, the State may require redistribution of state funding based upon each district's property wealth. This could have a significant impact on the School District. The State Legislature's biennial budget was approved and became effective on July 1, 2009. The School District anticipates no increased funding throughout this funding period. In fact, the statewide budget cuts were partially offset with federal stimulus dollars that were awarded to school districts for fiscal years 2010 and 2011.

All scenarios require management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2011*  
*(Unaudited)*

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The Chagrin Falls Exempted Village Schools has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Financial Reporting for eleven consecutive years.

In addition, the School District's systems of budgeting and internal controls are well regarded. All of the School District's financial abilities will be needed to meet the challenges of the future.

**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 Anne Spano, Treasurer/CFO of Chagrin Falls Exempted Village School District, 400 E. Washington Street, Chagrin Falls, Ohio 44022, or e-mail at [Anne.Spano@ChagrinSchools.org](mailto:Anne.Spano@ChagrinSchools.org).

**Chagrin Falls Exempted Village School District**

*Statement of Net Assets*

*June 30, 2011*

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	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 11,770,509
Receivables:	
Taxes	20,866,186
Intergovernmental	212,293
Nondepreciable Capital Assets	1,386,635
Depreciable Capital Assets (Net)	27,260,471
	<hr/>
<i>Total Assets</i>	61,496,094
<b>Liabilities</b>	
Accounts Payable	26,863
Contracts Payable	160,178
Accrued Wages and Benefits	2,160,166
Vacation Benefits Payable	70,142
Intergovernmental Payable	683,494
Unearned Revenue	17,156,910
Accrued Interest Payable	68,448
Matured Compensated Absences	15,581
Long Term Liabilities:	
Due Within One Year	1,363,056
Due in More Than One Year	26,978,119
	<hr/>
<i>Total Liabilities</i>	48,682,957
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	4,722,780
Restricted for:	
Capital Projects	1,479,229
Debt Service	3,287,431
Other Purposes	374,614
Unrestricted	2,949,083
	<hr/>
<i>Total Net Assets</i>	<u>\$ 12,813,137</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2011

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions	Total
<b>Governmental Activities</b>					
Instruction:					
Regular	\$ 13,118,129	\$ 618,336	\$ 289,400	\$ 0	\$ (12,210,393)
Special	2,248,567	0	488	0	(2,248,079)
Vocational	519,757	273,403	0	0	(246,354)
Student Intervention	20,409	0	0	0	(20,409)
Support Services:					
Pupils	1,148,707	107,675	809	0	(1,040,223)
Instructional Staff	1,627,692	0	456,368	0	(1,171,324)
Board of Education	65,485	0	0	0	(65,485)
Administration	2,226,136	0	5,000	0	(2,221,136)
Fiscal	918,514	320	0	0	(918,194)
Business	400	0	0	0	(400)
Operation and Maintenance of Plant	2,626,552	0	0	0	(2,626,552)
Pupil Transportation	1,357,761	0	17,272	0	(1,340,489)
Central	18,801	0	0	0	(18,801)
Operation of Non-Instructional Services	202,322	0	184,789	0	(17,533)
Food Service Operations	583,757	568,535	61,047	0	45,825
Extracurricular Activities	994,169	336,643	57,599	272,000	(327,927)
Interest and Fiscal Charges	1,369,563	0	25,868	0	(1,343,695)
<b>Total Governmental Activities</b>	<b>\$ 29,046,721</b>	<b>\$ 1,904,912</b>	<b>\$ 1,098,640</b>	<b>\$ 272,000</b>	<b>(25,771,169)</b>

**General Revenues**

Property Taxes Levied for:

General Purposes	18,950,590
Debt Service	2,397,179
Grants and Entitlements not Restricted to Specific Programs	5,608,901
Investment Earnings	71,014
Miscellaneous	43,834

Total General Revenues 27,071,518

Change in Net Assets 1,300,349

Net Assets Beginning of Year, Restated (See Note 2Q) 11,512,788

Net Assets End of Year \$ 12,813,137

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2011*

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 6,931,493	\$ 2,888,651	\$ 1,950,365	\$ 11,770,509
Receivables:			0	
Taxes	18,684,097	2,182,089	0	20,866,186
Interfund	72,979	0	0	72,979
Intergovernmental	0	0	212,293	212,293
<i>Total Assets</i>	<u>\$ 25,688,569</u>	<u>\$ 5,070,740</u>	<u>\$ 2,162,658</u>	<u>\$ 32,921,967</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 25,448	\$ 0	\$ 1,415	\$ 26,863
Contracts Payable	0	0	160,178	160,178
Accrued Wages and Benefits	2,122,328	0	37,838	2,160,166
Interfund Payable	0	0	72,979	72,979
Intergovernmental Payable	656,216	0	27,278	683,494
Deferred Revenue	16,177,891	1,878,774	207,003	18,263,668
Matured Compensated Absences	15,581	0	0	15,581
<i>Total Liabilities</i>	18,997,464	1,878,774	506,691	21,382,929
<b>Fund Balances</b>				
Restricted	0	3,191,966	1,668,284	4,860,250
Assigned	53,895	0	0	53,895
Unassigned	6,637,210	0	(12,317)	6,624,893
<i>Total Fund Balances</i>	<u>6,691,105</u>	<u>3,191,966</u>	<u>1,655,967</u>	<u>11,539,038</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 25,688,569</u>	<u>\$ 5,070,740</u>	<u>\$ 2,162,658</u>	<u>\$ 32,921,967</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets Governmental Activities  
 June 30, 2011*

Total Governmental Fund Balances	\$	11,539,038
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		28,647,106
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.		
Grants	\$ 207,003	
Delinquent Property and Personal Property Taxes	899,755	1,106,758
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	23,567,983	
Capital Appreciation Bonds	1,534,709	
Unamortized Bond Premiums	1,710,251	
Compensated Absences	1,445,169	
Vacation Benefits Payable	70,142	
Capital Leases	83,063	
Accrued Interest Payable	68,448	(28,479,765)
 <i>Net Assets of Governmental Activities</i>	 \$	 <u>12,813,137</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2011*

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$ 19,012,028	\$ 2,413,114	\$ 0	\$ 21,425,142
Intergovernmental	5,155,736	335,792	1,092,025	6,583,553
Investment Income	71,014	0	1,120	72,134
Tuition and Fees	846,097	0	0	846,097
Extracurricular Activities	174,016	0	336,644	510,660
Rentals	320	0	0	320
Charges for Services	0	0	569,369	569,369
Gifts and Donations	3,470	0	377,521	380,991
Miscellaneous	39,718	0	4,115	43,833
<i>Total Revenues</i>	25,302,399	2,748,906	2,380,794	30,432,099
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	11,621,544	0	166,327	11,787,871
Special	2,078,126	0	140,115	2,218,241
Vocational	519,757	0	0	519,757
Student Intervention	20,409	0	0	20,409
Support Services:				
Pupils	1,132,195	0	46	1,132,241
Instructional Staff	1,083,718	0	496,609	1,580,327
Board of Education	65,485	0	0	65,485
Administration	2,273,146	0	10,175	2,283,321
Fiscal	889,089	25,727	0	914,816
Business	400	0	0	400
Operation and Maintenance of Plant	2,483,910	0	0	2,483,910
Pupil Transportation	1,240,395	0	17,272	1,257,667
Central	18,801	0	0	18,801
Operation of Non-Instructional Services	4,773	0	152,936	157,709
Food Service Operations	0	0	586,949	586,949
Extracurricular Activities	624,977	0	369,192	994,169
Capital Outlay	0	0	895,156	895,156
Debt Service:				
Principal Retirement	14,402	1,018,064	0	1,032,466
Interest and Fiscal Charges	35,676	1,632,001	26,333	1,694,010
<i>Total Expenditures</i>	24,106,803	2,675,792	2,861,110	29,643,705
<i>Excess of Revenues Over (Under) Expenditures</i>	1,195,596	73,114	(480,316)	788,394
<b>Other Financing Sources (Uses):</b>				
Proceeds of Debt Issuance	0	0	1,342,983	1,342,983
Inception of Capital Lease	97,465	0	0	97,465
Transfers In	0	0	417,600	417,600
Transfers Out	(417,600)	0	0	(417,600)
<i>Total Financing Sources and (Uses)</i>	(320,135)	0	1,760,583	1,440,448
<i>Net Change in Fund Balance</i>	875,461	73,114	1,280,267	2,228,842
<i>Fund Balance (Deficit) at Beginning of Year</i> <i>Restated, (See Note 2Q)</i>	5,815,644	3,118,852	375,700	9,310,196
<i>Fund Balance (Deficit) at End of Year</i>	\$ 6,691,105	\$ 3,191,966	\$ 1,655,967	\$ 11,539,038

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Reconciliation of the Changes*  
*in Fund Balances of Governmental Funds to the Statement of Activities*  
*For the Fiscal Year Ended June 30, 2011*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$</b>	<b>2,228,842</b>
<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 expenditures in the current period.		
Capital Asset Additions	\$ 545,164	
Current Year Depreciation	<u>(1,357,277)</u>	(812,113)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Grants	13,044	
Excess Costs	(20,701)	
Delinquent Property and Personal Property Taxes	<u>(77,372)</u>	(85,029)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Bond Principal	790,000	
Capital Appreciation Bonds	895,000	
Capital Lease	<u>14,402</u>	1,699,402
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
		(8,740)
Some expenses reported in the statement of activities do not use the current financial resources and therefore, are not reported as expenditures in governmental funds.		
(Increase) Decrease in Compensated Absences	(9,651)	
(Increase) Decrease in Vacation Payable	61,835	
(Increase) Decrease in Bond Accretion	(366,270)	
Amortization of Bond Premium	<u>32,521</u>	(281,565)
The issuance of long term debt provides current financial resources to governmental funds. Governmental funds also report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued whereas these amount are deferred and amortized in the statement of activities.		
Proceeds of debt issuance	(1,342,983)	
Inception of Capital Lease	<u>(97,465)</u>	<u>(1,440,448)</u>
<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b><u>1,300,349</u></b>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
<b>Revenues:</b>				
Taxes	\$ 18,521,209	\$ 18,697,475	\$ 18,697,475	\$ 0
Intergovernmental	4,993,659	5,155,736	5,155,736	0
Investment Income	40,000	75,490	71,014	(4,476)
Tuition and Fees	200,000	456,836	446,836	(10,000)
Extracurricular Activities	50,000	66,342	66,342	0
Rentals	500	320	320	0
Gifts and Donations	5,000	2,661	2,661	0
Miscellaneous	3,000	47,404	39,718	(7,686)
<i>Total Revenues</i>	<u>23,813,368</u>	<u>24,502,264</u>	<u>24,480,102</u>	<u>(22,162)</u>
<b>Expenditures:</b>				
Current:				
Instruction	14,323,874	14,306,949	13,904,866	(402,083)
Support Services:				
Pupils	985,092	992,870	992,870	0
Instructional Staff	1,029,577	1,027,771	1,027,308	(463)
Board of Education	97,155	68,746	67,451	(1,295)
Administration	2,146,911	2,155,247	2,153,375	(1,872)
Fiscal	879,109	887,659	887,659	0
Business	800	400	400	0
Operation and Maintenance of Plant	2,508,376	2,509,586	2,508,408	(1,178)
Pupil Transportation	1,189,160	1,255,864	1,255,864	0
Central	24,330	16,638	16,638	0
Operation of Non-Instructional Services	6,728	5,115	5,115	0
Extracurricular Activities	627,107	614,868	614,868	0
Debt Service				
Principal Retirement	14,402	14,402	14,402	0
Interest and Fiscal Charges	35,676	35,676	35,676	0
<i>Total Expenditures</i>	<u>23,868,297</u>	<u>23,891,791</u>	<u>23,484,900</u>	<u>(406,891)</u>
Excess of Revenues Over (Under) Expenditures	(54,929)	610,473	995,202	384,729
<b>Other Financing Sources (Uses):</b>				
Advances In	0	37,281	37,281	0
Advances Out	(72,979)	(72,979)	(72,979)	0
Transfers Out	(418,800)	(417,600)	(417,600)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(491,779)</u>	<u>(453,298)</u>	<u>(453,298)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(546,708)	157,175	541,904	384,729
<i>Fund Balance at Beginning of Year, Restated (See Note 2Q)</i>	6,033,011	6,033,011	6,033,011	0
Prior Year Encumbrances Appropriated	141,759	141,759	141,759	0
<i>Fund Balance at End of Year</i>	<u>\$ 5,628,062</u>	<u>\$ 6,331,945</u>	<u>\$ 6,716,674</u>	<u>\$ 384,729</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*June 30, 2011*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ 100,311	\$ 52,770
<b>Liabilities</b>		
Due to Students	\$ 0	\$ 52,770
<i>Total Liabilities</i>	0	\$ 52,770
<b>Net Assets</b>		
Held in Trust for Scholarships	100,311	
<i>Total Net Assets</i>	\$ 100,311	

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Fund*  
*June 30, 2011*

	<u>Private Purpose Trust</u>	<u>Scholarship</u>
<b>Additions</b>		
Contributions	\$ 17,000	
Interest		<u>121</u>
<b>Total Additions</b>		17,121
<b>Deductions</b>		
Payments in Accordance with Trust Agreements		<u>10,258</u>
<i>Change in Net Assets</i>		6,863
<i>Net Assets Beginning of Year, Restated (See Note 2Q)</i>		<u>93,448</u>
<i>Net Assets End of Year</i>	<u>\$</u>	<u><u>100,311</u></u>

See accompanying notes to the basic financial statements.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### **Note 1 - Description of The School District**

Chagrin Falls Exempted Village School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by the State and federal agencies. Each member is elected to a four year term. The Board of Education controls the School District's four instructional support facilities staffed by 111 classified employees, 145 certified full-time teaching personnel and 13 administrators who provide services to 2,018 students and other community members.

The Chagrin Falls Exempted Village School District is located in both Cuyahoga and Geauga counties in northeastern Ohio. The School District operates one elementary school (pre-school-3), one intermediate school (4-6), one middle school (7-8) and a high school (9-12).

#### ***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 Chagrin Falls Exempted Village 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 two jointly governed organizations and one public entity risk pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 10 and 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 School District applies generally accepted accounting principles that were issued prior to November 30, 1989 by the Financial Accounting Standards Board ("FASB") to

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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its governmental and proprietary funds provided they do not conflict with or contradict GASB pronouncements. The FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification.

Following are the most significant of the School District's accounting policies.

#### ***A. Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net assets and the statement of activities display information about the 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 statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The statement of net assets 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 and proprietary 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. Fiduciary funds are reported by type.

#### ***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.

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**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 liabilities is reported as fund balance. The following are the School District's major governmental funds:

**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.

**Bond Retirement Fund** The bond retirement fund is used to account for the accumulation of property tax revenues for, and the payment of, general obligation bonds used for the construction and renovation of facilities.

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 assets, financial position and cash flows. The School District has no proprietary funds.

**Fiduciary Funds** Fiduciary fund reporting focuses on net assets and changes in net assets. 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's fiduciary funds are private purpose trust and agency funds. The School District's agency funds account for student advance placement testing and student activities and the private purpose trusts disburse scholarships to students.

### **C. Measurement Focus**

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

**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 current liabilities 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.

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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The private purpose trust fund is reported using the economic resources measurement focus. All assets and liabilities associated with the operation of this fund are included on the statement of fiduciary net assets. The statement of changes in fiduciary net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. Agency funds do not report a measurement focus as they do not report operations.

#### ***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, 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.

***Unearned/Deferred Revenue*** Unearned/deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as unearned/deferred revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2011, but which were levied to finance fiscal year 2012 operations, have been recorded as unearned/deferred revenue on the balance sheet. This amount is reported as unearned/deferred revenue on the statement of net assets, however excludes delinquent amounts earned as of year end.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

***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 and contributions" 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 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 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 2011.

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 Investments***

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including proprietary 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 investments" on the balance sheet.

During fiscal year 2011, investments were limited to Fifth Third Money Market, Freddie Mac, Federal National Mortgage Association, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Association Notes, Federal Farm Credit Banks, US Treasury Notes and STAR Ohio, (the State Treasurer's Investment Pool).

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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

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, 2011. 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 2011 amounted to \$71,014, which includes \$27,487 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 investments". Investments with an original maturity of more than three months that are not made from the pool are reported as "investments".

#### ***G. Restricted Assets***

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets may include amounts required by statute to be set-aside for the purchase of textbooks and other instructional materials or for the acquisition and construction of capital improvements. See Note 20 for additional information regarding set asides or for the acquisition or construction of capital improvements.

#### ***H. Capital Assets***

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

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 five 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:

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land	N/A
Construction in Progress	N/A
Buildings and Improvements	10 - 40 Years
Furniture and Equipment	5 - 20 Years
Vehicles	10 - 15 Years
Textbooks	5 Years

***I. 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 assets.

***J. 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. These amounts are recorded as “vacation benefits payable” in the basic financial statements.

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

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.

***K. Accrued Liabilities and Long-term Obligations***

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

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

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### ***L. Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes primarily include extracurricular activities, operation and maintenance of plant, and special education instruction.

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

#### ***M. Fund Balance***

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

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

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

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

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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

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

#### ***N. Interfund Activity***

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

#### ***O. Estimates***

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

#### ***P. Changes in Accounting Principles***

For the year ended June 30, 2011, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*” and GASB Statement No. 59, “*Financial Instruments Omnibus*.”

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement classify fund balance as nonspendable, restricted, committed, assigned and/or unassigned.

GASB Statement No. 59 updated and improved existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. Implementation of this GASB statement did not affect the presentation of the financial statements of the School District.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

***Q. Restatement of Fund Balances/Net Assets***

On July 1, 2011, the School District implemented Governmental Accounting Standards Board Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*”. As a result, the Public School Support Fund, previously reported as a Special Revenue Fund, the Rotary Fund, previously recorded as an Agency Fund and the Uniform School Supplies and Community Education Funds, previously reports as business-type activities were reclassified to the General Fund for GAAP reporting purposes. In addition, a portion of the Special Trust Fund, previously reported as a Special Revenue Fund was reclassified to a Private Purpose Trust Fund and the Food Service Fund, previously reports as a business-type activity was reclassified to a Special Revenue Fund for GAAP reporting purposes.

The School District determined that a cheerleader program, previously recorded in the Student Activities Agency Fund, would be more properly accounted for in the Athletics Special Revenue Fund.

The following is the effect of those changes in fund balance:

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Fund Balance June 30, 2010	\$ 5,619,217	\$ 3,118,852	\$ 455,529	\$ 9,193,598
Fund Reclassification	196,427	0	(79,829)	116,598
Restated Fund Balance July 1, 2011	<u>\$ 5,815,644</u>	<u>\$ 3,118,852</u>	<u>\$ 375,700</u>	<u>\$ 9,310,196</u>

The following is the effect of those changes in net assets:

	Governmental Activities	Business-Type Activities	Private Purpose Trust Fund
Net Assets June 30, 2010	\$ 11,354,743	\$ 211,199	\$ 0
Fund Reclassification	158,045	(211,199)	93,448
Restated Net Assets July 1, 2011	<u>\$ 11,512,788</u>	<u>\$ 0</u>	<u>\$ 93,448</u>

**Chagrin Falls Exempted Village School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

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The following is the effect of those changes in Agency Fund assets and liabilities:

	Rotary	Student Activities	Total
Assets and Liabilities, June 30, 2010	\$ 28,564	\$ 58,158	\$ 86,722
Fund Reclassification	(28,564)	(11,730)	(40,294)
Restated Assets and Liabilities, July 1, 2010	\$ 0	\$ 46,428	\$ 46,428

The following is the change to the beginning fund balance of the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for General Fund with the reclassification of the Rotary Fund and the Athletics Fund with the reclassification of the cheerleader program:

	General Fund	Athletics Fund
Fund Balance, June 30, 2010	\$ 6,005,069	\$ 72,970
Fund Reclassification	27,942	11,730
Restated Fund Balance, July 1, 2010	\$ 6,033,011	\$ 84,700

**Note 3 - Accountability**

Fund balances at June 30, 2011 included the following individual fund deficits:

	Fund Balance
Nonmajor Governmental Funds:	
Auxiliary Services	\$ 8,002
Educational Management Information Systems	25
Fiscal Stabilization	4,290

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

**Note 4 – 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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total
Restricted for:				
Debt Service	\$ 0	\$ 3,191,966	\$ 0	\$ 3,191,966
Capital Outlay	0	0	1,479,229	1,479,229
Extracurricular	0	0	104,364	104,364
Special Education	0	0	10,809	10,809
Food Service	0	0	68,506	68,506
Other Purposes	0	0	5,376	5,376
Total Restricted	0	3,191,966	1,668,284	4,860,250
Assigned for:				
Encumbrances	23,585	0	0	23,585
Public School Support	30,310	0	0	30,310
Total Assigned	53,895	0	0	53,895
Unassigned	6,637,210	0	(12,317)	6,624,893
Total Fund Balance (Deficit)	\$ 6,691,105	\$ 3,191,966	\$ 1,655,967	\$ 11,539,038

**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 as a reservation of fund balance (GAAP).
4. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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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.

**Net Change in Fund Balance**

GAAP Basis	\$	875,461
Net Adjustment for Revenue Accruals		(412,018)
Advance In		37,281
Advance Out		(72,979)
Net Adjustment for Expenditure Accruals		140,933
Funds Budgeted Elsewhere		7,816
Adjustment for Encumbrances		<u>(34,590)</u>
Budget Basis	\$	<u>541,904</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 public school support fund, the uniform supplies fund and the adult education 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.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the 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.

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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.

**Cash on Hand:** At year end, the School District had \$1,000 in undeposited cash on hand which is included on the balance sheet of the School District as part of "equity in pooled cash and investments".

**Deposits:** The carrying value of the School District's deposits totaled \$4,116,716 and the bank balances of the deposits totaled \$4,585,564. All of the bank balance was covered by federal depository insurance. 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, 2011, the School District had the following investments:

Standard & Poors Rating		Fair Value	Investment Maturities (in months)				% Total Investments
			0 - 12	12 - 24	25 - 36	37 - 60	
AA-	Fifth Third US Treasury Money Market	\$ 12,494	\$ 12,494	\$ 0	\$ 0	\$ 0	0.17%
AAA	STAR Ohio	4,212,287	4,212,287	0	0	0	53.96%
AA+	US Treasury Notes	259,180	0	50,242	0	208,938	3.32%
AAA	Federal National Mortgage Association	1,357,440	0	0	228,338	1,129,102	17.39%
AAA	Freddie Mac	710,411	0	0	100,450	609,961	9.10%
AAA	Federal Home Loan Mortgage	411,422	0	0	202,626	208,796	5.27%
AAA	Federal Farm Credit Bank	25,216	0	0	25,216	0	0.32%
AAA	Federal Home Loan Bank	817,424	0	200,220	200,820	416,384	10.47%
Totals		\$ 7,805,874	\$ 4,224,781	\$ 250,462	\$ 757,450	\$ 2,573,181	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.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**Credit Risk:** The School District's investments at June 30, 2011 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. More than 50 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, public utility and tangible personal property located in the School District. Property tax revenue received during calendar 2011 for real and public utility property taxes represents collections of calendar 2010 taxes. 2011 real property taxes are levied after April 1, 2010, on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35 percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien December 31, 2009, are levied after April 1, 2010 and are collected in 2011 with real property taxes.

Tangible personal property tax revenues received in calendar year 2011 (other than public utility property) represent the collection of calendar year 2011 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2009 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2011 were levied after October 1, 2010, on the value as of December 31, 2010. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the School District due to the phasing out of the tax. In calendar years 2006-2010, the School District was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

**Chagrin Falls Exempted Village School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 442,799,400	91.17%	\$ 445,250,800	91.19%
Public Utility	37,079,270	7.63%	37,061,510	7.59%
Tangible Personal Property	5,849,490	1.20%	5,968,250	1.22%
	<u>\$ 485,728,160</u>	<u>100.00%</u>	<u>\$ 488,280,560</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	\$ 108.60		\$ 108.60	

Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

The School District receives property taxes from Cuyahoga and Geauga Counties. The County Auditors periodically advance to the School District their portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The late settlement and the amount available as an advance at June 30 are recognized as revenue.

The amount available as an advance at June 30, 2011, was \$2,809,521 and is recognized as revenue. \$2,506,206 was available to the general fund and \$303,315 was available to the debt service fund.

**Note 8 - Receivables**

Receivables at June 30, 2011, 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 \$212,293 in grants receivable in special revenue funds.

**Chagrin Falls Exempted Village School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2011*

**Note 9 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Restated Balance 6/30/10	Additions	Reductions	Balance 6/30/11
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635
	1,386,635	0	0	1,386,635
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	38,661,422	202,710	0	38,864,132
Furniture and Equipment	1,752,957	28,036	0	1,780,993
Vehicles	1,675,264	96,729	(56,500)	1,715,493
Textbooks	559,408	217,689	(88,414)	688,683
Total Capital Assets, being depreciated	42,649,051	545,164	(144,914)	43,049,301
Less Accumulated Depreciation:				
Buildings and Improvements	(11,871,413)	(1,052,813)	0	(12,924,226)
Furniture and Equipment	(1,232,972)	(66,046)	0	(1,299,018)
Vehicles	(1,155,692)	(100,681)	56,500	(1,199,873)
Textbooks	(316,390)	(137,737)	88,414	(365,713)
Total Accumulated Depreciation	(14,576,467)	(1,357,277)	144,914	(15,788,830)
Total Capital Assets being depreciated, net	28,072,584	(812,113)	0	27,260,471
Governmental Activities Capital Assets, Net	\$ 29,459,219	\$ (812,113)	\$ 0	\$ 28,647,106

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

Depreciation expense was charged as follows:

*Governmental Activities:*

Instruction:

Regular \$ 1,098,502

Special 13,847

Support Services:

Pupil 15,200

Instructional Staff 43,984

Administration 1,776

Operation and Maintenance of Plant 60,763

Pupil Transportaion 97,982

Operation of Non-Instructional Services 17,128

Food Service Operations 8,095

Total Depreciation \$ 1,357,277

**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. During fiscal year 2011, the School District contracted with the following insurance companies:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Indiana Insurance	Property Coverage	
	Blanket Building and Contents	\$ 69,191,989
	Extra Expense	1,000,000
	Valuable Papers	100,000
	Inland Marine	185,000
	Computers	1,350,000
	Automobile Liability	5,000,000
	Education Liability	1,000,000
	Personal/Advertising Injury	1,000,000
	School Leaders Omission/Errors	1,000,000
	Products/Completed Aggregate	2,000,000
	General Aggregate	2,000,000
	Law Enforcement	1,000,000

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Indiana Insurance	Sexual Misconduct/Molestation	\$ 1,000,000
	Employee Benefits	
	- Per loss	1,000,000
	- Aggregate	3,000,000
	Umbrella Liability	5,000,000
Ohio Casualty	Employee Dishonesty	500,000
	Money and Securities	10,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from last year.

***B. Workers' Compensation***

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 16). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP.

Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

**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 five to twenty-five days of vacation per year, depending upon length of service and hours worked. Teachers do not earn vacation time. Administrators employed to work 260 days per year can earn fifteen to twenty-five days of vacation annually. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 276 days. Upon retirement, employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 276 days.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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#### ***B. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Assurant Life, in the amount of \$75,000 for all certified and union exempt employees, and all administrators; \$30,000 for non-certified employees; and one times the annual salary for the superintendent and treasurer.

The School District provides health insurance coverage through United Healthcare and is subject to certain deductibles, co-pays, and maximum benefits as outlined in the plan. The plan includes coverage for preventative services and wellness incentives.

Dental coverage is provided through Delta Dental and is also subject to certain deductibles, co-pays and maximum benefits as outlined in the plan. Per negotiated agreement, the premium is paid based on full time equivalency. If an employee is not full time, the School District pays a pro-rated share of the premium for both single and family coverage.

#### **Note 12 - Pension Plans**

##### ***A. School Employees Retirement System***

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 and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853. It is also posted on SERS' website, [www.ohsers.org](http://www.ohsers.org), under *Employers/Audit Resources*.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2011, 11.81 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2010 the amount was 12.78 percent and for fiscal year 2009 the amount was 9.09 percent. The contributions to SERS for pension obligations for the fiscal years ended June 30, 2011, 2010, and 2009 were \$443,307, \$523,059 and \$334,618, respectively; 45 percent has been contributed for fiscal year 2011 and 100 percent for the fiscal years 2010 and 2009. \$287,940 represents the unpaid contribution for fiscal year 2011, and is recorded as a liability within the respective funds.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### ***B. State Teachers Retirement System***

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371 or by calling 1-888-227-7877, or by visiting the STRS Ohio Web site at [www.strsoh.org](http://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 member contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to allocate their member contributions and employer contributions equal to 10.5 percent of earned compensation among various investment accounts. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. 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. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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.

For the fiscal year ended June 30, 2011, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2010, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employer contributions.

The School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2011, 2010, and 2009 were \$1,465,362, \$1,408,710 and \$1,354,235, respectively. Contributions to the DC and Combined Plans for fiscal year 2011 were \$101,184 made by the School District and \$72,275 made by the plan members. 82 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. \$288,872 represents the unpaid contribution for fiscal year 2011, 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, 2011, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### **Note 13 - Postemployment Benefits**

##### ***A. School Employees Retirement System***

The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by SERS for non-certified retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan included hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 401(h). 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. At June 30, 2011, the health care allocation was 1.43 percent, at June 30, 2010 and 2009, the health care allocations were .46 percent and 4.16 percent, respectively. The District's contributions for the years ended June 30, 2011, 2010 and 2009 were \$53,677, \$18,827 and \$153,137, respectively.

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 2011, the minimum compensation level was established at \$35,800. For the School District during fiscal year 2011 this amounted to \$50,435.

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 2011, the actuarially required allocation was .76 percent and for fiscal year 2010 and 2009 the required allocations were .76 percent and .75 percent, respectively. The School District contributions for the fiscal years 2011, 2010 and 2009 were \$28,528, \$31,105 and \$27,609, respectively; 43 percent has been contributed for fiscal year 2011 and 100 percent for the fiscal years 2010 and 2009. The liability for the unpaid contribution has been recorded within the respective funds.

##### ***B. State Teachers Retirement System***

The School District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling 1-888-227-7877.

## Chagrin Falls Exempted Village School District

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

Ohio law authorized 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 portion of the health care cost in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14 percent employer contribution rate, 1 percent of covered payroll was allocated to Health Care Stabilization Fund for the years ended June 30, 2011, 2010 and 2009. The School District's contributions for health care for fiscal years ended June 30, 2011, 2010 and 2009 were \$117,289, \$109,320 and \$106,153, respectively; 82 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. The liability for the unpaid contribution has been recorded 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:

	Restated Outstanding 6/30/10	Additions	Reductions	Outstanding 6/30/11	Amounts Due in One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
1988 Additions/Facilities 7.50%	\$ 385,000	\$ 0	\$ 385,000	\$ 0	\$ 0
2005 Refunding Bonds					
Serial Bonds \$16,320,000					
at 2.5% - 4.125%	13,905,000	0	110,000	13,795,000	110,000
Bond Premium	1,248,486	0	26,076	1,222,410	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	409,990	0	228,064	181,926	181,926
Accretion of Interest	1,025,192	262,021	666,936	620,277	620,277
2005 School Improvement Bonds					
Current Interest Bonds \$9,655,000					
at 3.71% - 3.94%	8,725,000	0	295,000	8,430,000	0
Bond Premium	494,286	0	6,445	487,841	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	294,990	0	0	294,990	113,762
Accretion of Interest	333,267	104,249	0	437,516	168,704
2011 Energy Conservation Bonds					
Serial Bonds \$1,342,983					
at 5.75%	0	1,342,983	0	1,342,983	82,983
<b>Total General Obligation Bonds</b>	<b>26,821,211</b>	<b>1,709,253</b>	<b>1,717,521</b>	<b>26,812,943</b>	<b>1,277,652</b>
Capital Lease	0	97,465	14,402	83,063	17,303
Compensated Absences	1,435,518	51,265	41,614	1,445,169	68,101
<b>Total Governmental Activities</b>					
Long-Term Liabilities	<u>\$ 28,256,729</u>	<u>\$ 1,857,983</u>	<u>\$ 1,773,537</u>	<u>\$ 28,341,175</u>	<u>\$ 1,363,056</u>

#### *1988 Additions/Facilities*

In 1988, the School District issued \$4,250,000 in general obligation bonds for renovations to four buildings in the School District. The bonds matured in December 2010.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### *1997 Renovations*

In 1997, the School District issued a combined total of \$21,800,000 in general obligation bonds for the construction of a new Middle School, classroom additions at Gurney Elementary and the refurbishing of the former Middle School. The callable bonds were refunded in 2005 and the remaining bonds mature in December 2022.

#### *2005 School Improvement Bonds*

On June 22, 2005, the School District issued \$9,949,990 in general obligation bonds for the construction of a new auditorium and building/facility improvements. The bonds mature in December 2032. These bonds were issued with a premium of \$563,685, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. Amortization expense for June 30, 2011 was \$6,445.

The bond issue consists of serial and capital appreciation bonds. These bonds are not subject to early redemption.

The capital appreciation bonds mature December 1, 2011 through 2013. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bonds is \$915,000. For fiscal year 2011, \$104,249 was accreted for a liability of \$732,506.

#### *2005 School Improvement Refunding Bonds*

On January 6, 2005, the School District issued \$16,820,000 refunding general obligation bonds. The proceeds of the bonds were used to refund \$1,600,000 of the School District's outstanding Capital Improvement Bonds, Series 1997, and \$15,220,000 of the School District's outstanding Capital Improvement Bond Series 1997-2. The bonds were issued for an 18 year period with final maturity at December 1, 2022. At the date of the refunding, \$18,082,289 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. These bonds were called on December 1, 2007.

These refunding bonds were issued with a premium of \$1,502,441, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. The amortization for June 30, 2011 was \$26,076. The issuance costs have been reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$964,620. The issuance resulted in an economic gain of \$703,151.

The bond issue consists of serial and capital appreciation bonds. These bonds are not subject to early redemption.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

The capital appreciation bonds mature December 1, 2011. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bonds is \$900,000. For fiscal year 2011, \$262,021 was accreted for a liability of \$802,203.

*2011 Energy Conservation Improvement Bonds*

On January 24, 2011, the School District issued \$1,342,983 in general obligation bonds for House Bill 264 improvements. The bonds mature in December 2025.

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the general fund and the food service fund.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2011 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
2012	\$ 192,983	\$ 108,005	\$ 295,688	\$ 909,312	\$ 488,671	\$ 1,017,317
2013	1,100,000	785,359	97,560	207,440	1,197,560	992,799
2014	1,130,000	730,529	83,668	221,332	1,213,668	951,861
2015	1,480,000	904,217	0	0	1,480,000	904,217
2016	1,525,000	845,868	0	0	1,525,000	845,868
2017 - 2021	8,630,000	3,104,488	0	0	8,630,000	3,104,488
2022 - 2026	5,615,000	1,284,014	0	0	5,615,000	1,284,014
2027 - 2032	2,660,000	573,318	0	0	2,660,000	573,318
2033	1,235,000	54,890	0	0	1,235,000	54,890
<b>Total</b>	<b>\$ 23,567,983</b>	<b>\$ 8,390,688</b>	<b>\$ 476,916</b>	<b>\$ 1,338,084</b>	<b>\$ 24,044,899</b>	<b>\$ 9,728,772</b>

**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 \$90,341 to LGCA during fiscal year 2011. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

## **Chagrin Falls Exempted Village School District**

### *Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2011*

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#### ***B. Ohio Schools Council***

The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-three school districts. The jointly governed organization was formed to purchase 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 seven 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 2011, the School District paid \$1,467 to the Council. Financial information can be obtained by contacting Dave Cottroll, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio, 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998 and the natural gas program which was implemented during fiscal year 2000.

The electric purchase program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non profit corporation with a self appointing board, issued \$119,140,000 in debt to repurchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates their agreement, they are required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

The natural gas program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each November these estimates are compared to their actual usage for the year and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

#### **Note 16 - Insurance Purchasing Pool**

The School District participates in the Ohio School Boards Association (OSBA) Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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**Note 17 – Contingencies**

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2011.

**Note 18 - Interfund Transfers**

Transfers made during fiscal year 2011 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 0	\$ 417,600
Nonmajor Governmental Funds	417,600	0
Total	<u>\$ 417,600</u>	<u>\$ 417,600</u>

These transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

**Note 19 - Interfund Balances**

Interfund balances at June 30, 2011 consisted of the following:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 72,979	\$ 0
Nonmajor Governmental Funds	0	72,979
Total	<u>\$ 72,979</u>	<u>\$ 72,979</u>

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 2012 with monies to be received from reimbursable expenditures incurred during fiscal year 2011.

**Note 20 - 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 the purchase of textbooks and other instructional materials and an equal amount 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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2011*

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

	<u>Capital Improvement Reserve</u>	<u>Textbook Instructional Materials Reserve</u>
Set Aside Restricted Balance Jun 30, 2010	\$ 0	\$ 0
Current Year Set-Aside Requirement	301,473	301,473
Contributions in Excess of the Current Fiscal Year Set Aside Requirement	0	0
Current Year Qualifying Expenditures	(401,845)	(710,972)
Excess Qualified Expenditures from Prior Years	0	(78,986)
Current Year Offsets	0	0
Waiver Granted by the Department of Education	0	0
Prior Year Offset from Bond Proceeds	0	0
Total	<u>\$ (100,372)</u>	<u>\$ (488,485)</u>
 Balance Carried Forward to Fiscal Year 2012	 <u>\$ 0</u>	 <u>\$ 0</u>
 Set Aside Balance June 30, 2011	 <u>\$ 0</u>	 <u>\$ 0</u>

The textbook set-asides had qualifying disbursements during the year that reduced the reserve balance below zero. Effective July 1, 2011, textbook set-aside laws have been repealed.

**Note 21 - Contractual Commitments**

As of June 30, 2011, the School District had contractual commitments for the following projects to maintain current capital assets:

	<u>Contractual Commitment</u>	<u>Expended</u>	<u>Balance 6/30/2011</u>
HB264 Renovation	\$ 1,244,220	\$ 461,487	\$ 782,733
Restroom Upgrade	48,658	19,672	28,986
Campus Paving	246,700	115,182	131,518
	<u>\$ 1,539,578</u>	<u>\$ 596,341</u>	<u>\$ 943,237</u>

**Note 22 – Subsequent Event**

On August 9, 2011, the School District issued bonds of \$974,984 for the purpose of a House Bill 264 project.

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

# Chagrin Falls Exempted Village School District

## *Combining Statements – Nonmajor Funds*

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### ***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 public school support, uniform school supplies and adult education 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:

***Miscellaneous Grants Fund*** – This fund accounts for specific grant monies, except for State and Federal grants that are legally restricted to expenditures for specified purposes.

***Athletics/District Managed 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 funds which provide services and materials to pupils attending non-public schools within the School District.

***Educational Management Information Systems Fund*** – This fund accounts for State monies which support the development of hardware and software or other costs associated with the requirements of the management information system.

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

***Education Jobs Fund*** – This fund accounts for Federal monies to be used to provide compensation and benefits and support services necessary to retain existing employees, recall or rehire former employees and to hire new employees in order to provide early childhood, elementary or secondary educational and related services. This fund had no budget or cash activity for fiscal year 2011.

***Race to the Top Fund*** – This fund accounts for Federal monies to establish new or expand existing programs to support initiatives in the following areas: Standard and Assessments; Using Data to Improve Instruction; Great Teachers and Leaders; and Turning Around the Lowest Achieving Schools. This fund had no budget or cash activity for fiscal year 2011.

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

***Fiscal Stabilization Fund*** – This fund accounts for State and Federal revenues from the Education State Fiscal Stabilization Fund to help minimize or avoid reductions in education and essential services.

# Chagrin Falls Exempted Village School District

## *Combining Statements – Nonmajor Funds*

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### ***Nonmajor Special Revenue Funds (continued)***

***Title II-D Fund*** – This fund accounts for Federal monies used primarily for assistive mobility and learning devices for orthopedically handicapped students.

***Title III Fund*** – This fund accounts for monies to develop and carry out elementary and secondary school programs including activities to meet the needs of children with limited English proficiency.

***Title I Fund*** – This fund accounts for Federal monies which support the State and Local agencies to meet the special needs of educationally deprived children.

***Drug Free Schools Fund*** – This fund accounts for Federal monies which support the implementation of programs for drug abuse education and prevention.

***Preschool Handicapped Fund*** – This fund accounts for improvement and expansion of services for handicapped children ages three through five.

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

***Food Service Fund*** – This fund accounts for financial activity related to the food service operations of the School District.

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

***Uniform School Supplies Fund*** – This fund accounts for financial activity related to the purchase and sale of school supplies as adopted by the Board of Education for use within the School District.

***Community Education Fund*** – This fund accounts for financial activity in connection with adult education classes.

### ***Nonmajor Capital Project Fund***

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

***Permanent Improvement Projects Fund*** - The permanent improvement capital projects fund accounts for all transactions related to the acquiring, constructing or improving facilities.

# Chagrin Falls Exempted Village School District

## Combining Balance Sheet

### Nonmajor Governmental Funds

June 30, 2011

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 310,958	\$ 1,639,407	\$ 1,950,365
Intergovernmental Receivable	212,293	0	212,293
<i>Total Assets</i>	<u>\$ 523,251</u>	<u>\$ 1,639,407</u>	<u>\$ 2,162,658</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 1,415	\$ 0	\$ 1,415
Contracts Payable	0	160,178	160,178
Accrued Wages and Benefits	37,838	0	37,838
Interfund Payable	72,979	0	72,979
Intergovernmental Payable	27,278	0	27,278
Deferred Revenue	207,003	0	207,003
<i>Total Liabilities</i>	<u>346,513</u>	<u>160,178</u>	<u>506,691</u>
<b>Fund Balances (Deficit)</b>			
Restricted	189,055	1,479,229	1,668,284
Unassigned	(12,317)	0	(12,317)
<i>Total Fund Balances (Deficit)</i>	<u>176,738</u>	<u>1,479,229</u>	<u>1,655,967</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 523,251</u>	<u>\$ 1,639,407</u>	<u>\$ 2,162,658</u>

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Intergovernmental	\$ 1,092,025	\$ 0	\$ 1,092,025
Investment Income	436	684	1,120
Extracurricular Activities	336,644	0	336,644
Charges for Services	569,369	0	569,369
Gifts and Donations	85,064	292,457	377,521
Miscellaneous	4,115	0	4,115
<i>Total Revenues</i>	<u>2,087,653</u>	<u>293,141</u>	<u>2,380,794</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	166,327	0	166,327
Special	140,115	0	140,115
Support Services:			
Pupils	46	0	46
Instructional Staff	496,609	0	496,609
Administration	10,175	0	10,175
Pupil Transportation	17,272	0	17,272
Operation of Non-Instructional Services	152,936	0	152,936
Food Service Operations	586,949	0	586,949
Extracurricular Activities	369,192	0	369,192
Capital Outlay	34,585	860,571	895,156
Interest and Fiscal Charges	0	26,333	26,333
<i>Total Expenditures</i>	<u>1,974,206</u>	<u>886,904</u>	<u>2,861,110</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	113,447	(593,763)	(480,316)
<b>Other Financing Sources (Uses):</b>			
Proceeds of Debt Issuance	0	1,342,983	1,342,983
Transfers In	17,600	400,000	417,600
<i>Total Other Financing Sources and (Uses)</i>	<u>17,600</u>	<u>1,742,983</u>	<u>1,760,583</u>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	131,047	1,149,220	1,280,267
<i>Fund Balance (Deficit) at Beginning of Year Restated, (See Note 2Q)</i>	<u>45,691</u>	<u>330,009</u>	<u>375,700</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 176,738</u>	<u>\$ 1,479,229</u>	<u>\$ 1,655,967</u>

**Chagrin Falls Exempted Village School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2011*

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Educational Management Information Systems Fund
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 5,376	\$ 104,364	\$ 6,243	\$ 0
Intergovernmental Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$ 5,376</u>	<u>\$ 104,364</u>	<u>\$ 6,243</u>	<u>\$ 0</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 0	\$ 779	\$ 0
Accrued Wages and Benefits	0	0	4,589	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	0	8,877	25
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>14,245</u>	<u>25</u>
<b>Fund Balances (Deficit)</b>				
Restricted	5,376	104,364	0	0
Unassigned	0	0	(8,002)	(25)
<i>Total Fund Balances (Deficit)</i>	<u>5,376</u>	<u>104,364</u>	<u>(8,002)</u>	<u>(25)</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 5,376</u>	<u>\$ 104,364</u>	<u>\$ 6,243</u>	<u>\$ 0</u>

*(continued)*

**Chagrin Falls Exempted Village School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2011*

	Data Communications Fund	Education Jobs Fund	Race to the Top Fund	Title VI-B Fund
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0	\$ 84,319
Intergovernmental Receivable	0	96,524	37,500	72,979
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 96,524</u>	<u>\$ 37,500</u>	<u>\$ 157,298</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	72,979
Intergovernmental Payable	0	0	0	531
Deferred Revenue	0	96,524	37,500	72,979
<i>Total Liabilities</i>	<u>0</u>	<u>96,524</u>	<u>37,500</u>	<u>146,489</u>
<b>Fund Balances (Deficit)</b>				
Restricted	0	0	0	10,809
Unassigned	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,809</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 96,524</u>	<u>\$ 37,500</u>	<u>\$ 157,298</u>

*(continued)*

**Chagrin Falls Exempted Village School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2011*

	Fiscal Stabilization Fund	Title II-D Fund	Title III Fund	Title I Fund
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Receivable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <i>Total Assets</i>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>
 <b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	4,229	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	61	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 <i>Total Liabilities</i>	 <u>4,290</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
 <b>Fund Balances (Deficit):</b>				
Restricted	0	0	0	0
Unassigned	<u>(4,290)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Fund Balances (Deficit)</i>	<u><u>(4,290)</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
 <i>Total Liabilities and Fund Balances (Deficit)</i>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>	 <u><u>\$ 0</u></u>

*(continued)*

**Chagrin Falls Exempted Village School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2011*

	Drug Free Schools Fund	Preschool Handicapped Fund	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
<b>Assets:</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0	\$ 110,656	\$ 310,958
Intergovernmental Receivable	0	0	0	5,290	212,293
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 115,946</u>	<u>\$ 523,251</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 636	\$ 1,415
Accrued Wages and Benefits	0	0	0	29,020	37,838
Interfund Payable	0	0	0	0	72,979
Intergovernmental Payable	0	0	0	17,784	27,278
Deferred Revenue	0	0	0	0	207,003
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>47,440</u>	<u>346,513</u>
<b>Fund Balances (Deficit):</b>					
Restricted	0	0	0	68,506	189,055
Unassigned	0	0	0	0	(12,317)
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,506</u>	<u>176,738</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 115,946</u>	<u>\$ 523,251</u>

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Educational Management Information Systems Fund
<b>Revenues:</b>				
Intergovernmental	\$ 0	\$ 0	\$ 117,323	\$ 5,000
Investment Income	0	0	78	0
Extracurricular Activities	0	336,644	0	0
Charges for Services	0	0	0	0
Gifts and Donations	55,422	29,642	0	0
Miscellaneous	0	4,115	0	0
<b>Total Revenues</b>	<b>55,422</b>	<b>370,401</b>	<b>117,401</b>	<b>5,000</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	11,674	0	0	0
Special	0	0	0	0
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	900	0	4,997
Pupil Transportation	17,272	0	0	0
Operation of Non-Instructional Services	4,590	0	116,169	0
Food Service Operations	0	0	0	0
Extracurricular Activities	2,635	366,557	0	0
Capital Outlay	14,000	0	0	0
<b>Total Expenditures</b>	<b>50,171</b>	<b>367,457</b>	<b>116,169</b>	<b>4,997</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	5,251	2,944	1,232	3
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	17,600	0	0
<b>Total Other Financing Sources and (Uses)</b>	<b>0</b>	<b>17,600</b>	<b>0</b>	<b>0</b>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	5,251	20,544	1,232	3
<i>Fund Balance (Deficit) at Beginning of Year, Restated (See Note 2Q)</i>	125	83,820	(9,234)	(28)
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ 5,376</b>	<b>\$ 104,364</b>	<b>\$ (8,002)</b>	<b>\$ (25)</b>

*(continued)*

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Data Communications Fund	Education Jobs Fund	Race to the Top Fund	Title VI-B Fund
<b>Revenues:</b>				
Intergovernmental	\$ 9,100	\$ 0	\$ 0	\$ 650,283
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<b>Total Revenues</b>	<b>9,100</b>	<b>0</b>	<b>0</b>	<b>650,283</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	10,245	0	0	35,936
Special	0	0	0	531
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	0	0	496,609
Administration	0	0	0	0
Pupil Transportation	0	0	0	0
Operation of Non-Instructional Services	0	0	0	31,512
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	20,585
<b>Total Expenditures</b>	<b>10,245</b>	<b>0</b>	<b>0</b>	<b>585,173</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,145)	0	0	65,110
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
<b>Total Other Financing Sources and (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(1,145)	0	0	65,110
<i>Fund Balance (Deficit) at Beginning of Year, Restated (See Note 2Q)</i>	1,145	0	0	(54,301)
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 10,809</b>

*(continued)*

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Fiscal Stabilization Fund	Title II-D Fund	Title III Fund	Title I Fund
<b>Revenues:</b>				
Intergovernmental	\$ 143,241	\$ 164	\$ 2,010	\$ 49,150
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<b>Total Revenues</b>	<b>143,241</b>	<b>164</b>	<b>2,010</b>	<b>49,150</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	118	10	49,150
Special	139,584	0	0	0
Support Services:				
Pupils	0	46	0	0
Instructional Staff	0	0	0	0
Administration	4,278	0	0	0
Pupil Transportation	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<b>Total Expenditures</b>	<b>143,862</b>	<b>164</b>	<b>10</b>	<b>49,150</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	(621)	0	2,000	0
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	0
<b>Total Other Financing Sources and (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(621)	0	2,000	0
<i>Fund Balance (Deficit) at Beginning of Year, Restated (See Note 2Q)</i>	(3,669)	0	(2,000)	0
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ (4,290)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

*(continued)*

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2011*

	Drug Free Schools Fund	Preschool Handicapped Fund	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>					
Intergovernmental	\$ 0	\$ 22,671	\$ 33,228	\$ 59,855	\$ 1,092,025
Investment Income	0	0	0	358	436
Extracurricular Activities	0	0	0	0	336,644
Charges for Services	0	0	0	569,369	569,369
Gifts and Donations	0	0	0	0	85,064
Miscellaneous	0	0	0	0	4,115
<b>Total Revenues</b>	<u>0</u>	<u>22,671</u>	<u>33,228</u>	<u>629,582</u>	<u>2,087,653</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	0	22,671	36,523	0	166,327
Special	0	0	0	0	140,115
Support Services:					
Pupils	0	0	0	0	46
Instructional Staff	0	0	0	0	496,609
Administration	0	0	0	0	10,175
Pupil Transportation	0	0	0	0	17,272
Operation of Non-Instructional Services	0	0	665	0	152,936
Food Service Operations	0	0	0	586,949	586,949
Extracurricular Activities	0	0	0	0	369,192
Capital Outlay	0	0	0	0	34,585
<b>Total Expenditures</b>	<u>0</u>	<u>22,671</u>	<u>37,188</u>	<u>586,949</u>	<u>1,974,206</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	(3,960)	42,633	113,447
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	17,600
<b>Total Other Financing Sources and (Uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17,600</u>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	0	0	(3,960)	42,633	131,047
<i>Fund Balance (Deficit) at Beginning of Year, Restated (See Note 2Q)</i>	<u>0</u>	<u>0</u>	<u>3,960</u>	<u>25,873</u>	<u>45,691</u>
<b>Fund Balance (Deficit) at End of Year</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 68,506</u>	<u>\$ 176,738</u>

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***GOVERNMENTAL FUNDS***

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

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final	Actual	Variance Over (Under)
<b>Revenues:</b>			
Taxes	\$ 18,697,475	\$ 18,697,475	\$ 0
Intergovernmental	5,155,736	5,155,736	0
Investment Income	75,490	71,014	(4,476)
Tuition and Fees	456,836	446,836	(10,000)
Extracurricular	66,342	66,342	0
Rentals	320	320	0
Gifts and Donations	2,661	2,661	0
Miscellaneous	47,404	39,718	(7,686)
<i>Total Revenues</i>	<u>24,502,264</u>	<u>24,480,102</u>	<u>(22,162)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	8,504,742	8,104,811	(399,931)
Fringe Benefits	2,524,952	2,524,672	(280)
Purchased Services	145,283	143,692	(1,591)
Materials and Supplies	392,838	392,562	(276)
Capital Outlay - New	132,472	132,472	0
Capital Outlay - Replacement	2,846	2,846	0
Other	8,229	8,229	0
Total Regular	<u>11,711,362</u>	<u>11,309,284</u>	<u>(402,078)</u>
Special:			
Salaries and Wages	1,104,406	1,104,406	0
Fringe Benefits	312,876	312,876	0
Purchased Services	623,652	623,647	(5)
Materials and Supplies	12,046	12,046	0
Total Special	<u>2,052,980</u>	<u>2,052,975</u>	<u>(5)</u>
Vocational:			
Purchased Services	468,083	468,083	0
Purchased Services	39,482	39,482	0
Purchased Services	14,633	14,633	0
Total Vocational	<u>522,198</u>	<u>522,198</u>	<u>0</u>
Student Intervention Services:			
Purchased Services	20,409	20,409	0
Total Instruction	<u>14,306,949</u>	<u>13,904,866</u>	<u>(402,083)</u>
Support Services:			
Pupils:			
Salaries and Wages	731,825	731,825	0
Fringe Benefits	188,945	188,945	0
Purchased Services	69,001	69,001	0
Materials and Supplies	2,900	2,900	0
Capital Outlay - New	199	199	0
Total Pupils	<u>992,870</u>	<u>992,870</u>	<u>0</u>

(continued)

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final	Actual	Variance Over (Under)
<b>Instructional Staff:</b>			
Salaries and Wages	413,498	413,498	0
Fringe Benefits	187,182	187,182	0
Purchased Services	260,408	259,945	(463)
Materials and Supplies	166,683	166,683	0
<b>Total Instructional Staff</b>	<b>1,027,771</b>	<b>1,027,308</b>	<b>(463)</b>
<b>Board of Education:</b>			
Salaries and Wages	9,600	9,600	0
Fringe Benefits	3,420	2,125	(1,295)
Purchased Services	19,533	19,533	0
Materials and Supplies	4,649	4,649	0
Other	31,544	31,544	0
<b>Total Board of Education</b>	<b>68,746</b>	<b>67,451</b>	<b>(1,295)</b>
<b>Administration:</b>			
Salaries and Wages	1,213,183	1,211,311	(1,872)
Fringe Benefits	524,560	524,560	0
Purchased Services	405,198	405,198	0
Materials and Supplies	12,306	12,306	0
<b>Total Administration</b>	<b>2,155,247</b>	<b>2,153,375</b>	<b>(1,872)</b>
<b>Fiscal:</b>			
Salaries and Wages	237,507	237,507	0
Fringe Benefits	137,521	137,521	0
Purchased Services	79,616	79,616	0
Materials and Supplies	3,171	3,171	0
Other	429,844	429,844	0
<b>Total Fiscal</b>	<b>887,659</b>	<b>887,659</b>	<b>0</b>
<b>Business:</b>			
Purchased Services	400	400	0
<b>Operation and Maintenance of Plant:</b>			
Salaries and Wages	1,091,806	1,090,628	(1,178)
Fringe Benefits	452,269	452,269	0
Purchased Services	789,928	789,928	0
Materials and Supplies	158,583	158,583	0
Capital Outlay - Replacement	17,000	17,000	0
<b>Total Operation and Maintenance of Plant</b>	<b>2,509,586</b>	<b>2,508,408</b>	<b>(1,178)</b>
<b>Pupil Transportation:</b>			
Salaries and Wages	706,592	706,592	0
Fringe Benefits	234,726	234,726	0
Purchased Services	83,236	83,236	0
Materials and Supplies	158,190	158,190	0
Capital Outlay - Replacement	73,120	73,120	0
<b>Total Pupil Transportation</b>	<b>1,255,864</b>	<b>1,255,864</b>	<b>0</b>

(continued)

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final	Actual	Variance Over (Under)
Central:			
Purchased Services	16,638	16,638	0
Total Support Services	8,914,781	8,909,973	(4,808)
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	5,501	5,501	0
Fringe Benefits	1,072	1,072	0
Purchased Services	(1,458)	(1,458)	0
Total Community Services	5,115	5,115	0
Total Other Operation of Non-Instructional Services	5,115	5,115	0
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries and Wages	532,859	532,859	0
Fringe Benefits	67,010	67,010	0
Purchased Services	14,999	14,999	0
Total Sports Oriented Activities	614,868	614,868	0
Total Extracurricular Activities	614,868	614,868	0
Debt Service			
Principal Payments	14,402	14,402	0
Interest	35,676	35,676	0
Total Debt Service	50,078	50,078	0
<i>Total Expenditures</i>	23,891,791	23,484,900	(406,891)
<i>Excess of Revenues Over (Under) Expenditures</i>	610,473	995,202	384,729
<b>Other Financing Sources (Uses):</b>			
Advances In	37,281	37,281	0
Advances Out	(72,979)	(72,979)	0
Transfers Out	(417,600)	(417,600)	0
<i>Total Other Financing Sources (Uses)</i>	(453,298)	(453,298)	0
<i>Net Change in Fund Balance</i>	157,175	541,904	384,729
<i>Fund Balance (Deficit) at Beginning of Year,</i> <i>Restated (See Note 2Q)</i>	6,033,011	6,033,011	0
Prior Year Encumbrances Appropriated	141,759	141,759	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 6,331,945	\$ 6,716,674	\$ 384,729

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
Budget (Non-GAAP Basis) and Actual  
Miscellaneous Grants Fund  
For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Gifts and Donations	\$ 55,422	\$ 55,422	\$ 0
<i>Total Revenues</i>	<u>55,422</u>	<u>55,422</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Capital Outlay - New	11,674	11,674	0
Support Services:			
Pupil Transportation:			
Purchased Services	6,436	6,436	0
Materials and Supplies	10,836	10,836	0
Total Support Services	<u>17,272</u>	<u>17,272</u>	<u>0</u>
Operation of Non-Instructional Services:			
Food Service Operations:			0
Capital Outlay - New	4,590	4,590	0
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	2,635	2,635	0
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	14,000	14,000	0
<i>Total Expenditures</i>	<u>50,171</u>	<u>50,171</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,251	5,251	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>125</u>	<u>125</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,376</u>	<u>\$ 5,376</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
Budget (Non-GAAP Basis) and Actual  
Athletic/District Managed Fund  
For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Extracurricular Activities	\$ 336,636	\$ 336,644	\$ 8
Gifts and Donations	20,142	29,642	9,500
Miscellaneous	3,536	4,115	579
<i>Total Revenues</i>	<u>360,314</u>	<u>370,401</u>	<u>10,087</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Administration:			
Salaries and Wages	900	900	0
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Fringe Benefits	30	0	(30)
Purchased Services	92,993	104,168	11,175
Materials and Supplies	30,387	30,387	0
Total Academic and Subject Oriented Activities	<u>123,410</u>	<u>134,555</u>	<u>11,145</u>
Sports Oriented Activities:			
Purchased Services	131,060	126,146	(4,914)
Materials and Supplies	93,330	98,730	5,400
Capital Outlay - New	4,534	4,534	0
Total Sports Oriented Activities	<u>228,924</u>	<u>229,410</u>	<u>486</u>
School and Public Service Co-Curricular Activities:			
Materials and Supplies	13,327	13,327	0
Total Extracurricular Activities	<u>365,661</u>	<u>377,292</u>	<u>11,631</u>
<i>Total Expenditures</i>	<u>366,561</u>	<u>378,192</u>	<u>11,631</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,247)</u>	<u>(7,791)</u>	<u>(1,544)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	17,600	17,600	0
<i>Net Change in Fund Balance</i>	11,353	9,809	(1,544)
<i>Fund Balance (Deficit) at Beginning of Year, Restated (See Note 2Q)</i>	84,700	84,700	0
Prior Year Encumbrances Appropriated	8,053	8,053	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 104,106</u>	<u>\$ 102,562</u>	<u>\$ (1,544)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Auxiliary Services Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 117,323	\$ 117,323	\$ 0
Investment Income	78	78	0
<i>Total Revenues</i>	<u>117,401</u>	<u>117,401</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	21,784	21,784	0
Fringe Benefits	6,277	6,277	0
Purchased Services	45,059	45,059	0
Materials and Supplies	31,734	31,734	0
Capital Outlay - New	3,092	3,092	0
Other	9,782	9,782	0
<i>Total Expenditures</i>	<u>117,728</u>	<u>117,728</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(327)	(327)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	117	117	0
Prior Year Encumbrances Appropriated	<u>210</u>	<u>210</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Educational Management Information Systems Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 5,000	\$ 5,000	\$ 0
<i>Total Revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Administration:			
Salaries and Wages	3,991	3,991	0
Fringe Benefits	23	23	0
Purchased Services	986	986	0
<i>Total Expenditures</i>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Data Communications Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 9,100	\$ 9,100	\$ 0
<i>Total Revenues</i>	<u>9,100</u>	<u>9,100</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	10,245	10,245	0
<i>Total Expenditures</i>	<u>10,245</u>	<u>10,245</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,145)	(1,145)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>1,145</u>	<u>1,145</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and*  
*Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 743,782	\$ 650,283	\$ (93,499)
<i>Total Revenues</i>	<u>743,782</u>	<u>650,283</u>	<u>(93,499)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	13,040	13,040	0
Capital Outlay - New	105,000	105,000	0
Total Instruction	<u>118,040</u>	<u>118,040</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	376,833	376,833	0
Fringe Benefits	86,510	86,510	0
Purchased Services	60,976	60,976	0
Materials and Supplies	14,415	14,415	0
Capital Outlay - New	9,000	9,000	0
Total Support Services	<u>547,734</u>	<u>547,734</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	18,044	18,044	0
Purchased Services	14,773	14,773	0
Total Other Operation of Non-Instructional Services	<u>32,817</u>	<u>32,817</u>	<u>0</u>
Capital Outlay:			
Building Acquisitions and Construction Services:			
Capital Outlay - New	62,016	20,584	(41,432)
Total Expenditures	<u>760,607</u>	<u>719,175</u>	<u>(41,432)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,825)</u>	<u>(68,892)</u>	<u>(52,067)</u>
<b>Other Financing Sources (Uses):</b>			
Advances In	72,979	72,979	0
Advances Out	(35,272)	(35,272)	0
Transfers In	6,160	0	(6,160)
Transfers Out	(6,160)	0	6,160
<i>Total Other Financing Sources (Uses)</i>	<u>37,707</u>	<u>37,707</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	20,882	(31,185)	(52,067)
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>31,185</u>	<u>31,185</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 52,067</u>	<u>\$ 0</u>	<u>\$ (52,067)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Fiscal Stabilization Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 143,241	\$ 143,241	\$ 0
<i>Total Revenues</i>	<u>143,241</u>	<u>143,241</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	115,070	115,070	0
Purchased Services	<u>23,893</u>	<u>23,893</u>	<u>0</u>
Total Instruction	<u>138,963</u>	<u>138,963</u>	<u>0</u>
Support Services:			
Administration:			
Purchased Services	<u>4,278</u>	<u>4,278</u>	<u>0</u>
<i>Total Expenditures</i>	<u>143,241</u>	<u>143,241</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title II-D Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 164	\$ 164	\$ 0
<i>Total Revenues</i>	<u>164</u>	<u>164</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	118	118	0
Support Services:			
Pupils:			
Purchased Services	46	46	0
<i>Total Expenditures</i>	<u>164</u>	<u>164</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title III Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 2,010	\$ 2,010	\$ 0
<i>Total Revenues</i>	<u>2,010</u>	<u>2,010</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	2,010	2,010	0
<i>Total Expenditures</i>	<u>2,010</u>	<u>2,010</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Other Financing Sources (Uses):</b>			
Advances Out	(2,010)	(2,010)	0
<i>Net Change in Fund Balance</i>	(2,010)	(2,010)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	2,010	2,010	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title I Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 49,150	\$ 49,150	\$ 0
<i>Total Revenues</i>	<u>49,150</u>	<u>49,150</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	38,318	38,318	0
Fringe Benefits	<u>10,832</u>	<u>10,832</u>	<u>0</u>
<i>Total Expenditures</i>	<u>49,150</u>	<u>49,150</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Drug Free Schools Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 0	\$ 0	\$ 0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Pupils:			
Capital Outlay - New	658	658	0
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	382	382	0
<i>Total Expenditures</i>	<u>1,040</u>	<u>1,040</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,040)	(1,040)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	1,040	1,040	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Preschool Handicapped Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 22,671	\$ 22,671	\$ 0
<i>Total Revenues</i>	<u>22,671</u>	<u>22,671</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	21,671	21,671	0
Purchased Services	1,000	1,000	0
<i>Total Expenditures</i>	<u>22,671</u>	<u>22,671</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title II-A Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 33,228	\$ 33,228	\$ 0
<i>Total Revenues</i>	<u>33,228</u>	<u>33,228</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	3,938	3,938	0
Fringe Benefits	19	19	0
Purchased Services	32,566	32,566	0
Total Instruction	<u>36,523</u>	<u>36,523</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	665	665	0
<i>Total Expenditures</i>	<u>37,188</u>	<u>37,188</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,960)	(3,960)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	3,960	3,960	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenses, and  
 Budget (Non-GAAP Basis) and Actual  
 Food Service Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 35,507	\$ 35,507	\$ 0
Interest	358	358	0
Charges for Services	569,304	569,369	65
<i>Total Revenues</i>	<u>605,169</u>	<u>605,234</u>	<u>65</u>
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries	186,564	186,564	0
Fringe Benefits	61,671	61,671	0
Purchased Services	10,826	10,826	0
Materials and Supplies	333,054	305,968	(27,086)
Other	179	179	0
<i>Total Expenditures</i>	<u>592,294</u>	<u>565,208</u>	<u>(27,086)</u>
<i>Net Change in Fund Balance</i>	12,875	40,026	27,151
<i>Fund Balance (Deficit) at Beginning of Year</i>	70,186	70,186	0
Prior Year Encumbrances Appropriated	294	294	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 83,355</u>	<u>\$ 110,506</u>	<u>\$ 27,151</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Public School Support Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Extracurricular Activities	\$ 107,674	\$ 107,674	\$ 0
Gifts and Donations	809	809	0
<i>Total Revenues</i>	<u>108,483</u>	<u>108,483</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	5,932	4,984	(948)
Fringe Benefits	771	771	0
Purchased Services	51,465	51,465	0
Materials and Supplies	41,415	41,415	0
Capital Outlay - New	2,670	2,670	0
Other	551	551	0
<i>Total Expenditures</i>	<u>102,804</u>	<u>101,856</u>	<u>(948)</u>
<i>Net Change in Fund Balance</i>	5,679	6,627	948
<i>Fund Balance (Deficit) at Beginning of Year</i>	24,747	24,747	0
Prior Year Encumbrances Appropriated	170	170	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 30,596</u>	<u>\$ 31,544</u>	<u>\$ 948</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenses, and  
 Budget (Non-GAAP Basis) and Actual  
 Uniform School Supplies Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Tuition and Fees	\$ 102,103	\$ 102,038	\$ (65)
<i>Total Revenues</i>	<u>102,103</u>	<u>102,038</u>	<u>(65)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	110,000	109,865	(135)
<i>Total Expenditures</i>	<u>110,000</u>	<u>109,865</u>	<u>(135)</u>
<i>Net Change in Fund Balance</i>	(7,897)	(7,827)	70
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>12,793</u>	<u>12,793</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,896</u>	<u>\$ 4,966</u>	<u>\$ 70</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenses, and  
Budget (Non-GAAP Basis) and Actual  
Community Education Fund  
For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Tuition and Fees	\$ 297,223	\$ 297,223	\$ 0
<i>Total Revenues</i>	<u>297,223</u>	<u>297,223</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries	72,340	65,340	(7,000)
Fringers Benefits	26,580	20,580	(6,000)
Purchased Services	208,571	188,571	(20,000)
Materials and Supplies	151	151	0
Other	0	0	0
	<u>307,642</u>	<u>274,642</u>	<u>(33,000)</u>
Support Services:			
Pupils:			
Purchased Services	60,530	45,023	(15,507)
Fiscal:			
Other	8,729	6,729	(2,000)
<i>Total Expenditures</i>	<u>376,901</u>	<u>326,394</u>	<u>(50,507)</u>
<i>Net Change in Fund Balance</i>	(79,678)	(29,171)	50,507
<i>Fund Balance (Deficit) at Beginning of Year</i>	123,790	123,790	0
Prior Year Encumbrances Appropriated	26,385	26,385	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 70,497</u>	<u>\$ 121,004</u>	<u>\$ 50,507</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Bond Retirement Fund  
 For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Taxes	\$ 2,413,942	\$ 2,413,942	\$ 0
Intergovernmental	335,792	335,792	0
<i>Total Revenues</i>	<u>2,749,734</u>	<u>2,749,734</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Fiscal:			
Other	25,935	25,727	(208)
Debt Service:			
Principal Retirement	1,018,064	1,018,064	0
Interest and Fiscal Charges	1,632,001	1,632,001	0
Total Debt Service	<u>2,650,065</u>	<u>2,650,065</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,676,000</u>	<u>2,675,792</u>	<u>(208)</u>
<i>Net Change in Fund Balance</i>	73,734	73,942	208
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>2,814,709</u>	<u>2,814,709</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,888,443</u>	<u>\$ 2,888,651</u>	<u>\$ 208</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
Budget (Non-GAAP Basis) and Actual  
Permanent Improvement Projects Fund  
For the Fiscal Year Ended June 30, 2011*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Investment Income	\$ 596	\$ 684	\$ 88
Gifts and Donations	292,457	292,457	0
<i>Total Revenues</i>	293,053	293,141	88
<b>Expenditures:</b>			
Capital Outlay:			
Building Acquisitions and Construction Services:			
Purchased Services	105,626	103,282	(2,344)
Capital Outlay - New	525,674	525,674	0
Total Building Acquisitions and Construction Services	631,300	628,956	(2,344)
Building Improvement Services:			
Purchased Services	1,317,246	1,316,650	(596)
Capital Outlay - New	4,595	4,595	0
Total Building Improvement Services	1,321,841	1,321,245	(596)
Other Facilities Acquisition and Construction Services:			
Capital Outlay - New	3,000	3,000	0
Total Capital Outlay	1,956,141	1,953,201	(2,940)
Debt Service:			
Interest and Fiscal Charges	26,333	26,333	0
			0
<i>Total Expenditures</i>	1,982,474	1,979,534	(2,940)
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,689,421)	(1,686,393)	3,028
<b>Other Financing Sources (Uses):</b>			
Proceeds of Debt Issuance	1,342,983	1,342,983	0
Transfers In	400,000	400,000	0
<i>Total Other Financing Sources (Uses)</i>	1,742,983	1,742,983	0
<i>Net Change in Fund Balance</i>	53,562	56,590	3,028
<i>Fund Balance (Deficit) at Beginning of Year</i>	162,405	162,405	0
Prior Year Encumbrances Appropriated	171,895	171,895	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 387,862	\$ 390,890	\$ 3,028

***AGENCY FUNDS***  
***Combining Statements***

# Chagrin Falls Exempted Village School District

## *Combining Statements – Agency Fund*

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### ***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.

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2011*

	<b>Restated Beginning Balance 7/1/10</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance 6/30/11</b>
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 46,428	\$ 81,131	\$ 74,789	\$ 52,770
<b>Liabilities</b>				
Due to Students	\$ 46,428	\$ 81,131	\$ 74,789	\$ 52,770

**STATISTICAL  
SECTION**



## *Statistical Section*

This part of the Chagrin Falls Exempted Village 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.

<u>Contents</u>	<u>Page(s)</u>
<b>Financial Trends</b> 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
<b>Revenue Capacity</b> 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
<b>Debt Capacity</b> 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-24
<b>Economic and Demographic Information</b> 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-25 - S-27
<b>Operating Information</b> 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-39

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB 34 in 2001; schedules presenting government-wide information include information beginning in that year.

**NOTE:**

With the implementation of GASB No. 54 for fiscal year 2011, previously reported enterprise funds (business-type activities) have been recorded as governmental funds (governmental activities). Previous years statistical tables have not been updated to reflect the impact this would have in previous years. Amounts are not deemed significant to impact the users of this Section. There have also been other minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes) with the implementation of GASB No. 54. Prior year amounts also have not been adjusted to reflect this change.

**Chagrin Falls Exempted Village School District**  
*Net Assets by Component*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	<u>2011</u>	<u>Restated 2010</u>	<u>2009</u>	<u>2008</u>
<b>Governmental Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$ 4,722,780	\$ 4,490,753	\$ 3,607,515	\$ 1,611,681
Restricted	5,141,274	3,843,429	3,143,103	4,004,857
Unrestricted	2,949,083	3,178,606	2,657,943	1,009,120
<i>Total Governmental Activities Net Assets</i>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,408,561</u>	<u>\$ 6,625,658</u>
<b>Business-Type Activities:</b>				
Invested in Capital Assets	N/A	N/A	\$ 81,412	\$ 93,071
Restricted	N/A	N/A	0	0
Unrestricted	N/A	N/A	119,858	77,779
<i>Total Business-Type Activities Net Assets</i>	<u>N/A</u>	<u>N/A</u>	<u>\$ 201,270</u>	<u>\$ 170,850</u>
<b>Primary Government:</b>				
Invested in Capital Assets, Net of Related Debt	\$ 4,722,780	\$ 4,490,753	\$ 3,688,927	\$ 1,704,752
Restricted	5,141,274	3,843,429	3,143,103	4,004,857
Unrestricted	2,949,083	3,178,606	2,777,801	1,086,899
<i>Total Primary Government Net Assets</i>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,609,831</u>	<u>\$ 6,796,508</u>

<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 1,070,070	\$ 2,200,744	\$ 1,946,362	\$ 1,567,981	\$ 1,544,335	\$ 1,497,343
4,770,065	1,104,831	879,207	2,155,299	1,855,906	2,393,854
(1,222,306)	(1,038,726)	383,288	408,187	(87,075)	1,598,300
<u>\$ 4,617,829</u>	<u>\$ 2,266,849</u>	<u>\$ 3,208,857</u>	<u>\$ 4,131,467</u>	<u>\$ 3,313,166</u>	<u>\$ 5,489,497</u>
\$ 151,180	\$ 169,306	\$ 170,001	\$ 187,256	\$ 196,624	\$ 207,659
0	0	0	0	0	0
82,439	(3,267)	89,820	83,728	98,548	63,570
<u>\$ 233,619</u>	<u>\$ 166,039</u>	<u>\$ 259,821</u>	<u>\$ 270,984</u>	<u>\$ 295,172</u>	<u>\$ 271,229</u>
\$ 1,221,250	\$ 2,370,050	\$ 2,116,363	\$ 1,755,237	\$ 1,740,959	\$ 1,705,002
4,770,065	1,104,831	879,207	2,155,299	1,855,906	2,393,854
(1,139,867)	(1,041,993)	473,108	491,915	11,473	1,661,870
<u>\$ 4,851,448</u>	<u>\$ 2,432,888</u>	<u>\$ 3,468,678</u>	<u>\$ 4,402,451</u>	<u>\$ 3,608,338</u>	<u>\$ 5,760,726</u>

**Chagrin Falls Exempted Village School District**  
*Changes in Net Assets*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Expenses:</b>				
<b>Governmental Activities:</b>				
Regular Instruction	\$ 13,118,129	\$ 12,856,519	\$ 11,527,572	\$ 10,211,305
Special Instruction	2,248,567	1,903,964	1,998,884	1,851,409
Vocational Instruction	519,757	438,535	112,692	108,040
Student Intervention	20,409	23,103	20,131	0
Pupil Support	1,148,707	1,174,071	899,849	962,287
Instructional Staff Support	1,627,692	1,328,776	1,426,196	1,343,348
Board of Education	65,485	75,274	80,176	62,223
Administration	2,226,136	2,050,077	2,015,517	1,963,707
Fiscal	918,514	885,475	828,131	707,475
Business	400	300	400	800
Operation and Maintenance of Plant	2,626,552	1,990,526	2,473,588	2,442,552
Pupil Transportation	1,357,761	1,264,395	1,127,451	1,157,144
Central	18,801	12,933	16,632	16,001
Operation of Non-Instructional Services	202,322	160,455	283,041	165,741
Food Service Operations	583,757	669,562	0	0
Extracurricular Activities	994,169	844,500	801,231	623,811
Interest and Fiscal Charges	1,369,563	1,360,443	1,320,426	1,333,641
Reissuance Costs	0	0	0	0
<i>Total Governmental Activities Expenses</i>	<u>29,046,721</u>	<u>27,038,908</u>	<u>24,931,917</u>	<u>22,949,484</u>
<b>Business-Type Activities:</b>				
Food Service	N/A	N/A	706,059	657,655
Uniform School Supplies	N/A	N/A	84,224	99,922
Community Education	N/A	N/A	342,088	400,043
Windsor Educational	N/A	N/A	0	0
<i>Total Business-Type Activities Expenses</i>	<u>N/A</u>	<u>N/A</u>	<u>1,132,371</u>	<u>1,157,620</u>
<i>Total Primary Government Expenses</i>	<u>\$ 29,046,721</u>	<u>\$ 27,038,908</u>	<u>\$ 26,064,288</u>	<u>\$ 24,107,104</u>
<b>Program Revenues:</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
Regular Instruction	\$ 618,336	\$ 416,414	\$ 229,320	\$ 108,321
Special Instruction	0	0	0	0
Vocational Instruction	273,403	371,189	0	0
Pupil Support	107,675	100,370	84,827	89,748
Fiscal	320	3,988	17,221	29,053
Operation and Maintenance of Plant		0	642	0
Food Service Operations	568,535	616,442	0	0
Extracurricular Activities	336,643	236,417	215,933	143,706
<b>Operating Grants and Contributions:</b>				
Regular Instruction	289,400	104,258	137,025	75,556
Special Instruction	488	2,010	25,418	67,296
Pupil Support	809	3,764	3,042	3,940
Instructional Staff Support	456,368	512,006	305,995	381,111
Administration	5,000	5,000	5,840	13,322
Fiscal		0	1,985	0
Pupil Transportation	17,272	0	0	0
Operation of Non Instructional	184,789	138,989	157,624	151,237
Food Service Operations	61,047	60,804	0	0
Extracurricular Activities	57,599	0	0	0
Interest and Fiscal Charges	25,868	0	0	0
<b>Capital Grants and Contributions:</b>				
Regular Instruction	0	0	0	13,202
Instructional Staff Support	0	0	0	0
Operation and Maintenance of Plant	0	0	2,604	36,345
Extracurricular Activities	272,000	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>

	2007	2006	2005	2004	2003	2002
\$	9,933,444	\$ 9,893,476	\$ 10,026,597	\$ 10,019,345	\$ 9,291,338	\$ 9,002,902
	1,712,549	1,483,639	1,636,142	1,350,026	1,189,814	1,348,927
	162,699	123,302	71,620	92,934	108,138	101,713
	13,210	34,060	29,720	37,335	5,912	18,144
	995,334	1,072,115	1,139,741	1,098,885	1,055,832	966,542
	1,398,338	1,489,359	1,297,374	1,159,805	986,686	1,065,858
	94,466	89,991	83,165	79,892	63,685	66,055
	2,069,076	1,976,027	1,816,179	1,610,209	1,510,595	1,349,681
	1,284,233	640,702	936,955	643,052	668,701	598,479
	800	800	800	800	800	750
	2,828,169	3,020,408	2,479,388	2,499,738	2,427,389	2,242,666
	1,126,296	1,215,315	1,120,571	1,097,121	1,063,140	946,889
	22,099	25,809	24,281	21,452	21,381	21,729
	184,844	173,704	160,332	198,003	209,998	129,891
	0	0	0	0	0	0
	731,019	702,459	690,406	746,022	696,643	688,806
	1,461,470	1,442,066	2,548,040	1,240,118	1,283,851	1,237,510
	0	0	188,590	0	0	0
	<u>24,018,046</u>	<u>23,383,232</u>	<u>24,249,901</u>	<u>21,894,737</u>	<u>20,583,903</u>	<u>19,786,542</u>
	623,945	594,929	668,197	686,168	584,811	492,126
	108,859	93,703	106,213	71,642	64,589	59,940
	343,265	217,837	164,844	208,061	176,678	150,584
	0	0	0	0	68,146	0
	<u>1,076,069</u>	<u>906,469</u>	<u>939,254</u>	<u>965,871</u>	<u>894,224</u>	<u>702,650</u>
\$	<u>25,094,115</u>	<u>\$ 24,289,701</u>	<u>\$ 25,189,155</u>	<u>\$ 22,860,608</u>	<u>\$ 21,478,127</u>	<u>\$ 20,489,192</u>
\$	46,728	\$ 84,170	\$ 51,244	\$ 52,944	\$ 81,992	\$ 220,964
	0	0	5	0	0	0
	0	0	0	0	0	0
	117,182	220,695	206,626	200,094	176,243	162,001
	22,624	19,908	51,352	17,456	19,715	17,859
	27,782	0	0	0	0	0
	0	0	0	0	0	0
	168,239	160,390	148,019	140,112	143,374	141,978
	78,149	73,776	118,098	113,975	92,858	38,134
	72,521	76,445	95,065	3,776	0	0
	0	53,674	92,846	33,527	56,541	9,851
	351,980	323,026	233,134	207,882	104,580	105,498
	6,563	6,611	6,188	7,174	7,076	6,933
	0	0	0	0	0	0
	0	0	0	0	0	0
	164,254	144,668	150,036	139,144	151,189	137,152
	0	0	0	0	0	0
	0	0	0	0	0	38,103
	0	0	0	0	0	0
	0	0	16,905	0	0	14,000
	0	0	0	0	30,718	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>	<u>916,084</u>	<u>864,286</u>	<u>892,473</u>

**Chagrin Falls Exempted Village School District**  
*Changes in Net Assets*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Business-Type Activities:</b>				
<b>Charges for Services:</b>				
Food Service	N/A	N/A	\$ 599,641	\$ 600,990
Uniform School Supplies	N/A	N/A	104,698	101,299
Community Education	N/A	N/A	357,764	363,369
Windsor Educational	N/A	N/A	0	0
<b>Operating Grants and Contributions:</b>	N/A	N/A		
Food Service	N/A	N/A	100,074	76,331
<i>Total Business-Type Activities Program Revenues</i>	N/A	N/A	1,162,177	1,141,989
<i>Total Primary Government Program Revenues</i>	3,275,552	2,571,651	2,349,653	2,254,826
<b>Net (Expense) Revenue:</b>				
Governmental Activities	(25,771,169)	(24,467,257)	(23,744,441)	(21,836,647)
Business-Type Activities	N/A	N/A	29,806	(15,631)
<i>Total Primary Government Net Expense</i>	<u>\$ (25,771,169)</u>	<u>\$ (24,467,257)</u>	<u>\$ (23,714,635)</u>	<u>\$ (21,852,278)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
<b>Governmental Activities:</b>				
<b>Property and Other Local Taxes Levied For:</b>				
General Purposes	\$ 18,950,590	\$ 18,124,570	\$ 18,443,992	\$ 17,044,074
Debt Service	2,397,179	2,478,184	2,486,452	2,267,975
Grants and Entitlements not Restricted to Specific Programs	5,608,901	5,493,978	5,356,437	4,815,085
Investment Earnings	71,014	60,186	105,901	232,816
Miscellaneous	43,834	201,566	134,562	127,169
<i>Total Governmental Activities</i>	27,071,518	26,358,484	26,527,344	24,487,119
<b>Business-Type Activities:</b>				
Investment Earnings	N/A	N/A	614	2,432
Miscellaneous	N/A	N/A	0	120
<i>Total Business-Type Activities</i>	N/A	N/A	614	2,552
<i>Total Primary Government</i>	<u>\$ 27,071,518</u>	<u>\$ 26,358,484</u>	<u>\$ 26,527,958</u>	<u>\$ 24,489,671</u>
<b>Change in Net Assets</b>				
Governmental Activities	\$ 1,300,349	\$ 1,891,227	\$ 2,782,903	\$ 2,650,472
Business-Type Activities	N/A	N/A	30,420	(13,079)
<i>Total Primary Government</i>	<u>\$ 1,300,349</u>	<u>\$ 1,891,227</u>	<u>\$ 2,813,323</u>	<u>\$ 2,637,393</u>

2007	2006	2005	2004	2003	2002
\$ 529,535	\$ 527,520	\$ 619,966	\$ 641,834	\$ 549,986	\$ 499,914
97,554	92,293	96,152	74,349	69,600	66,862
448,362	243,275	184,228	191,304	171,745	145,053
0	0	0	0	67,909	0
55,301	37,221	25,531	33,586	55,464	30,762
1,130,752	900,309	925,877	941,073	914,704	742,591
2,186,774	2,063,672	2,095,395	1,857,157	1,778,990	1,635,064
(22,962,024)	(22,219,869)	(23,080,383)	(20,978,653)	(19,719,617)	(18,894,069)
54,683	(6,160)	(13,377)	(24,798)	20,480	39,941
\$ (22,907,341)	\$ (22,226,029)	\$ (23,093,760)	\$ (21,003,451)	\$ (19,699,137)	\$ (18,854,128)
\$ 17,540,958	\$ 14,083,975	\$ 15,599,444	\$ 15,342,604	\$ 11,672,680	\$ 13,315,386
2,661,472	2,147,078	2,065,233	2,146,903	1,839,749	1,563,514
4,324,197	4,255,426	4,247,210	4,203,459	3,881,296	3,820,383
506,124	505,332	91,320	15,472	47,382	225,968
291,590	168,579	154,566	88,516	102,179	20,176
25,324,341	21,160,390	22,157,773	21,796,954	17,543,286	18,945,427
1,560	3,671	2,214	610	3,226	2,625
0	26,178	0	0	0	0
1,560	29,849	2,214	610	3,226	2,625
\$ 25,325,901	\$ 21,190,239	\$ 22,159,987	\$ 21,797,564	\$ 17,546,512	\$ 18,948,052
\$ 2,362,317	\$ (1,059,479)	\$ (922,610)	\$ 818,301	\$ (2,176,331)	\$ 51,358
56,243	23,689	(11,163)	(24,188)	23,706	42,566
\$ 2,418,560	\$ (1,035,790)	\$ (933,773)	\$ 794,113	\$ (2,152,625)	\$ 93,924

**Chagrin Falls Exempted Village School District**  
*Program Revenues by Function/Program*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Governmental Activities</b>				
Regular Instruction	\$ 907,736	\$ 520,672	\$ 366,345	\$ 197,079
Special Instruction	488	2,010	25,418	67,296
Vocational Instruction	273,403	371,189	0	0
Pupil Support	108,484	104,134	87,869	93,688
Instructional Support	456,368	512,006	305,995	381,111
Administration	5,000	5,000	5,840	13,322
Fiscal	320	3,988	19,206	29,053
Operation and Maintenance of Plant	0	0	3,246	36,345
Pupil Transportation	17,272	0	0	0
Operation of Non Instructional	184,789	138,989	157,624	151,237
Food Service Operations	629,582	677,246	0	0
Extracurricular Activities	666,242	236,417	215,933	143,706
Interest and Fiscal Charges	25,868	0	0	0
<i>Total Governmental Activities</i>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>
<b>Business-Type Activities</b>				
Food Service	N/A	N/A	699,715	677,321
Uniform School Supplies	N/A	N/A	104,698	101,299
Community Education	N/A	N/A	357,764	363,369
Windsor Educational	N/A	N/A	0	0
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>1,162,177</u>	<u>1,141,989</u>
<i>Total Primary Government</i>	<u>\$ 3,275,552</u>	<u>\$ 2,571,651</u>	<u>\$ 2,349,653</u>	<u>\$ 2,254,826</u>

	2007	2006	2005	2004	2003	2002
\$	124,877	\$ 157,946	\$ 186,247	\$ 166,919	\$ 174,850	\$ 273,098
	72,521	76,445	95,070	3,776	0	0
	0	0	0	0	0	0
	117,182	274,369	299,472	233,621	232,784	171,852
	351,980	323,026	233,134	207,882	135,298	105,498
	6,563	6,611	6,188	7,174	7,076	6,933
	22,624	19,908	51,352	17,456	19,715	17,859
	27,782	0	0	0	0	0
	0	0	0	0	0	0
	164,254	144,668	150,036	139,144	151,189	137,152
	0	0	0	0	0	0
	168,239	160,390	148,019	140,112	143,374	180,081
	0	0	0	0	0	0
	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>	<u>916,084</u>	<u>864,286</u>	<u>892,473</u>
	584,836	564,741	645,497	675,420	605,450	530,676
	97,554	92,293	96,152	74,349	69,600	66,862
	448,362	243,275	184,228	191,304	171,745	145,053
	0	0	0	0	67,909	0
	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>	<u>941,073</u>	<u>914,704</u>	<u>742,591</u>
\$	<u>2,186,774</u>	<u>\$ 2,063,672</u>	<u>\$ 2,095,395</u>	<u>\$ 1,857,157</u>	<u>\$ 1,778,990</u>	<u>\$ 1,635,064</u>

**Chagrin Falls Exempted Village School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	<b>2011</b>	<b>Restated 2010</b>	<b>2009</b>	<b>2008</b>
<b>General Fund</b>				
Reserved	N/A	N/A	\$ 3,053,283	\$ 2,879,582
Unreserved	N/A	N/A	1,424,748	0
Restricted	\$ 0	\$ 0	N/A	N/A
Assigned	53,895	113,178	N/A	N/A
Unassigned	6,637,210	5,702,466	N/A	N/A
<i>Total General Fund</i>	6,691,105	5,815,644	4,478,031	2,879,582
<b>All Other Governmental Funds</b>				
Reserved	N/A	N/A	674,516	408,383
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	123,372	2,304,098
Debt Service Funds	N/A	N/A	2,539,420	172,850
Capital Projects Funds	N/A	N/A	128,099	0
Permanent Funds	N/A	N/A	0	0
Nonspendable	0	0	N/A	N/A
Restricted	4,860,250	3,563,784	N/A	N/A
Committed	0	0	N/A	N/A
Assigned	0	0	N/A	N/A
Unassigned	(12,317)	(69,232)	N/A	N/A
<i>Total All Other Governmental Funds</i>	4,847,933	3,494,552	3,465,407	2,885,331
<i>Total Governmental Funds</i>	\$ 11,539,038	\$ 9,310,196	\$ 7,943,438	\$ 5,764,913

	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$	2,852,743	\$ 2,233,821	\$ 3,709,598	\$ 2,738,475	\$ 1,618,655	\$ 2,541,652
	(2,987,439)	(2,343,891)	(2,539,529)	(2,125,432)	(1,462,800)	(407,207)
	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
	(134,696)	(110,070)	1,170,069	613,043	155,855	2,134,445
	1,691,974	8,125,446	1,348,098	491,541	313,346	345,549
	161,629	122,621	131,387	192,206	226,609	221,399
	2,397,617	2,082,765	1,936,245	1,400,736	1,251,625	1,113,357
	724,220	626,179	9,002,702	40,976	68,594	518,257
	0	0	53	0	0	0
	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
	N/A	N/A	N/A	N/A	N/A	N/A
	4,975,440	10,957,011	12,418,485	2,125,459	1,860,174	2,198,562
\$	4,840,744	\$ 10,846,941	\$ 13,588,554	\$ 2,738,502	\$ 2,016,029	\$ 4,333,007

**Chagrin Falls Exempted Village School District**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years (1)*  
*(Modified Accrual Basis of Accounting)*

	<b>2011</b>	<b>Restated 2010</b>	<b>2009</b>	<b>2008</b>
<b>Revenues:</b>				
Taxes	\$ 21,425,142	\$ 20,524,509	\$ 21,480,808	\$ 19,398,904
Intergovernmental	6,583,553	6,126,192	5,992,945	5,517,743
Interest	72,134	60,844	108,926	272,167
Tuition and Fees	846,097	831,786	314,147	108,321
Extracurricular Activities	510,660	336,787	215,933	233,454
Rentals	320	3,988	17,863	29,053
Charges for Services	569,369	616,442	0	0
Contributions and Donations	380,991	145,181	91,937	92,018
Miscellaneous	43,833	56,385	42,625	35,151
<i>Total Revenues</i>	<u>30,432,099</u>	<u>28,702,114</u>	<u>28,265,184</u>	<u>25,686,811</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	11,787,871	11,413,091	10,599,975	9,494,487
Special	2,218,241	1,859,174	1,998,852	1,842,475
Vocational	519,757	438,535	112,692	108,040
Other	20,409	23,103	20,131	0
Support Services:				
Pupils	1,132,241	1,142,194	896,199	962,350
Instructional Staff	1,580,327	1,257,778	1,283,972	1,251,731
Board of Education	65,485	75,274	80,176	62,223
Administration	2,283,321	2,036,099	1,980,521	2,039,699
Fiscal	914,816	882,859	835,484	723,495
Business	400	300	400	800
Operation and Maintenance of Plant	2,483,910	2,236,090	2,368,677	2,253,916
Pupil Transportation	1,257,667	1,304,983	1,182,167	1,124,880
Central	18,801	12,933	16,632	16,001
Operation of Non-Instructional Services	157,709	133,465	276,529	157,167
Food Service Operations	586,949	669,562	0	0
Extracurricular Activities	994,169	844,243	797,899	620,941
Capital Outlay	895,156	481,724	831,865	1,703,012
Debt Service:				
Principal Retirement	1,032,466	1,544,128	1,485,870	1,435,000
Interest and Fiscal Charges	1,694,010	1,092,272	1,144,118	1,141,325
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>29,643,705</u>	<u>27,447,807</u>	<u>25,912,159</u>	<u>24,937,542</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	788,394	1,254,307	2,353,025	749,269
<b>Other Financing Sources (Uses):</b>				
Inception of Capital Lease	97,465	0	0	0
Proceeds of Debt Issuance	1,342,983	0	0	0
Refunding Bonds	0	0	0	0
Payment to Refund Bond Escrow Agent	0	0	0	0
Proceeds from Sale of Capital Assets	0	5,782	0	400
Bond Premiums	0	0	0	0
Transfers In	417,600	417,600	417,600	313,600
Transfers Out	(417,600)	(417,600)	(417,600)	(313,600)
<i>Total Financing Sources and (Uses)</i>	<u>1,440,448</u>	<u>5,782</u>	<u>0</u>	<u>400</u>
<i>Net Change in Fund Balance</i>	<u>\$ 2,228,842</u>	<u>\$ 1,260,089</u>	<u>\$ 2,353,025</u>	<u>\$ 749,669</u>
Debt Service as a Percentage of Noncapital Expenditures	9.37%	9.81%	10.68%	11.18%

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

	2007	2006	2005	2004	2003	2002
\$	19,173,424	\$ 16,139,165	\$ 18,329,367	\$ 17,162,148	\$ 13,302,500	\$ 14,855,371
	4,997,664	4,933,626	4,959,482	4,708,937	4,324,258	4,189,224
	506,124	505,332	91,320	15,472	47,382	227,195
	46,728	67,152	49,999	49,061	80,678	218,409
	285,421	382,353	355,895	329,479	320,931	306,534
	27,744	19,908	51,352	17,456	19,715	17,859
	22,662	15,750	0	14,610	0	0
	263,145	154,981	113,747	87,483	80,252	0
	28,445	13,418	4,429	10,133	33,738	74,718
	<u>25,351,357</u>	<u>22,231,685</u>	<u>23,955,591</u>	<u>22,394,779</u>	<u>18,209,454</u>	<u>19,889,310</u>
	9,605,336	9,250,195	9,596,898	9,174,555	8,467,549	8,125,303
	1,679,725	1,476,836	1,646,045	1,336,903	1,175,284	1,335,649
	162,699	123,302	71,620	92,934	108,138	101,713
	13,210	34,060	29,720	37,335	5,912	18,144
	975,776	1,104,862	1,146,396	1,082,514	1,066,929	969,626
	1,387,321	1,357,804	1,204,234	1,073,138	981,533	944,988
	94,356	89,883	83,115	79,733	63,569	65,947
	2,045,032	1,883,737	1,875,080	1,573,006	1,475,971	1,383,754
	1,277,306	603,709	945,044	614,891	640,565	547,204
	800	800	800	800	800	750
	2,516,357	2,489,294	2,334,061	2,305,252	2,152,062	2,114,661
	1,115,895	1,143,620	1,130,762	1,058,296	1,066,596	988,953
	22,099	25,809	24,936	21,452	21,381	21,729
	161,178	158,724	151,141	181,176	193,699	131,840
	0	0	0	0	0	0
	724,915	697,089	695,109	727,167	726,783	690,347
	7,001,158	2,213,235	707,912	251,793	281,643	248,154
	1,295,000	1,146,145	853,647	821,488	814,952	767,723
	1,271,402	1,285,623	1,174,244	1,240,118	1,283,851	1,349,265
	0	0	188,590	0	0	0
	<u>31,349,565</u>	<u>25,084,727</u>	<u>23,859,354</u>	<u>21,672,551</u>	<u>20,527,217</u>	<u>19,805,750</u>
	(5,998,208)	(2,853,042)	96,237	722,228	(2,317,763)	83,560
	0	0	0	0	0	6,636
	0	0	9,949,990	0	0	0
	0	0	16,819,988	0	0	0
	0	0	(18,082,289)	0	0	0
	3,348	1,205	0	245	785	1,465
	0	0	2,066,126	0	0	0
	313,600	430,471	315,750	325,450	478,409	51,992
	(324,937)	(320,247)	(315,750)	(325,450)	(478,409)	(54,742)
	<u>(7,989)</u>	<u>111,429</u>	<u>10,753,815</u>	<u>245</u>	<u>785</u>	<u>5,351</u>
\$	<u>(6,006,197)</u>	<u>(2,741,613)</u>	<u>\$ 10,850,052</u>	<u>\$ 722,473</u>	<u>\$ (2,316,978)</u>	<u>\$ 88,911</u>
	10.84%	10.58%	9.68%	9.68%	10.45%	10.93%

**Chagrin Falls Exempted Village School District**  
*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>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
2011	\$ 482,312,310	\$ 1,378,035,171	\$ 5,968,250	\$ 6,782,102
2010	479,878,670	1,371,081,914	5,849,490	6,647,148
2009	484,579,200	1,384,512,000	5,489,790	6,238,398
2008	486,429,360	1,389,798,171	5,218,290	5,929,875
2007	482,941,100	1,379,831,714	6,552,990	7,446,580
2006	452,868,880	1,293,911,086	7,173,560	8,151,772
2005	434,192,870	1,240,551,057	6,879,320	7,817,409
2004	431,105,710	1,231,730,600	6,873,410	7,810,693
2003	402,220,270	1,149,200,771	6,465,970	7,347,693
2002	387,295,710	1,106,559,171	7,051,550	8,013,125

Source: Cuyahoga and Geauga County Auditors - Data is presented on a calendar year basis as this is the manner in which information is maintained by the County Auditors.

- (1) Real estate value is assessed at 35% of actual value.
- (2) Public utility personal is assessed at 88% of actual value.
- (3) Tangible personal property is assessed at 23% of actual value.

<u>Tangible Personal Property (3)</u>		<u>Total</u>			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$ 0	\$ 0	\$ 488,280,560	\$ 1,384,817,273	35%	107.70
0	0	485,728,160	1,377,729,062	35%	108.60
1,302,500	5,663,043	491,371,490	1,396,413,441	35%	108.30
2,905,855	12,634,152	494,553,505	1,408,362,199	35%	108.30
4,045,333	17,588,404	493,539,423	1,404,866,698	35%	100.40
5,919,019	25,734,865	465,961,459	1,327,797,723	35%	100.90
7,210,137	31,348,422	448,282,327	1,279,716,888	35%	99.80
9,333,450	40,580,217	447,312,570	1,280,121,510	35%	92.20
10,781,967	43,127,874	419,468,207	1,199,676,338	35%	92.10
10,129,867	40,519,468	404,477,127	1,155,091,764	35%	92.30

**Chagrin Falls Exempted Village School District**  
*Property Tax Rates - All Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Collection Years*

Calendar Year	School Levy (1)	Cuyahoga County Levy	Geauga County Levy	Other (2)	City Levy	Total Levy	Debt Service Included in Total Levy			
							School	County	City	Total
2010	107.70	13.32	15.10	7.98	11.20	155.30	5.15	0.27	2.9	8.32
2009	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.55	2.9	9.50
2008	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.50	2.9	9.45
2007	108.30	13.42	15.10	7.18	11.20	155.20	5.75	0.74	2.9	9.39
2006	100.40	13.42	15.10	7.18	11.20	147.30	5.75	0.74	2.9	9.39
2005	100.90	20.30	15.10	N/A	11.50	147.80	6.25	0.50	3.20	9.95
2004	99.80	19.40	15.10	N/A	10.40	144.70	5.15	0.91	3.20	9.26
2003	92.20	17.60	14.60	N/A	10.40	134.80	5.45	0.91	2.10	8.46
2002	92.10	17.60	14.40	N/A	10.40	134.50	5.35	0.86	2.10	8.31
2001	92.30	17.60	14.40	N/A	10.50	134.80	5.55	0.79	2.20	8.54

(1)

	Current	Debt Service	Total
2010	102.55	5.15	107.70
2009	102.55	6.05	108.60
2008	102.55	6.05	108.60
2007	102.55	5.75	108.30
2006	94.65	5.75	100.40
2005	N/A	N/A	100.90
2004	N/A	N/A	99.80
2003	N/A	N/A	92.20
2002	N/A	N/A	92.10
2001	N/A	N/A	92.30

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

(2) This includes Chagrin Falls Township, Cleveland Metro Parks, Cuyahoga County Library, Cuyahoga Community College, and Cleveland Port Authority.

N/A This information is not readily available.

**Chagrin Falls Exempted Village School District**  
*Property Tax Levies and Collections, Real, Public Utility Tax and Tangible Personal Property (1)*  
*Last Ten Collection Years*

<b>Year (2)</b>	<b>Total Tax Levy</b>	<b>Current Collections</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Percent of Total Tax Collections to Tax Levy</b>
2010	\$ 24,056,310	\$ 23,295,361	96.84%	\$ 740,353	\$ 24,035,714	99.91%
2009	24,110,035	23,262,773	96.49%	681,891	23,944,664	99.31%
2008	24,111,227	23,187,605	96.17%	829,265	24,016,870	99.61%
2007	21,912,082	19,583,534	89.37%	979,469	20,563,003	93.84%
2006	13,736,651	12,083,719	87.97%	314,553	12,398,272	90.26%
2005	21,047,815	18,951,580	90.04%	818,133	19,769,713	93.93%
2004	20,789,650	19,109,806	91.92%	522,175	19,631,981	94.43%
2003	17,181,312	15,408,518	89.68%	566,722	15,975,240	92.98%
2002	16,715,910	15,247,743	91.22%	469,969	15,717,712	94.03%
2001	16,632,773	15,487,332	93.11%	129,365	15,616,697	93.89%

Source: Cuyahoga and Geauga County Auditors.

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. 2011 information cannot be presented because all collections have not been made by June 30.

Note: Cuyahoga and Geauga County collect 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.

**Chagrin Falls Exempted Village School District**

*Principal Taxpayers*

*Real Estate Tax*

*December 31, 2010 and December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
<b>December 31, 2010</b>		
Chagrin Valley Land Company	\$ 2,798,040	0.58%
Edmund A. Leopold	1,777,250	0.37%
Spilman Lauren Trust	2,258,800	0.47%
Western Reserve Company	1,844,620	0.38%
Hamlet Retirement LLC	1,731,880	0.36%
Chagrin Falls Shopping Center	1,684,380	0.35%
Harris Realty Co.	1,567,210	0.32%
Hamlet Atrium, LLC	1,303,760	0.27%
Key Bank National	1,259,870	0.26%
Falls Walk Developers, LLC.	1,074,070	0.22%
Heritage Office Limited	1,041,640	0.22%
Totals	<u>\$ 18,341,520</u>	<u>3.80%</u>
Total Assessed Valuation	<u>\$ 482,312,310</u>	
<b>December 31, 2002</b>		
Emcore Retirement Partners	\$ 16,668,280	4.30%
Harris Realty Company	7,171,200	1.85%
Western Reserve Company	7,159,680	1.85%
Chagrin Townhomes, Inc.	5,355,400	1.38%
Step North Equities Ltd.	3,577,600	0.92%
River Street Partners LLC	3,583,640	0.93%
Crowned Eagle Realty Management Company	2,770,320	0.72%
Frontier Land Ltd.	2,309,760	0.60%
JCF, LLC.	2,155,520	0.56%
Epsilon of Chagrin Falls, Inc.	2,131,520	0.55%
Totals	<u>\$ 52,882,920</u>	<u>13.65%</u>
Total Assessed Valuation	<u>\$ 387,295,710</u>	

Source: Cuyahoga and Geauga County Auditors for 2010 and Cuyahoga County Auditor for 2002.

(1) Assessed values are for the 2011 collection year for 2010 and the 2003 collection year for 2002.

**Chagrin Falls Exempted Village School District**  
*Principal Taxpayers*  
*Public Utility Personal Property Tax*  
*December 31, 2010 and December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
<b>December 31, 2010</b>		
Cleveland Electric Illuminating Company	3,497,650	58.60%
Ohio Bell Telephone Company	243,250	4.08%
American Wireless Transmission	281,350	4.71%
East Ohio Gas	177,530	2.97%
Totals	<u>\$ 4,199,780</u>	<u>70.37%</u>
Total Assessed Valuation	<u>\$ 5,968,250</u>	
<b>December 31, 2002</b>		
Cleveland Electric Illuminating Company	\$ 1,854,420	26.30%
Ohio Bell Telephone Company	969,410	13.75%
American Wireless Transmission	191,810	2.72%
Wheeling and Lake Erie Regional	124,500	1.77%
New Par	101,370	1.44%
Totals	<u>\$ 3,241,510</u>	<u>45.97%</u>
Total Assessed Valuation	<u>\$ 7,051,550</u>	

Source: Cuyahoga and Geauga County Auditors.

(1) Assessed values are for the 2011 collection year for 2010 and the 2003 collection year for 2002.

**Chagrin Falls Exempted Village School District**  
*Computation of Legal Debt Margin*  
 June 30, 2011

	2011	2010	2009	2008
Assessed Valuation	\$ 488,280,560	\$ 485,728,160	\$ 491,371,490	\$ 494,553,505
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 43,945,250	\$ 43,715,534	\$ 44,223,434	\$ 44,509,815
Outstanding debt:				
General Obligation Bonds	24,044,899	23,719,980	25,264,108	26,749,978
Less Amount Available in Debt Service	(3,196,966)	(3,118,852)	(2,944,092)	(2,709,481)
Total	20,847,933	20,601,128	22,320,016	24,040,497
Amount of Debt Subject to Debt Limit:	20,847,933	20,601,128	22,320,016	24,040,497
Overall Debt Margin	\$ 23,097,317	\$ 23,114,406	\$ 21,903,418	\$ 20,469,318
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 488,281	\$ 485,728	\$ 491,371	\$ 494,554
Amount of Debt Applicable	-	-	-	-
Unvoted Debt Margin	\$ 488,281	\$ 485,728	\$ 491,371	\$ 494,554

Source: Cuyahoga and Geauga County Auditors 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.  
 All School District debt subject to the limitation is voted.

2007	2006	2005	2004	2003	2002
<u>\$ 493,539,423</u>	<u>\$ 465,961,459</u>	<u>\$ 448,282,327</u>	<u>\$ 447,312,570</u>	<u>\$ 418,605,651</u>	<u>\$ 404,477,127</u>
\$ 44,418,548	\$ 41,936,531	\$ 40,345,409	\$ 40,258,131	\$ 37,674,509	\$ 36,402,941
28,184,978	29,479,978	30,619,978	21,515,000	22,310,000	23,080,000
<u>(2,706,487)</u>	<u>(2,445,341)</u>	<u>(2,447,563)</u>	<u>(1,754,657)</u>	<u>(1,432,349)</u>	<u>(1,414,155)</u>
<u>25,478,491</u>	<u>27,034,637</u>	<u>28,172,415</u>	<u>19,760,343</u>	<u>20,877,651</u>	<u>21,665,845</u>
<u>25,478,491</u>	<u>27,034,637</u>	<u>28,172,415</u>	<u>19,760,343</u>	<u>20,877,651</u>	<u>21,665,845</u>
<u>\$ 18,940,057</u>	<u>\$ 14,901,894</u>	<u>\$ 12,172,994</u>	<u>\$ 20,497,788</u>	<u>\$ 16,796,858</u>	<u>\$ 14,737,096</u>
\$ 493,539	\$ 465,961	\$ 448,282	\$ 447,313	\$ 418,606	\$ 404,477
-	-	-	-	-	-
<u>\$ 493,539</u>	<u>\$ 465,961</u>	<u>\$ 448,282</u>	<u>\$ 447,313</u>	<u>\$ 418,606</u>	<u>\$ 404,477</u>

**Chagrin Falls Exempted Village School District**  
*Computation of Direct & Overlapping General Obligation Bonded Debt  
as of June 30, 2011*

	<b>General Obligation Bonded Debt Outstanding</b>	<b>Percentage Applicable to School District (1)</b>	<b>Amount Application to School District</b>
<b>Direct:</b>			
Chagrin Falls Exempted Village	\$ 24,044,899	100.00%	\$ 24,044,899
<b>Overlapping:</b>			
Cuyahoga County	319,446,948	1.01%	3,234,318
Regional Transit Authority	152,760,000	1.01%	1,546,656
Bentleyville Village	565,000	21.65%	122,321
Chagrin Falls Village	2,100,000	58.48%	1,228,041
Moreland Hills Village	730,000	15.56%	113,622
Total Overlapping	475,601,948		6,244,958
Total	\$ 499,646,847		\$ 30,289,857

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis (Including School District) because that is the manner in which information is maintained by the County Auditor.

(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 2010 collection year.

**Chagrin Falls Exempted Village School District**  
*Ratios of Outstanding Debt by Type*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Percentage of Personal Income (2)</b>	<b>Net Debt Per Capita</b>
2011	\$ 24,044,899	0.39%	\$ 1,986
2010	23,719,980	0.39%	2,042
2009	25,264,108	0.37%	2,194
2008	26,749,978	0.35%	2,303
2007	28,184,978	0.33%	1,946
2006	29,479,978	0.32%	2,036
2005	30,619,978	N/A	2,114
2004	21,515,000	N/A	1,486
2003	22,310,000	N/A	1,541
2002	23,080,000	N/A	1,594

Source:

(1) School District Financial Records

(2) Information prior to 6/30/06 unavailable

**Chagrin Falls Exempted Village School District**  
*Ratio of Debt*  
*to Assessed Value and Debt per Capita*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Estimated Actual Value of Taxable Property (2)</b>	<b>General Bonded Debt Outstanding</b>	<b>Resources Available to Pay Principal</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	<b>Net Debt Bonded Debt Per Capita</b>
2011	12,107	\$ 1,384,817,274	\$ 24,044,899	\$ 3,196,966	\$ 20,847,933	1.51%	\$ 1,722
2010	11,617	1,377,729,062	23,719,980	3,118,852	20,601,128	1.50%	1,773
2009	11,514	1,396,413,441	25,264,108	2,944,092	22,320,016	1.60%	1,939
2008	11,614	1,408,362,199	26,749,978	2,709,481	24,040,497	1.71%	2,070
2007	14,481	1,404,866,698	28,184,978	2,706,487	25,478,491	1.81%	1,759
2006	14,481	1,327,797,723	29,479,978	2,445,341	27,034,637	2.04%	1,867
2005	14,481	1,280,121,510	30,619,978	2,447,563	28,172,415	2.20%	1,945
2004	14,481	1,199,676,338	21,515,000	1,754,657	19,760,343	1.65%	1,365
2003	14,481	1,155,091,764	22,310,000	1,432,349	20,877,651	1.81%	1,442
2002	14,481	1,141,116,073	23,080,000	1,414,155	21,665,845	1.90%	1,496

Source:

(1) U.S. Census of Population

(2) Cuyahoga and Geauga County Auditors

**Chagrin Falls Exempted Village School District**

*Principal Employers*

*Current and Four Years Ago*

<b>Employer</b>	<b>Nature of Business</b>	<b>2010</b>		
		<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment (1)</b>
Chagrin Falls Exempted Village Schools	Public Schools	262	1	N/A
Hamlet Village LLC	Healthcare Services	160	2	N/A
Village of Chagrin Falls	Government	75	3	N/A
Game Keepers Hospitality, Inc.	Restaurant	60	4	N/A
Giant Eagle, Inc. (Riser Foods Company)	Grocery Store	53	5	N/A
Hyde Park Restaurant Systems	Restaurant	35	6	N/A
Merrill, Lynch, Fenner & Smith, Inc.	Investments	25	7	N/A
Personnel Research & Development	Human Resource Consulting	19	8	N/A
Wells Fargo Advisors	Investments	15	9	N/A
Candlewood Partners	Investment Banking	10	10	N/A

<b>Employer</b>	<b>Nature of Business</b>	<b>2006 (2)</b>		
		<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment (1)</b>
Chagrin Falls Exempted Village Schools	Public Schools	250	1	N/A
Giant Eagle, Inc.	Grocery Store	150	2	N/A
Hamlet Village LLC	Healthcare Services	125	3	N/A
Game Keepers Hospitality, Inc.	Restaurant	120	4	N/A
Windsor Hospital	Healthcare Services	104	5	N/A
Village of Chagrin Falls	Government	67	6	N/A
Smith Barney	Financial Services	55	7	N/A
Gleeson Construction	Property Manager	55	8	N/A
First Union Securities	Financial Services	39	9	N/A

(1) After extensive research, this information was not available.

(2) This is the most recent readily available.

Source: Chagrin Falls Village, Chagrin Falls Library and RITA

**Chagrin Falls Exempted Village School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

<b>Year</b>	<b>Cuyahoga County Population (1)</b>	<b>Geauga County Population (1)</b>	<b>Bentleyville Village Population (2)</b>	<b>Chagrin Falls Village Population (2)</b>	<b>Moreland Hills Village Population (2)</b>
2011	1,280,122	93,389	864	4,113	3,320
2010	1,275,709	99,060	894	3,620	3,041
2009	1,283,925	98,817	896	3,641	3,064
2008	1,341,241	95,676	905	3,678	3,093
2007	1,386,096	90,895	900	4,652	3,400
2006	1,386,096	90,895	900	4,652	3,400
2005	1,386,096	90,895	900	4,652	3,400
2004	1,386,096	90,895	900	4,652	3,400
2003	1,386,096	90,895	900	4,652	3,400
2002	1,386,096	90,895	900	4,652	3,400

- (1) U.S. Census Bureau, Census.gov
- (2) Department of Job and Family Services
- (3) U.S. Census Bureau, 2010 Census
- (4) Estimated based on 2010 Census information

<b>South Russell Village Population (2)</b>	<b>Personal Income Per Capita (3)</b>	<b>Total Personal Income (4)</b>	<b>Cuyahoga County Unemployment Rate (2)</b>	<b>Geauga County Unemployment Rate (2)</b>
3,810	\$ 45,186	\$ 547,066,902	8.8	6.5
4,062	42,885	498,195,045	9.7	7.3
3,913	42,885	493,777,890	10.2	7.9
3,938	42,885	498,066,390	8.1	6.3
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.8	3.2
5,560	42,885	622,347,120	4.8	3.2
5,560	42,885	622,347,120	4.8	3.2
5,560	42,885	622,347,120	4.8	3.2

**Chagrin Falls Exempted Village School District**  
*Building Statistics by Function/Program*  
*Last Six Fiscal Years (1)*

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Gurney Elementary School</b>						
Constructed in 1966, additions in 1968,1971,1998						
Total Building Square Footage	66,472	66,472	66,472	66,472	66,472	66,472
Enrollment Grades	PreK-3	PreK-3	PreK-3	PreK-3	PreK-3	PreK-3
Student Capacity - enrollment	577	580	580	592	581	584
Regular Instruction Classrooms	39	39	39	39	39	39
Regular Instruction Teachers	29	29	29	29	29	29
Special Instruction Teachers	9	9	9	9	9	9
<b>Chagrin Falls Intermediate School</b>						
Constructed in 1914, additions in 1939, 1952						
Total Building Square Footage	71,243	71,243	71,243	71,243	71,243	71,243
Enrollment Grades	4-6	4-6	4-6	4-6	4-6	4-6
Student Capacity - enrollment	478	453	453	436	431	436
Regular Instruction Classrooms	28	28	28	28	28	28
Regular Instruction Teachers	27	27	27	27	27	27
Special Instruction Teachers	6	6	6	6	6	6
<b>Chagrin Falls Middle School</b>						
Constructed in 1999						
Total Building Square Footage	103,537	103,537	103,537	103,537	103,537	103,537
Enrollment Grades	7-8	7-8	7-8	7-8	7-8	7-8
Student Capacity - enrollment	312	313	313	322	296	292
Regular Instruction Classrooms	24	24	24	24	24	24
Regular Instruction Teachers	22	22	22	22	22	22
Special Instruction Teachers	3	3	3	3	3	3
<b>Chagrin Falls High School</b>						
Constructed in 1957, additions in 1961,1965,1968,1971						
Total Building Square Footage	116,404	116,404	116,404	116,404	116,404	116,404
Enrollment Grades	9-12	9-12	9-12	9-12	9-12	9-12
Student Capacity - enrollment	650	627	627	647	651	649
Regular Instruction Classrooms	44	44	44	44	44	44
Regular Instruction Teachers	46	46	46	46	46	46
Special Instruction Teachers	2	2	2	2	2	2

(1) Information will be reported for the last ten years when there are enough years of information available.

Source: School District Records

**Chagrin Falls Exempted Village School District**  
*Cost Per Pupil*  
*Last Ten Fiscal Years*

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<b>Year</b>	<b>General Fund Expenditures</b>	<b>Average Daily Student Enrollment</b>	<b>Cost Per Pupil</b>
2011	\$ 24,106,803	2,018	\$ 11,946
2010	22,036,369	2,016	10,931
2009	21,460,131	2,033	10,556
2008	19,633,885	1,997	9,832
2007	20,788,743	1,959	10,612
2006	19,296,420	1,956	9,865
2005	24,249,901	1,901	12,756
2004	21,894,737	1,970	11,114
2003	20,583,903	1,967	10,465
2002	19,786,542	1,914	10,338

Source: School District Financial Records

**Chagrin Falls Exempted Village School District**  
*Full-Time Equivalent School District Teachers by Education*  
*Last Ten Fiscal Years*

<b>Degree</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
Bachelor's Degree	6	6	8	10	18	18
Bachelor + 10	4	4	4	9	7	8
Bachelor + 20	5	5	11	9	9	10
Bachelor + 30	7	7	9	12	13	14
Master's Degree	53	54	53	48	56	56
Master's + 10	34	32	34	30	27	28
Master's + 20	21	21	16	16	12	12
Master's + 30	15	16	8	9	11	9
Phd	1	1	1	1	1	1
<b>Total</b>	<b>146</b>	<b>146</b>	<b>144</b>	<b>144</b>	<b>154</b>	<b>156</b>

Source: School District Personnel Records.

<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
15	21	22	23
6	9	13	12
17	15	15	15
17	17	14	14
46	40	45	47
29	26	23	18
12	14	10	12
10	10	10	8
1	1	1	1
<b>153</b>	<b>153</b>	<b>153</b>	<b>150</b>

**Chagrin Falls Exempted Village School District**

*Enrollment Statistics*

*Last Ten Fiscal Years*

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<b>Year</b>	<b>Elementary School</b>	<b>Intermediate School</b>	<b>Middle School</b>	<b>High School</b>	<b>Total</b>
2011	577	478	312	651	2,018
2010	574	478	282	682	2,016
2009	576	478	282	697	2,033
2008	592	436	322	647	1,997
2007	581	431	296	651	1,959
2006	515	422	315	651	1,903
2005	464	446	315	638	1,863
2004	462	431	314	645	1,852
2003	458	447	330	632	1,867
2002	475	447	327	597	1,846

Source: School District Records

**Chagrin Falls Exempted Village School District**  
*Average Number of Students Per Teacher*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>Chagrin Falls Average</b>	<b>State Average</b>
2011 (1)	N/A	N/A
2010 (1)	N/A	N/A
2009 (1)	N/A	N/A
2008	17.8	18.6
2007	16.3	19.6
2006	16.5	18.9
2005	17.2	18.5
2004	17.5	18.5
2003	15.5	16.6
2002	16.1	16.9

Source: Ohio Department of Education, EMIS Reports.

(1) Information not readily available.

**Chagrin Falls Exempted Village School District**  
*Attendance and Graduation Rates*  
*Last Ten School Years*

<b>Fiscal Year</b>	<b>Chagrin Falls Attendance Rate</b>	<b>State Average</b>	<b>Chagrin Falls Graduation Rate</b>	<b>State Average</b>
2011	95.8	94.5	100.0	84.3
2010	95.6	94.3	99.3	83.0
2009	96.0	94.3	100.0	84.6
2008	96.0	94.2	100.0	86.9
2007	95.9	94.1	98.8	86.1
2006	96.1	94.1	98.8	86.2
2005	96.0	94.3	100.0	85.9
2004	95.7	94.5	100.0	84.3
2003	95.4	94.5	96.6	83.9
2002	96.1	94.3	98.6	82.8

Source: Ohio Department of Education Local Report Cards

**Chagrin Falls Exempted Village School District**

*ACT Composite Scores*

*Last Ten Fiscal Years*

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<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Chagrin Falls Composite</b>	<b>Ohio Composite</b>	<b>National Composite</b>
2011	125	151	83%	26.2	21.8	21.1
2010	131	166	79%	25.8	21.8	21.0
2009	108	150	72%	25.5	21.7	21.1
2008	122	163	75%	25.4	21.7	21.1
2007	123	171	72%	25.5	21.6	21.2
2006	108	168	64%	25.1	21.5	20.9
2005	131	174	75%	25.4	21.4	20.9
2004	103	164	63%	24.1	21.4	20.9
2003	95	139	68%	24.9	21.4	20.8
2002	97	144	67%	24.6	21.4	20.8

Source: High School Guidance Office

**Chagrin Falls Exempted Village School District**

*SAT Scores*

*Last Ten Fiscal Years*

<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Chagrin Falls Critical Reading</b>	<b>Ohio Critical Reading</b>	<b>National Critical Reading</b>
2011	117	151	77	584	539	497
2010	124	166	75	576	538	501
2009	111	150	74	568	537	501
2008	128	163	79	560	534	502
2007	139	171	81	561	536	502
2006	151	168	90	554	535	503
2005	153	174	88	569	538	508
2004	142	164	87	555	538	508
2003	121	139	87	555	536	507
2002	133	144	92	547	533	504

Source: High School Guidance Office

<b>Chagrin Falls Math</b>	<b>Ohio Math</b>	<b>National Math</b>	<b>Chagrin Falls Writing</b>	<b>Ohio Writing</b>	<b>National Writing</b>
600	545	514	570	522	489
605	548	516	572	522	492
600	546	515	569	523	493
590	544	515	559	521	494
584	542	515	564	522	494
592	544	518	549	521	493
595	542	518	N/A	N/A	N/A
580	542	518	N/A	N/A	N/A
597	541	519	N/A	N/A	N/A
589	540	516	N/A	N/A	N/A

**Chagrin Falls Exempted Village School District**  
*School District Employees by Function/Program*  
*Last Seven Fiscal Years (1)*

Function	2011	2010	2009	2008	2007
Regular Instruction					
Elementary Classroom Teachers	29.50	29.50	29.50	29.00	29.00
Intermediate Classroom Teachers	26.00	26.00	26.00	26.50	26.50
Middle School Classroom Teachers	19.00	19.00	19.00	20.00	20.00
High School Classroom Teachers	40.00	40.00	40.00	42.50	42.50
Special Instruction					
Elementary Classroom Teachers	6.00	6.00	6.00	6.00	6.00
Intermediate Classroom Teachers	4.50	4.50	4.50	4.50	4.50
Middle School Classroom Teachers	3.00	3.00	3.00	2.50	2.50
High School Classroom Teachers	3.00	3.00	3.00	3.00	3.00
Pupil Support Services					
Guidance Counselors	6.00	6.00	6.00	6.00	6.00
Librarians	4.00	4.00	4.00	4.00	2.00
Psychologists	1.00	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	2.00	2.00	2.00	3.50	3.50
Instructional Support Services					
Non-Teaching Support Staff Elementary	12.00	12.00	12.00	12.50	12.50
Non-Teaching Support Staff Intermediate	7.00	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	4.00	4.00	4.00	5.00	5.00
Non-Teaching Support Staff High	6.50	6.50	6.50	7.50	7.50
Non-Teaching Support Staff Central	2.00	2.00	2.00	3.50	3.50
Administration					
Elementary	1.00	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00	2.00
Business					
Central	2.00	2.00	2.00	2.00	2.50
Business					
Treasurer Department	4.00	4.00	4.00	4.00	4.00
Operation of Plant					
Custodian Department	19.00	19.00	19.00	19.00	19.00
Maintenance Department	4.00	4.00	4.00	4.00	4.00
Pupil Transportation					
Bus Drivers	22.00	22.00	22.00	20.50	20.50
Mechanics	1.50	1.50	1.50	1.50	1.50
Transportation Support Staff	1.50	1.50	1.50	0.50	0.50
Central					
Community Relations	1.00	1.00	1.00	1.00	1.00
Technology	2.00	2.00	2.00	2.00	3.00
Personnel	0.50	0.50	0.50	0.50	0.50
Extracurricular					
Athletic Department	2.00	2.00	2.00	2.00	2.00
Food Service Program					
Elementary	2.00	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00
High School Cooks	5.00	5.00	5.00	5.00	5.00
Central	1.00	1.00	1.00	1.00	1.00
Community Service					
Community Education	1.50	1.50	1.50	1.50	1.50
Totals	<u>255.50</u>	<u>255.50</u>	<u>255.50</u>	<u>261.50</u>	<u>261.00</u>

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

(1) Information will be reported for the last ten years when there are enough years of information available.

Source: School District Records

<u>2006</u>	<u>2005</u>
28.00	27.00
25.00	24.50
21.50	20.50
42.00	42.00
7.00	7.50
5.50	5.00
2.50	2.00
2.00	2.00
6.00	6.00
2.00	2.00
1.00	1.00
2.00	2.00
2.00	2.00
13.50	12.50
7.00	7.00
5.00	4.00
6.50	6.00
3.00	3.00
1.00	1.00
1.00	1.00
1.00	1.00
2.00	2.00
2.50	2.50
4.00	4.00
19.00	19.00
4.00	5.00
20.00	21.00
1.50	1.50
0.50	0.50
1.00	1.00
3.00	3.00
0.50	0.50
2.00	2.00
2.00	2.00
2.00	2.00
2.00	3.00
5.00	5.00
1.00	1.00
1.50	1.50
<u>258.00</u>	<u>255.50</u>

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# Dave Yost • Auditor of State

**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 3, 2012**