

# Chagrin Falls Exempted Village School District

\* \* \* \*

*Report Letters*

***June 30, 2008***





Mary Taylor, CPA  
Auditor of State

Board of Education  
Chagrin Falls Exempted Village School District  
400 East Washington Street  
Chagrin Falls, Ohio 44022

We have reviewed the *Independent Auditor's Report* of the Chagrin Falls Exempted Village School District, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period July 1, 2007 through June 30, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

December 22, 2008

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**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT**

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# Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

*Focused on Your Future.*

December 3, 2008

To the Board of Education  
Chagrin Falls Exempted Village School District  
400 East Washington Street  
Chagrin Falls, Ohio 44022

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District as of and for the year ended June 30, 2008, and have issued our report thereon dated December 3, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Chagrin Falls Exempted Village School District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Chagrin Falls Exempted Village School District  
Internal Control-Compliance Report

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted matters involving the internal control of financial reporting, which we have reported to management of the Chagrin Falls Exempted Village School District in a separate letter dated December 3, 2008.

Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of Education, audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

*Hea & Associates, Inc.*



**Rea & Associates, Inc.**

ACCOUNTANTS AND BUSINESS CONSULTANTS

*Focused on Your Future.*

December 3, 2008

The Board of Education  
Chagrin Falls Exempted Village School District  
400 East Washington Street  
Chagrin Falls, Ohio 44022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of Chagrin Falls Exempted Village School District with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2008. Chagrin Falls Exempted Village School District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of Chagrin Falls Exempted Village School District's management. Our responsibility is to express an opinion on Chagrin Falls Exempted Village School District's compliance based on our audit.

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

In our opinion, Chagrin Falls Exempted Village School District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2008. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported in accordance with OMB Circular A-133.



Chagrin Falls Exempted Village School District  
Report on Compliance with Requirements Applicable to Each Major  
Program and Internal Control Over Compliance in  
Accordance with OMB Circular A-133

**Internal Control Over Compliance**

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

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

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

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

**Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District as of and for the year ended June 30, 2008, and have issued our report thereon dated December 3, 2008. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Education, audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Rea & Associates, Inc.*

**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CASH BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	CFDA Number	Program Year	Federal Receipts	Federal Disbursements
U.S. DEPARTMENT OF EDUCATION (Passed through Ohio Department of Education)				
<i>Special Education Cluster</i>				
IDEA-B Grant	84.027	2008	\$ 387,658	\$ 387,658
Early Childhood Education	84.173	2008	12,277	12,277
<i>Total Special Education Cluster</i>			<u>399,935</u>	<u>399,935</u>
ESEA - Title VI	84.298	2008	4,641	4,641
Total ESEA - Title VI			<u>4,641</u>	<u>4,641</u>
Improve Teacher Quality	84.367	2008	29,850	29,850
Improve Teacher Quality	84.367	2007	0	3,989
Total Improve Teacher Quality			<u>29,850</u>	<u>33,839</u>
Drug Free Grant	84.186	2008	3,467	3,467
Total Drug Free Grant			<u>3,467</u>	<u>3,467</u>
Foreign Language Assistance	84.293	2008	14,240	14,240
Total Foreign Language Assistance			<u>14,240</u>	<u>14,240</u>
Total U. S. Department of Education			<u>452,133</u>	<u>456,122</u>
U. S. DEPARTMENT OF AGRICULTURE (Passed through Ohio Department of Education)				
Child Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program (A)(B)	10.555		14,717	14,717
Cash Assistance:				
National School Lunch Program (B)	10.555		31,408	31,408
<i>Total Child Nutrition Cluster</i>			<u>46,125</u>	<u>46,125</u>
Total US Department of Agriculture			<u>46,125</u>	<u>46,125</u>
Total Federal Financial Assistance			<u>\$ 498,258</u>	<u>\$ 502,247</u>

(A) Government commodities are reported at Entitlement Value of commodities received and disbursed. (B) Federal money commingled with state subsidy reimbursements. It is assumed federal moneys are expended first
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**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133 , Section .505  
JUNE 30, 2008**

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

(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Was there any reported material non- compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other significant deficiencies reported for major federal programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Programs (list):	Special Education Cluster #84.027 & 84.173
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	No

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

None noted.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None noted.

**CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT  
SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2008**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected, Significantly Different Corrective Action Taken or Finding No Longer Valid Explain</b>
2007-01	School appropriations exceeded the total of the certified estimated revenue available.	Yes	
2007-02	School expenditures exceeded the total of the board approved appropriations.	Yes	

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

*Chagrin Falls, Ohio*

***Comprehensive Annual Financial Report***

*For the Fiscal Year Ended June 30, 2008*



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

## **Comprehensive Annual Financial Report**

For the Fiscal Year Ended June 30, 2008

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, 2008*  
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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) 247-4363 • FAX (440) 247-5883

STEPHEN L. THOMPSON  
*Superintendent*  
ROBERT W. HUNT  
*Assistant Superintendent*  
ANNETTE MORUD  
*Business Manager*  
CHRISTINE A. JACKSON, Ph.D.  
*Director of Pupil Services*

BOARD OF EDUCATION  
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*President*  
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*Vice President*  
FEARCE LEARY  
KAREN PENLER  
ROBERT H. WEBER  
ANNE SPANO  
*Treasurer/CFO*

November 25, 2008

## 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, 2008. This CAFR includes an audit opinion from the independent accounting firm of Rea & Associates, Inc. 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 1914 – 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 2007-2008 school year) was 1,997, 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 ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered 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**

Success has been an integral part of the Chagrin Falls Exempted School District and is easily observed as we reflect on the 2007 – 2008 school year. The Chagrin Falls School District was again rated as an "Excellent" school by the Ohio Department of Education. We were awarded a special banner for being among an elite group of 15 districts in the State of Ohio to receive this distinction for the eighth consecutive year. As in the past, this recognition was based on our high proficiency scores, our exceptional attendance, and our outstanding graduation rate. In addition, in the fall of 2007, *U.S. News and World Report* selected Chagrin Falls High School as one of its "Top 100 Schools" in the country. This rating was based on a wide variety of verifiable data. Gurney Elementary School was recognized by the Ohio Department of Education's "State Superintendent's Schools of Distinction Program", which is based on the high achievements of the school's students including those with disabilities. Fewer than 5% of all school districts were eligible for this award. Also, the Intermediate School earned the "Buckeye Best Healthy School Award", Silver Level for the fifth straight year. This award puts emphasis on drug and alcohol awareness, good nutrition, nursing services, and physical fitness. Five students from the Middle School's Power of the Pen team qualified for the State Championship with one student having his work published in the "Book of Winners." Additionally, this past January, the school district was presented the "Making Your Tax Dollars Count" award from the state auditor's office. Finally, *Cleveland Magazine* once again has picked the Chagrin Falls Schools as their #1 school district of the 56 Northeastern Ohio schools reviewed in their June 2008 magazine.

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 2007-2008 school year over 550 students in Preschool, Kindergarten, First, Second and Third Grades attended Gurney. In addition to the high caliber instruction within the academic program, students identified with exceptional needs are supported by the assistance of intervention specialists, speech therapists, an occupational therapist, a physical therapist, reading specialists and/or the instructor of gifted education. Weekly instruction is provided for all students in art, music, physical education and library. Along with those specialty areas, each classroom teacher utilizes the computer lab, the wireless computer lab, smart boards and extensive science materials to supplement and extend learning experiences. Kindergarteners learned to collect data and read graphs and charts. First Graders took off in their reading and writing skills by producing their very own class and individual books. Second Graders learned basic economics concepts and created their own societies with currency and businesses. Third Graders enjoyed science rotations among all of their teachers and especially the health unit in which students created their own board games to reinforce a health concept.



Chagrin Falls Intermediate School houses the district's fourth, fifth and sixth graders. In the 2007-2008 school year the enrollment reached 436 students. The faculty and student body works together to transition from Gurney School to the Middle School in just three short years. The Intermediate School staff worked on two goals this year. The first was the implementation of PAM, which stands for Parent Assist Module. This is an online program that allows students and parents to view grades on-line. The second goal of the Intermediate School this year was to train the staff in Response to Intervention (RTI) and Aims Web. After completing the training, the staff began benchmarking students in reading fluency in the winter and spring. A team of staff members listened to every student read three passages aloud for one minute each and tracked the number of words read correctly. This provided a benchmark for each student and helps to determine who is at-risk. The Intermediate School also kicked off a new program this year called Project Wisdom. The centerpiece of the program is 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 reads one of these daily messages that always end with, "Make it a great day for yourself, or not, the choice is yours." Finally, the Intermediate School was the recipient of the Governor's Buckeye Best Healthy School Silver Medal Award for the fifth year in a row. To earn this award a school must have complete offerings and programs that promote physical education, nutrition and drug and alcohol awareness. Also, one of the building's teachers was awarded the Crystal Apple Award from *The Plain Dealer*, given to local outstanding educators.

Chagrin Falls Middle School is a seventh and eighth grade building with a student enrollment of 315 during the 2007-2008 academic year. Faculty and students have enjoyed the flexibility and opportunities of being located on a seventh through twelfth grade campus. The faculty provided an outstanding array of educational opportunities to students in a wide variety of course selections including: computer, technology, drama, foreign languages – Spanish, French, and Chinese, music, and art and consumer science. An emphasis on high academic standards, exploratory courses, individualized instruction and small student-to-teacher ratios contributed to providing a challenging and rewarding setting. Seventh and eighth grade students had the opportunity to participate in twelve interscholastic sports. Students also had the opportunity to participate in Student Council, Newspaper, Power of the Pen, Ski Club, and Select choir. The Middle School mathematics teams competed very successfully at the Greater Cleveland Council of Teachers of Mathematics Tournament. The 8<sup>th</sup> grade team with six members earned special mention honors and the 7<sup>th</sup> grade team with three members earned Champion awards for being in the top 40 percent. Fifty-seven eighth grade students from the Middle School qualified for the Midwest Talent Search. Students qualify by scoring at the advanced level in reading or math on the Ohio Achievement Test or at the 95<sup>th</sup> percentile or above on the math or verbal tests of a recent standardized achievement test. We had eighteen eighth grade students qualify for the Joseph Baldwin Award. This award is for eminent young scholars and is a summer program at Truman State University. Finally, forty-four eighth grade students qualified for the President's Award for Educational Excellence. This award is presented to students who have demonstrated educational excellence throughout their middle school career.

Chagrin Falls High School is a four-year comprehensive high school that continues to be recognized as a National School of Excellence. This year 212 students completed over 519 Advanced Placement Exams. During the 2007-2008 school year, Chagrin Falls High School had an enrollment of 619 students. Small class sizes, 134 course offerings and 20 advanced placement classes provided students with the opportunity for academic and personal growth. The commitment to academic excellence was highlighted with five commended and five semi-finalist students in the National Merit Corporation competition. The Fine Arts are a vital portion of the well-rounded education provided at Chagrin Falls High School. The Drama and Music Departments presented sell-out performances of *You Can't Take it With You* and *Oklahoma*. 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. 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, donation to various charities such as Leukemia and Lymphoma, Adopt a Family, Meals on Wheels and Geauga County Habitat for Humanity. Over 150 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.

Chagrin Falls Schools are very fortunate to have many support groups who are actively involved in our schools. The Chagrin Falls Booster Club, Parent Teacher Organization (PTO), Educational Foundation, Music Lovers, the Open Parent Education Network (OPEN), and the Dads' Club maintained the tradition of outstanding community support again donating over \$200,000 in equipment and services this past year. Projects included funding for the high school literary productions, wireless mimeo interactive projectors, a district athletic trainer, a curriculum mapper database, classroom microphones, and grants for special teacher projects.

### **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 the results. Course of study revisions for the 2008-2009 school year will include math, library/media, physical education and health. Also, in 2008-2009 the district will house a performing arts academy in conjunction with the Career Technical Consortium. The district will continue to utilize value added data to best meet the individual needs of students. In addition teachers will be utilizing the Understanding By Design model of lesson design and curriculum alignment.

Major construction from the bond issue of May 2005 has been completed. HVAC projects at the high school and restroom renovations are included in the district's five year facility improvement plan.

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).

The School District will also seek the Certificate of Excellence in Financial Reporting for the School District's 2008 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 in valuation. Personal income levels average above \$169,000 based on the 2006 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 nineteen years.

Property values have continued to grow within the School District since 1980. 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. The effects of cost increases in natural gas and bus fuel have and will continue to negatively affect the district. Enrollment has increased at a manageable rate to the School District. The 2007-08 enrollment of 1,997 students reflects a decrease of five students as compared to the 2006-07 school year, and an increase of 204 students compared to the 1998-99 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. Personnel and program cuts were made to the operating budget for the 2007-2008 school year before district residents approved a 7.9 mill operating levy in November 2007.

## **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 fixed 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 sixth 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 the GASB 34 reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is presented after the Independent Public Accountant's report and provides an assessment of the School District's finances for 2007 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.

### ***Financial Highlights -Fiduciary Fund***

The School District functions as fiscal agent for student funds, representing a variety of student groups. The agency funds had assets totaling \$71,999 at fiscal year end.

### **Cash Management**

The Board of Education has an active cash management program, which consists of expediting the receipt of revenues and prudently depositing cash, which is insured by the Federal Deposit Insurance Corporation, as well as investing available cash in instruments issued by the United States Government. The total amount of interest earned by the School District's funds was \$274,721 for the year ended June 30, 2008; \$232,816 was directly credited to the general fund, the remainder of which was credited to the scholarship, building and food service funds. The program is beneficial because of access to daily balances, which enables the Board of Education to maintain minimum account balances and invest to the maximum extent.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation as well as by qualified securities pledged by the institution holding the assets. By law, financial institutions may establish a collateral pool to cover all public deposits. The market value of the pooled collateral must equal at least 105% of public funds deposited. Trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions hold collateral.

### **Risk Management**

A blanket bond covers all employees of the Chagrin Falls Exempted Village School District, while certain positions in decision/policy making roles are covered by separate, higher bond coverage.

The School District contracts for general liability insurance with no deductible and a 10% coinsurance. The School District also carries a single occurrence \$5,000,000 limit for professional liability with no deductible and automobile liability which has a \$5,000,000 combined single limit of liability. Property insurance has a \$250 deductible with a limit of \$54,004,462 and inland marine insurance has a deductible of \$250 with a limit of \$1,553,714.

The Chagrin Falls Exempted Village School District has insurance contracts for vehicle insurance, underground storage tanks, and crime protection. The School District participates in the Ohio School Board Association Workers' Compensation Group Rating Program.

### **Pension Plans**

The statewide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS) covers all School District employees. The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Note 12 to the basic financial statements for complete details.

## **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. Rea & Associates, Inc. was selected to render an opinion on the School District's financial statements as of and for the year ended June 30, 2008. 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, 2007. 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.

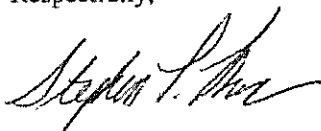
## **Acknowledgements**

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.

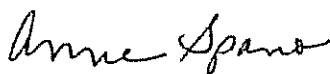
Special appreciation is expressed to Rea & Associates, Inc. for their assistance in planning, designing and reviewing this financial report.

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

Respectfully,

A handwritten signature in cursive script, appearing to read "Stephen T. Thompson".

Mr. Stephen Thompson  
Superintendent

A handwritten signature in cursive script, appearing to read "Anne Spano".

Ms. Anne Spano  
Treasurer

*Chagrin Falls Exempted Village School District  
Principal Officials  
June 30, 2008*

*Board of Education*

Mr. Pearce Leary	President
Mrs. Karen Penler	Vice President
Mrs. Liz O'Neil	Member
Mrs. Karen Wise	Member
Mr. Robert H. Weber	Member

*Treasurer/CFO*

Ms. Anne Spano

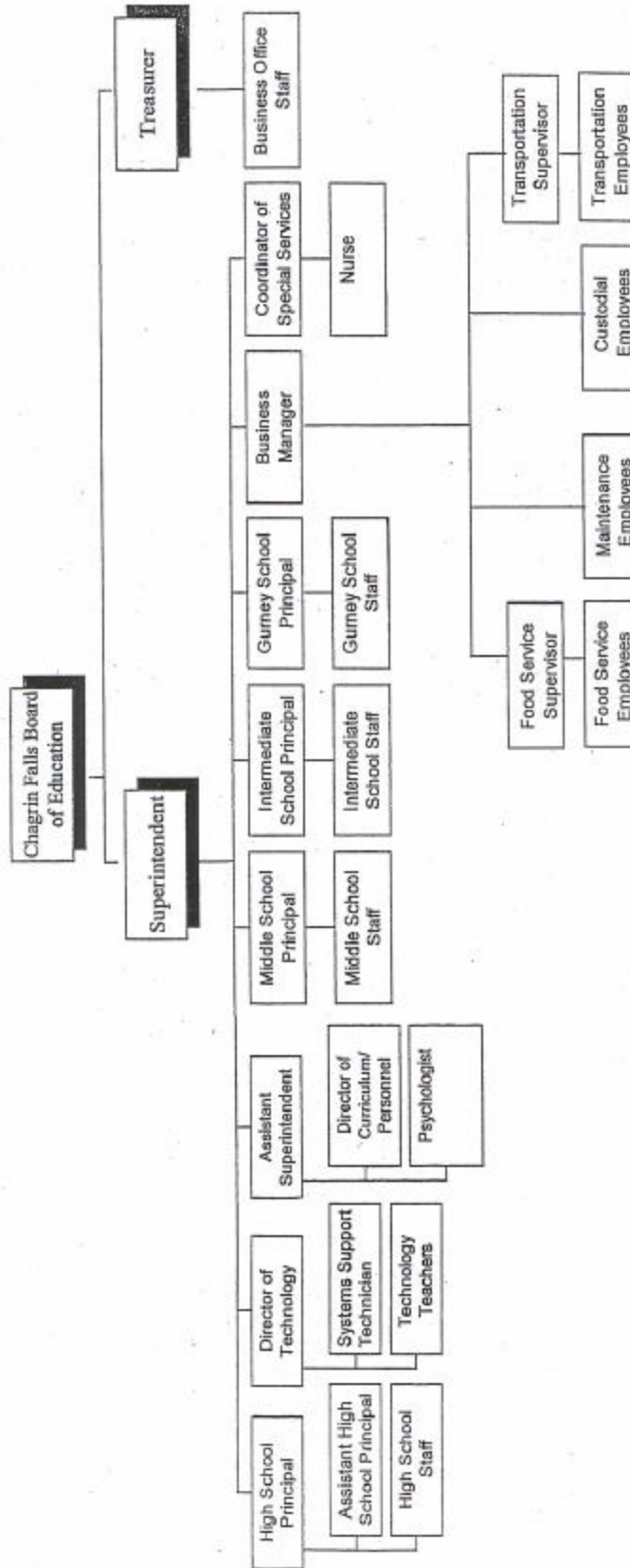
*Superintendent*

Mr. Stephen Thompson



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, 2007

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



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

# **FINANCIAL SECTION**





## Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

*Focused on Your Future.*

December 3, 2008

The Board of Education  
Chagrin Falls Exempted Village School District  
400 East Washington Street  
Chagrin Falls, Ohio 44022

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District (the School District), as of and for the year ended June 30, 2008, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 that 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, business-type activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2008 on our consideration of the School 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. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 13 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Chagrin Falls Exempted Village School District basic financial statements. The accompanying introductory section, combining nonmajor fund statements and schedules, and statistical tables are presented for the purpose of additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. We did not subject the introductory sections and statistical tables to auditing procedures applied in the audit of basic financial statements, and accordingly, we express no opinion on them.

*Rea & Associates, Inc.*

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

### *Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2008*

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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, 2008. 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 2008 are as follows:

- General Revenues accounted for \$24.5 million in revenue or 95.7% of all revenues in the governmental activities. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for approximately \$1.1 million or 4.3% of total revenues of \$25.6 million. The business-type activities program revenues totaled \$1.1 million or 99.8% of the total business-type activities revenues.
- Total program expenses were \$24.1 million, \$22.9 million in governmental activities, and \$1.2 million in business type activities.
- In total, net assets increased \$2.7 million from governmental activities. Business-type activities decreased approximately \$.01 million.
- Capital assets in the governmental activities increased \$.6 million. The auditorium, kitchen renovations and technology upgrades were completed.
- Outstanding bonded debt and related liabilities decreased from \$30.6 million to \$29.4 million through principal payments.

#### **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, 2008*

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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 2008?" 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 is divided into two distinct kinds of activities:

- ❑ **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.
- ❑ **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District adult and community education programs, food service and uniform school supplies are reported as business-type 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, the debt service fund and the permanent improvements 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



**Chagrin Falls Exempted Village School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2008*

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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.

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, debt service and permanent improvement capital projects fund, all 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 18.

**Proprietary Funds** - The School District maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The School District uses enterprise funds to account for its food service, uniform supplies, and adult and community education programs. The proprietary fund financial statements begin on page 23.

**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 26.

**Notes to the 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 financial statements begin on page 27.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2008*

**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 2008 compared to 2007:

**(Table 1)**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2008	Restated 2007	2008	Restated 2007	2008	Restated 2007
<b>Assets</b>						
Current and Other Assets	\$ 27,085,353	\$ 24,364,090	\$ 160,776	\$ 168,216	\$ 27,246,129	\$ 24,532,306
Capital Assets	<u>30,247,800</u>	<u>29,634,924</u>	<u>93,071</u>	<u>101,490</u>	<u>30,340,871</u>	<u>29,736,414</u>
Total Assets	57,333,153	53,999,014	253,847	269,706	57,587,000	54,268,720
<b>Liabilities</b>						
Long-Term Liabilities	30,465,652	31,787,847	21,894	19,688	30,487,546	31,807,535
Other Liabilities	<u>20,241,843</u>	<u>18,235,981</u>	<u>61,103</u>	<u>66,089</u>	<u>20,302,946</u>	<u>18,302,070</u>
Total Liabilities	50,707,495	50,023,828	82,997	85,777	50,790,492	50,109,605
<b>Net Assets</b>						
Invested in Capital Assets Net of Debt	1,611,681	427,427	93,071	101,490	1,704,752	528,917
Restricted	4,004,857	4,770,065	0	0	4,004,857	4,770,065
Unrestricted (Deficit)	<u>1,009,120</u>	<u>(1,222,306)</u>	<u>77,779</u>	<u>82,439</u>	<u>1,086,899</u>	<u>(1,139,867)</u>
Total Net Assets	<u>\$ 6,625,658</u>	<u>\$ 3,975,186</u>	<u>\$ 170,850</u>	<u>\$ 183,929</u>	<u>\$ 6,796,508</u>	<u>\$ 4,159,115</u>

In November, 2007, the voters of the School District passed an additional 7.90 mil operating levy with the first payment received in January 2008. The total assets increased by \$3.3 million comprised mostly by the governmental activities which includes an increase in taxes receivable. An increase of approximately \$.6 million in total capital assets reflects additional purchases, including the completion of the auditorium and high school kitchen, exceeding depreciation. See Table 4 for an explanation of the restatement of capital assets. Total liabilities increased by approximately \$.7 million with deferred tax revenue in the governmental liabilities showing the largest increase, which is also related to the increase in taxes receivable.

The net assets of the School District governmental activities increased approximately \$2.7 million or 66.7% and the business-type activities decreased 7.1%.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2008

Table 2 shows the changes in net assets for fiscal year 2008 compared to 2007.

**(Table 2)**  
**Governmental and Business-Type Activities**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services	\$ 370,828	\$ 382,555	\$ 1,065,658	\$ 1,075,451	\$ 1,436,486	\$ 1,458,006
Operating Grants	692,462	673,467	76,331	55,301	768,793	728,768
Capital Grants	49,547	0	0	0	49,547	0
<i>General Revenue:</i>						
Property Taxes	19,312,049	20,202,430	0	0	19,312,049	20,202,430
Grants and Entitlements, not Restricted to Specific Programs	4,815,085	4,324,197	0	0	4,815,085	4,324,197
Other	359,985	797,714	2,552	1,560	362,537	799,274
<b>Total Revenues</b>	<b>25,599,956</b>	<b>26,380,363</b>	<b>1,144,541</b>	<b>1,132,312</b>	<b>26,744,497</b>	<b>27,512,675</b>
<b>Program Expenses</b>						
Instruction	12,170,754	11,821,902	0	0	12,170,754	11,821,902
Support Services	8,655,537	9,818,811	0	0	8,655,537	9,818,811
Operation of Non-Instructional Extracurricular Activities	165,741	184,844	0	0	165,741	184,844
Interest and Fiscal Charges	1,333,641	1,461,470	0	0	1,333,641	1,461,470
Food Service	0	0	657,655	623,945	657,655	623,945
Uniform School Supplies	0	0	99,922	108,859	99,922	108,859
Adult Community Education	0	0	400,043	343,265	400,043	343,265
<b>Total Expenses</b>	<b>22,949,484</b>	<b>24,018,046</b>	<b>1,157,620</b>	<b>1,076,069</b>	<b>24,107,104</b>	<b>25,094,115</b>
Increase (Decrease) in Net Assets Before Transfers	2,650,472	2,362,317	(13,079)	56,243	2,637,393	2,418,560
Net Transfers	0	(11,337)	0	11,337	0	0
<b>Increase (Decrease) in Net Assets</b>	<b>\$ 2,650,472</b>	<b>\$ 2,350,980</b>	<b>\$ (13,079)</b>	<b>\$ 67,580</b>	<b>\$ 2,637,393</b>	<b>\$ 2,418,560</b>

The vast majority of revenue supporting governmental activities is general revenue (property taxes). General revenue in governmental activities decreased approximately 3.2% from \$25.3 million in 2007 to \$24.5 million in 2008, which is partially due to a decrease in investment income. Program expenses in governmental activities decreased from \$24.0 million in 2007 to \$22.9 million in 2008 or 4.5%. A decrease in support services mainly in fiscal and operation and maintenance expenses account for the majority of that change.

**Chagrin Falls Exempted Village School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2008*

**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 \$25.6 million and expenses of \$22.9 million.

**(Table 3)  
Governmental Activities**

	2008		2007	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 12,170,754	\$ 11,906,379	\$ 11,821,902	\$ 11,624,504
Support Services:				
Pupil and Instructional Staff	2,305,635	1,830,836	2,393,672	1,924,510
Board of Education, Administration and Fiscal	2,734,205	2,691,830	3,448,575	3,419,388
Operation and Maintenance of Plant	2,442,552	2,406,207	2,828,169	2,800,387
Pupil Transportation	1,173,145	1,173,145	1,148,395	1,148,395
Operation of Non-Instructional	165,741	14,504	184,844	20,590
Extracurricular Activities	623,811	480,105	731,019	562,780
Interest and Fiscal Charges	1,333,641	1,333,641	1,461,470	1,461,470
Total Expenses	<u>\$ 22,949,484</u>	<u>\$ 21,836,647</u>	<u>\$ 24,018,046</u>	<u>\$ 22,962,024</u>

Total net cost of service for 2008 was 4.9% under 2007. Instruction and student support services comprise 63.1% of governmental program expenses. Interest/fiscal charges were 5.8%. Interest expense was attributable to the outstanding bonds, and fiscal expenses include payments to the County Auditors for administrative fees. Pupil transportation and the operation/maintenance of facilities accounts for 15.8% of governmental program expenses.

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.

**Business-Type Activities**

Business-type activities include the adult/community education programs, the food service operations, and the sale of uniform school supplies. These programs had revenues of \$1.1 million and expenses of \$1.2 million for fiscal year 2008. Operations for these activities in total are relatively consistent with the prior year. Business activities receive no support from tax revenues.

**Chagrin Falls Exempted Village School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2008*

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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 pages 18-19) reported a total fund balance of \$5.6 million, which is \$.8 million over last year's balance of \$4.8 million. The most significant changes within the School District's major funds were reported in the general fund with an increase in fund balance of \$2.1 million and the permanent improvement fund with a decrease in fund balance of \$1.3 million.

***General Fund***

The general fund is the main operating fund of the School District. At the end of fiscal year 2008, the fund balance in the general fund was \$2.0 million, which is an increase of \$2.1 million from 2007 due, in part, to the increase in taxes from a new levy passed in November 2007 and a general decrease in expenditures.

***Debt Service 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 2008, the fund balance in the debt service fund was \$2.7 million, which is an increase of less than \$3,000.

***Permanent Improvements Fund***

The permanent improvements fund is the School District fund that accounts for the resources to be used for construction projects. At the end of fiscal year 2008, the fund balance in the permanent improvements fund was \$.8 million, which is a decrease of \$1.3 million due to construction costs.

***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 2008, 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 \$2.2 million between the final budgeted revenue of \$22.4 million, and the original budget estimates of \$20.2 million mainly in property taxes as a result of adjusting for the effects of the tax levy passed in November 2007. There was a difference of \$.4 million between the original and final budgeted expenditures. There was no significant difference in any particular expenditure.

**Chagrin Falls Exempted Village School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2008*

Final budgeted revenues of \$22.4 million were \$.3 million over actual revenues of \$22.1 million and final appropriations of \$20.4 million were \$.2 million more than the \$20.2 million actual expenditures.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2008, the School District had \$30.3 million invested in land, construction in progress, buildings and improvements, furniture and equipment, vehicles and textbooks. A total of \$30.2 million of this was for governmental activities with the remainder attributable to business-type activities. Table 4 shows fiscal year 2008 balances compared with 2007.

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

	Governmental Activities		Business-Type Activities		Total	
		Restated		Restated		Restated
	2008	2007	2008	2007	2008	2007
Land	\$ 1,386,635	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635	\$ 1,386,635
Construction in Progress	0	2,298,406	0	0	0	2,298,406
Buildings and Improvements	27,835,367	24,766,865	0	0	27,835,367	24,766,865
Furniture and Equipment	516,682	538,886	93,071	101,490	609,753	640,376
Vehicles	422,953	463,017	0	0	422,953	463,017
Textbooks	86,163	181,115	0	0	86,163	181,115
<b>Totals</b>	<b>\$ 30,247,800</b>	<b>\$ 29,634,924</b>	<b>\$ 93,071</b>	<b>\$ 101,490</b>	<b>\$ 30,340,871</b>	<b>\$ 29,736,414</b>

The \$.6 million increase in capital assets was attributable to additional purchases, which were mostly the final construction costs, exceeding depreciation expense. The School District also changed the threshold, or capitalization of purchases of assets, from \$500 to \$5,000. See Note 3 in the basic financial statements for the restatement of capital assets. Additional information on capital assets can be found in Note 9 to the basic financial statements.

**Chagrin Falls Exempted Village School District**

*Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2008*

**Debt**

At June 30, 2008, the School District had \$29.4 million in bonds and related liabilities outstanding with \$1.5 million due within one year. During fiscal year 2008, \$1.5 million of general obligation bonds were retired. Table 5 summarizes bonds outstanding.

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

	Governmental Activities	
	2008	2007
General Obligation Bonds:		
1988 Additions/Facilities	\$ 1,075,000	\$ 1,380,000
1997 Renovations - Series 2	0	615,000
2005 Capital Improvement (Refunding)	15,595,000	15,885,000
Unamortized Bond Premiums (Refunding)	1,358,997	1,437,680
Capital Appreciation Bonds (Refunding)	499,988	499,988
Accretion on Capital Appreciation Bonds (Refunding)	596,745	373,355
2005 School Improvement Bonds	9,285,000	9,510,000
Unamortized Bond Premiums (School Improvement)	527,144	542,724
Capital Appreciation Bonds (School Improvement)	294,990	294,990
Accretion on Capital Appreciation Bonds (School Improvement)	167,167	101,393
Totals	<u>\$ 29,400,031</u>	<u>\$ 30,640,130</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. More information about the long-term obligations is in Note 14 to the basic financial statements.

At June 30, 2008, the School District's overall bonded debt limit was \$44,509,815 and the unvoted debt margin was \$494,554. The School District maintains an AA3 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, 2008*

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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 77.4% of revenues for governmental activities for the Chagrin Falls Schools in fiscal year 2008.

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) – roughly 5% of the School District's general fund revenue. 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 significant increases in health insurance and property/liability/fleet insurance. An Alternative Funding Committee was formed by the Superintendent to study school funding and other types of levy opportunities.

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, 2007. The School District anticipates no increased funding throughout this funding period. In fact, it's possible that the state funding may decrease as a result of statewide budget cuts.

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, 2008*

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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 nine 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 the 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).

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**Chagrin Falls Exempted Village School District**

*Statement of Net Assets*

*June 30, 2008*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 4,532,659	\$ 157,718	\$ 4,690,377
Cash and Cash Equivalents In Segregated Accounts	693,269	0	693,269
Taxes Receivable	21,859,425	0	21,859,425
Inventory	0	3,058	3,058
Nondepreciable Capital Assets	1,386,635	0	1,386,635
Depreciable Capital Assets (Net)	28,861,165	93,071	28,954,236
<i>Total Assets</i>	<u>57,333,153</u>	<u>253,847</u>	<u>57,587,000</u>
<b>Liabilities</b>			
Accounts Payable	32,128	5,141	37,269
Contracts Payable	118,800	0	118,800
Accrued Wages and Benefits	1,836,744	27,040	1,863,784
Vacation Benefits Payable	129,742	3,149	132,891
Intergovernmental Payable	643,078	25,773	668,851
Unearned Revenue	17,405,794	0	17,405,794
Accrued Interest Payable	66,407	0	66,407
Matured Compensated Absences	9,150	0	9,150
Long Term Liabilities:			
Due Within One Year	1,620,968	0	1,620,968
Due in More Than One Year	28,844,684	21,894	28,866,578
<i>Total Liabilities</i>	<u>50,707,495</u>	<u>82,997</u>	<u>50,790,492</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	1,611,681	93,071	1,704,752
Restricted for:			
Capital Projects	758,909	0	758,909
Debt Service	2,884,477	0	2,884,477
Other Purposes	80,891	0	80,891
Set Asides	280,580	0	280,580
Unrestricted	1,009,120	77,779	1,086,899
<i>Total Net Assets</i>	<u>\$ 6,625,658</u>	<u>\$ 170,850</u>	<u>\$ 6,796,508</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, 2008

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
Current:				
Instruction:				
Regular	\$ 10,211,305	\$ 108,321	\$ 75,556	\$ 13,202
Special	1,851,409	0	67,296	0
Vocational	108,040	0	0	0
Support Services:				
Pupils	962,287	89,748	3,940	0
Instructional Staff	1,343,348	0	381,111	0
Board of Education	62,223	0	0	0
Administration	1,963,707	0	13,322	0
Fiscal	707,475	29,053	0	0
Business	800	0	0	0
Operation and Maintenance of Plant	2,442,552	0	0	36,345
Pupil Transportation	1,157,144	0	0	0
Central	16,001	0	0	0
Operation of Non-Instructional Services	165,741	0	151,237	0
Extracurricular Activities	623,811	143,706	0	0
Interest and Fiscal Charges	1,333,641	0	0	0
<i>Total Governmental Activities</i>	<u>22,949,484</u>	<u>370,828</u>	<u>692,462</u>	<u>49,547</u>
<b>Business-Type Activities</b>				
Food Service	657,655	600,990	76,331	0
Uniform School Supplies	99,922	101,299	0	0
Adult Education	400,043	363,369	0	0
<i>Total Business-Type Activities</i>	<u>1,157,620</u>	<u>1,065,658</u>	<u>76,331</u>	<u>0</u>
<b>Totals</b>	<u>\$ 24,107,104</u>	<u>\$ 1,436,486</u>	<u>\$ 768,793</u>	<u>\$ 49,547</u>

**General Revenues**

Property Taxes Levied for:

General Purposes

Debt Service

Grants and Entitlements not Restricted

to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year (Restated, See Note 3)

Net Assets End of Year

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (10,014,226)	\$ 0	\$ (10,014,226)
(1,784,113)	0	(1,784,113)
(108,040)	0	(108,040)
(868,599)	0	(868,599)
(962,237)	0	(962,237)
(62,223)	0	(62,223)
(1,950,385)	0	(1,950,385)
(678,422)	0	(678,422)
(800)	0	(800)
(2,406,207)	0	(2,406,207)
(1,157,144)	0	(1,157,144)
(16,001)	0	(16,001)
(14,504)	0	(14,504)
(480,105)	0	(480,105)
<u>(1,333,641)</u>	<u>0</u>	<u>(1,333,641)</u>
<u>(21,836,647)</u>	<u>0</u>	<u>(21,836,647)</u>
0	19,666	19,666
0	1,377	1,377
<u>0</u>	<u>(36,674)</u>	<u>(36,674)</u>
<u>0</u>	<u>(15,631)</u>	<u>(15,631)</u>
<u>(21,836,647)</u>	<u>(15,631)</u>	<u>(21,852,278)</u>
17,044,074	0	17,044,074
2,267,975	0	2,267,975
4,815,085	0	4,815,085
232,816	2,432	235,248
127,169	120	127,289
<u>24,487,119</u>	<u>2,552</u>	<u>24,489,671</u>
2,650,472	(13,079)	2,637,393
<u>3,975,186</u>	<u>183,929</u>	<u>4,159,115</u>
<u>\$ 6,625,658</u>	<u>\$ 170,850</u>	<u>\$ 6,796,508</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2008*

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,583,393	\$ 2,304,098	\$ 229,027	\$ 135,561
Cash and Cash Equivalents:				
Restricted Cash	280,580	0	0	0
In Segregated Accounts	0	0	653,513	39,756
Taxes Receivable	19,202,461	2,656,964	0	0
<i>Total Assets</i>	<u>\$ 21,066,434</u>	<u>\$ 4,961,062</u>	<u>\$ 882,540</u>	<u>\$ 175,317</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 25,916	\$ 0	\$ 4,831	\$ 1,381
Contracts Payable	0	0	118,800	0
Accrued Wages and Benefits	1,800,357	0	0	36,387
Intergovernmental Payable	621,276	0	0	21,802
Deferred Revenue	16,603,459	2,251,581	0	0
Matured Compensated Absences	9,150	0	0	0
<i>Total Liabilities</i>	19,060,158	2,251,581	123,631	59,570
<b>Fund Balances</b>				
Reserved for Encumbrances	86,323	0	586,059	1,068
Reserved for Tax Revenue Unavailable for Appropriation	2,599,002	405,383	0	0
Reserved to Textbook/Instructional Materials	204,049	0	0	0
Reserved for Capital Improvements/Maintenance	76,531	0	0	0
Unreserved, Undesignated, Reported in:				
General Fund	(959,629)	0	0	0
Special Revenue Funds	0	0	0	114,679
Debt Service Fund	0	2,304,098	0	0
Capital Projects Funds	0	0	172,850	0
<i>Total Fund Balances</i>	<u>2,006,276</u>	<u>2,709,481</u>	<u>758,909</u>	<u>115,747</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 21,066,434</u>	<u>\$ 4,961,062</u>	<u>\$ 882,540</u>	<u>\$ 175,317</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, 2008*

<b>Total Governmental Funds</b>		
	Total Governmental Fund Balances	\$ 5,590,413
	<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 4,252,079	Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	30,247,800
280,580		
693,269	Other long-term assets are not available to pay for current- period expenditures and therefore, are deferred in the funds.	
21,859,425	Delinquent Property and Personal Property Taxes	1,449,246
\$ 27,085,353		
	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	
\$ 32,128	General Obligation Bonds	\$ (27,841,141)
118,800	Capital Appreciation Bonds	(1,558,890)
1,836,744	Compensated Absences	(1,065,621)
643,078	Vacation Benefits Payable	(129,742)
18,855,040	Accrued Interest Payable	(66,407)
9,150		(30,661,801)
21,494,940	<i>Net Assets of Governmental Activities</i>	\$ 6,625,658
673,450		
3,004,385		
204,049		
76,531		
(959,629)		
114,679		
2,304,098		
172,850		
5,590,413		
\$ 27,085,353		

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, 2008*

	<u>General</u>	<u>Debt Service</u>	<u>Permanent Improvement</u>	<u>Other Governmental Funds</u>
<b>Revenues:</b>				
Taxes	\$ 17,091,455	\$ 2,307,449	\$ 0	\$ 0
Intergovernmental	4,589,261	293,120	0	635,362
Investment Income	232,816	0	36,345	3,006
Tuition and Fees	108,321	0	0	0
Extracurricular Activities	0	0	0	233,454
Rentals	29,053	0	0	0
Gifts and Donations	2,000	0	42,927	47,091
Miscellaneous	35,151	0	0	0
<i>Total Revenues</i>	<u>22,088,057</u>	<u>2,600,569</u>	<u>79,272</u>	<u>918,913</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	9,370,975	0	0	123,512
Special	1,842,475	0	0	0
Vocational	108,040	0	0	0
Support Services:				
Pupils	819,936	0	0	142,414
Instructional Staff	872,824	0	0	378,907
Board of Education	62,223	0	0	0
Administration	2,024,559	0	0	15,140
Fiscal	702,245	21,250	0	0
Business	800	0	0	0
Operation and Maintenance of Plant	2,253,916	0	0	0
Pupil Transportation	1,124,880	0	0	0
Central	16,001	0	0	0
Operation of Non-Instructional Services	3,827	0	0	153,340
Extracurricular Activities	431,184	0	0	189,757
Capital Outlay	0	0	1,703,012	0
Debt Service:				
Principal Retirement	0	1,435,000	0	0
Interest and Fiscal Charges	0	1,141,325	0	0
<i>Total Expenditures</i>	<u>19,633,885</u>	<u>2,597,575</u>	<u>1,703,012</u>	<u>1,003,070</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	2,454,172	2,994	(1,623,740)	(84,157)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sales of Capital Assets	400	0	0	0
Transfers In	0	0	300,000	13,600
Transfers Out	(313,600)	0	0	0
<i>Total Financing Sources and (Uses)</i>	<u>(313,200)</u>	<u>0</u>	<u>300,000</u>	<u>13,600</u>
<i>Net Change in Fund Balance</i>	2,140,972	2,994	(1,323,740)	(70,557)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(134,696)</u>	<u>2,706,487</u>	<u>2,082,649</u>	<u>186,304</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,006,276</u>	<u>\$ 2,709,481</u>	<u>\$ 758,909</u>	<u>\$ 115,747</u>

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, 2008*

Total Governmental Funds	Net Change in Fund Balances - Total Governmental Funds	\$	749,669
	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
\$ 19,398,904	Governmental funds report capital outlays as expenditures,		
5,517,743	However, in the statement of activities, the cost of those		
272,167	assets is allocated over their estimated useful lives as		
108,321	depreciation expense. This is the amount by which capital		
233,454	expenditures exceeded depreciation in the current period.		
29,053	Capital Asset Additions	\$ 1,885,200	
92,018	Current Year Depreciation	<u>(1,272,324)</u>	612,876
35,151			
25,686,811	Revenues in the statement of activities that do not provide		
	current financial resources are not reported as revenues		
	in the funds.		
	Delinquent Property and Personal Property Taxes		(86,855)
9,494,487	Repayment of bond principal is an expenditure in the governmental		
1,842,475	funds, but the repayment reduces long-term liabilities in the		
108,040	statement of net assets.		
	Bond Principal		1,435,000
962,350	In the statement of activities interest is accrued on outstanding		
1,251,731	bonds, whereas in governmental funds, interest is expensed		
62,223	when due.		2,585
2,039,699	Some expenses reported in the statement of activities do not		
723,495	use the current financial resources and therefore, are not reported		
800	as expenditures in governmental funds.		
2,253,916	(Increase) Decrease in Compensated Absences	82,096	
1,124,880	(Increase) Decrease in Vacation Payable	50,002	
16,001	(Increase) Decrease in Bond Accretion	<u>(289,164)</u>	
157,167	Amortization of Bond Premium	94,263	<u>(62,803)</u>
620,941			
1,703,012			
1,435,000	<b>Change in Net Assets of Governmental Activities</b>	<b>\$</b>	<b><u>2,650,472</u></b>
1,141,325			
24,937,542			
749,269			
400			
313,600			
(313,600)			
400			
749,669			
4,840,744			
<u>\$ 5,590,413</u>			

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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Over (Under)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 15,676,050	\$ 17,384,403	\$ 17,130,046	\$ (254,357)
Intergovernmental	4,072,200	4,572,200	4,589,261	17,061
Investment Income	250,000	250,000	232,816	(17,184)
Tuition and Fees	65,000	135,000	108,321	(26,679)
Rentals	30,000	30,000	29,053	(947)
Gifts and Donations	2,000	2,000	2,000	0
Miscellaneous	102,000	32,000	34,150	2,150
<i>Total Revenues</i>	20,197,250	22,405,603	22,125,647	(279,956)
<b>Expenditures:</b>				
<b>Current</b>				
Instruction	11,387,656	11,590,384	11,546,744	(43,640)
Support Services				
Pupils	854,979	829,360	829,317	(43)
Instructional Staff	1,067,541	926,566	895,407	(31,159)
Board of Education	89,050	85,142	70,861	(14,281)
Administration	1,935,432	2,144,907	2,074,053	(70,854)
Fiscal	661,590	725,047	722,812	(2,235)
Business	800	800	800	0
Operation and Maintenance of Plant	2,444,766	2,423,112	2,402,773	(20,339)
Pupil Transportation	1,020,908	1,139,960	1,136,638	(3,322)
Central	22,000	16,452	16,452	0
Operation of Non-Instructional Services	4,132	4,915	4,418	(497)
Extracurricular Activities	468,675	467,718	466,655	(1,063)
<i>Total Expenditures</i>	19,957,529	20,354,363	20,166,930	(187,433)
Excess of Revenues Over (Under) Expenditures	239,721	2,051,240	1,958,717	(92,523)
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Assets	750	750	400	(350)
Refund of Prior Year Expenditures	0	0	17,669	17,669
Transfers Out	(317,600)	(317,600)	(313,600)	4,000
<i>Total Other Financing Sources (Uses)</i>	(316,850)	(316,850)	(295,531)	21,319
<i>Net Change in Fund Balance</i>	(77,129)	1,734,390	1,663,186	(71,204)
<i>Fund Balance (Deficit) at Beginning of Year</i>	13,658	13,658	13,658	0
Prior Year Encumbrances Appropriated	79,064	79,064	79,064	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 15,593	\$ 1,827,112	\$ 1,755,908	\$ (71,204)

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*June 30, 2008*

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Food Service</b>	<b>Uniform School Supplies</b>	<b>Adult Education</b>	<b>Total</b>
<b>Assets</b>				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 34,391	\$ 3,460	\$ 119,867	\$ 157,718
Inventory	3,058	0	0	3,058
<i>Total Current Assets</i>	37,449	3,460	119,867	160,776
Non Current Assets:				
Depreciable Capital Assets (Net)	93,071	0	0	93,071
<i>Total Assets</i>	130,520	3,460	119,867	253,847
<b>Liabilities</b>				
Current Liabilities:				
Accounts Payable	0	0	5,141	5,141
Accrued Wages and Benefits	20,532	0	6,508	27,040
Vacation Benefits Payable	3,149	0	0	3,149
Intergovernmental Payable	18,626	0	7,147	25,773
<i>Total Current Liabilities</i>	42,307	0	18,796	61,103
Long Term Liabilities:				
Compensated Absences	20,650	0	1,244	21,894
<i>Total Liabilities</i>	62,957	0	20,040	82,997
<b>Net Assets</b>				
Invested in Capital Assets	93,071	0	0	93,071
Unrestricted	(25,508)	3,460	99,827	77,779
<i>Total Net Assets</i>	\$ 67,563	\$ 3,460	\$ 99,827	\$ 170,850

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2008*

<b>Business-Type Activities - Enterprise Funds</b>				
	<b>Food Service</b>	<b>Uniform School Supplies</b>	<b>Adult Education</b>	<b>Total</b>
<b>Operating Revenues:</b>				
Tuition	\$ 0	\$ 0	\$ 363,369	\$ 363,369
Sales	600,990	101,299	0	702,289
Other Operating Revenues	120	0	0	120
<i>Total Operating Revenues</i>	<u>601,110</u>	<u>101,299</u>	<u>363,369</u>	<u>1,065,778</u>
<b>Operating Expenses:</b>				
Salaries	197,678	0	143,131	340,809
Fringe Benefits	62,416	0	31,493	93,909
Purchased Services	7,364	0	217,814	225,178
Materials and Supplies	377,321	99,922	113	477,356
Depreciation	8,419	0	0	8,419
Other Operating Expenses	4,457	0	7,492	11,949
<i>Total Operating Expenses</i>	<u>657,655</u>	<u>99,922</u>	<u>400,043</u>	<u>1,157,620</u>
Operating Income (Loss)	<u>(56,545)</u>	<u>1,377</u>	<u>(36,674)</u>	<u>(91,842)</u>
<b>Non-Operating Revenues (Expenses):</b>				
Federal Donated Commodities	44,568	0	0	44,568
Operating Grants	31,763	0	0	31,763
Interest	2,432	0	0	2,432
<i>Total Non-Operating Revenues (Expenses)</i>	<u>78,763</u>	<u>0</u>	<u>0</u>	<u>78,763</u>
<i>Change in Net Assets</i>	22,218	1,377	(36,674)	(13,079)
<i>Net Assets (Deficit) Beginning of Year (Restated, See Note 3)</i>	<u>45,345</u>	<u>2,083</u>	<u>136,501</u>	<u>183,929</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$ 67,563</u>	<u>\$ 3,460</u>	<u>\$ 99,827</u>	<u>\$ 170,850</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Cash Flows*  
*Proprietary Funds*  
*For the Fiscal Year Ended June 30, 2008*

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Food Service</b>	<b>Uniform School Supplies</b>	<b>Adult Education</b>	<b>Total</b>
<b>Cash Flows From Operating Activities:</b>				
Cash Received from Customers	\$ 600,990	\$ 101,299	\$ 363,369	\$ 1,065,658
Cash Paid for Goods and Services	(345,497)	(99,922)	(233,382)	(678,801)
Cash Paid to Employees	(255,857)	0	(173,193)	(429,050)
Other Operating Revenue	120	0	0	120
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(244)</u>	<u>1,377</u>	<u>(43,206)</u>	<u>(42,073)</u>
<b>Cash Flows From Non-Capital Financing Activities:</b>				
Grants	31,763	0	0	31,763
<i>Net Cash Provided By (Used For) Non-Capital Financing Activities</i>	<u>31,763</u>	<u>0</u>	<u>0</u>	<u>31,763</u>
<b>Cash Flows From Investing Activities:</b>				
Interest on Investments	2,432	0	0	2,432
<i>Net Cash Provided By (Used For) Investing Activities</i>	<u>2,432</u>	<u>0</u>	<u>0</u>	<u>2,432</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	33,951	1,377	(43,206)	(7,878)
<i>Cash and Cash Equivalents at Beginning of Year</i>	440	2,083	163,073	165,596
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 34,391</u>	<u>\$ 3,460</u>	<u>\$ 119,867</u>	<u>\$ 157,718</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:</b>				
Operating Income (Loss)	\$ (56,545)	\$ 1,377	\$ (36,674)	\$ (91,842)
Adjustments:				
Depreciation	8,419	0	0	8,419
Federal Donated Commodities	44,568	0	0	44,568
(Increase) Decrease in Assets				
Inventory	(438)	0	0	(438)
Increase (Decrease) in Liabilities				
Accounts Payable	(63)	0	(9,068)	(9,131)
Accrued Wages and Benefits	(985)	0	1,298	313
Compensated Absences Payable	5,222	0	133	5,355
Due to Other Governments	(422)	0	1,105	683
<i>Total Adjustments</i>	<u>56,301</u>	<u>0</u>	<u>(6,532)</u>	<u>49,769</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (244)</u>	<u>\$ 1,377</u>	<u>\$ (43,206)</u>	<u>\$ (42,073)</u>

Noncash items:

The Food Service Fund received \$44,568 in Federally Donated Commodities.

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village School District**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*June 30, 2008*

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**Assets**

Equity in Pooled Cash and Cash Equivalents	\$ 71,999
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**Liabilities**

Undistributed Monies	\$ 12,958
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Due to Students	59,041
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<i>Total Liabilities</i>	<u>\$ 71,999</u>
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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, 2008*

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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 85 classified employees, 149 certified full-time teaching personnel and 12 administrators who provide services to 1,997 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, adult 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 15 and 16 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 also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued before November 30, 1989, to its governmental and

## Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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business-type activities and enterprise funds provided they do not conflict with or contradict GASB pronouncements. The School District has elected not to follow FASB guidance for business-type activities and enterprise funds issued after November 30, 1989.

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 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 and business-type 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 and for the three business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include 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.

***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



**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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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.

**Debt Service Fund** The debt service 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.

**Permanent Improvement Capital Projects Fund** The permanent improvement capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of major capital facilities other than those financed by proprietary funds.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

**Proprietary Fund Type** Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The following is the School District's proprietary fund type:

**Enterprise Funds** Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. Although the following funds do not qualify as major funds in accordance with GAAP, the School District has exercised the option to report these as major funds:

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

**Uniform School Supplies Fund** This fund accounts for the purchase and sale of school supplies for use in the School District. Profits derived from such sales are used for school purposes or activities connected with the school.

**Adult Education Fund** This fund accounts for educational opportunities offered on a tuition basis to adults living within the community.

**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 only fiduciary funds are agency funds. The School District's agency funds account for student advance placement testing and student activities.

## Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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### ***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.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary fund activities.

### ***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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

***Deferred Revenue*** 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 deferred revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2008, but which were levied to finance fiscal year 2009 operations, have been recorded as deferred revenue on the balance sheet. This amount is reported as deferred revenue on the statement of net assets, however excludes delinquent amounts earned as of year end.

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 in the operating statement as an expense with a like amount reported as federal donated commodities revenue.

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 2008.

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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

***F. Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled. Monies for all funds, 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 cash equivalents" on the balance sheet. The School District has segregated a portion of cash balances, reported as "Cash and cash equivalents in segregated accounts" which are used for the construction projects.

During fiscal year 2008, investments were limited to Victory Federal Mutual Funds, Freddie Mac, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Association Notes, U.S. Treasury Notes and STAROhio, (the State Treasurer's Investment Pool).

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

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2008. 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 2008 amounted to \$232,816, which includes \$167,223 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 considered to be cash equivalents. Investments with an original maturity of more than three months that are not made from the pool are reported as investments.

***G. Inventory***

On government-wide financial statements, inventories of business-type activities are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

***H. 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 include amounts required by statute to be set-aside for the purchase of textbooks and other instructional materials. See Note 20 for additional information regarding set asides or for the acquisition or construction of capital improvements.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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***I. 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.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land	N/A	N/A
Construction in Progress	N/A	N/A
Buildings and Improvements	10 - 40 Years	N/A
Furniture and Equipment	5 - 20 Years	20 Years
Vehicles	13 Years	N/A
Textbooks	5 Years	N/A

***J. Interfund Balances***

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

***K. 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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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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. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund 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, compensated absences and special termination benefits 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.

***M. 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.

***N. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriations for expenditures. Unreserved fund balance indicates that portion of fund equity, which is available for appropriation, in future periods. Fund balance reserves are established for encumbrances, property taxes, capital improvements and textbooks.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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***O. Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are tuition for adult education classes, sales for food service and uniform school supplies. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

***P. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. The proprietary funds received no capital contributions during the current fiscal year.

***Q. 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.

***R. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2008.

***S. 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.

***T. Implementation of New Accounting Policies***

For the year ended 2008, the School District has implemented GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", and GASB Statement No. 50, "Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27."

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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GASB Statement No. 45 provides guidance on all aspects of OPEB reporting by employers. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

GASB Statement No. 48 provides guidance on accounting for sales and pledges of receivables and future revenues. The Statement also requires governments to disclose in the notes to the financial statements the amount of future revenues that have been pledged or sold.

GASB Statement No. 49 provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts.

GASB Statement No. 50 more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this Statement amend applicable note disclosure and RSI requirements of GASB Statement No. 25, *“Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans”*, and GASB Statement No. 27, *“Accounting for Pensions by State and Local Governmental Employers”*, to conform with requirements of GASB Statement No. 43, *“Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans”*, and GASB Statement No. 45, *“Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”*.

Implementation of these GASB Statements did not affect the presentation of the financial statements of the School District.

**Note 3 – Restatement of Net Assets**

The School District changed the capital asset threshold from five hundred to five thousand dollars resulting in a decrease in net assets. The change in net assets is summarized below:

	Net Assets	
	Governmental Activities	Business-Type Activities
Net Assets at June 30, 2007	\$ 4,617,829	\$ 233,619
Decrease in Capital Assets	(642,643)	(49,690)
Restated Net Assets at July 1, 2007	<u>\$ 3,975,186</u>	<u>\$ 183,929</u>



**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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The following is the change in capital assets:

	Capital Assets	
	Governmental Activities	Business-Type Activities
Capital Assets Balance at June 30, 2007	\$ 30,277,567	\$ 151,180
Adjustment Due to Increase in Threshold	(642,643)	(49,690)
Capital Assets Balance at July 1, 2007	<u>\$ 29,634,924</u>	<u>\$ 101,490</u>

**Note 4 - Accountability**

Fund balances at June 30, 2008 included the following individual fund deficits:

	Fund Balance
Nonmajor Governmental Funds:	
Other Grants	\$ 883
Auxiliary	3,046
Educational Management Information Systems	59
Title VI-B	41,948
Title II-A	2,640

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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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**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).

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

**Net Change in Fund Balance**

GAAP Basis	\$ 2,140,972
Net Adjustment for Revenue Accruals	55,259
Net Adjustment for Expenditure Accruals	(424,978)
Adjustment for Encumbrances	<u>(108,067)</u>
Budget Basis	<u>\$ 1,663,186</u>

**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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

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

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

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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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

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

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

***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 cash equivalents.

***Deposits:*** The carrying value of the School District's deposits totaled \$579,374 and the bank balances of the deposits totaled \$751,784. \$200,000 of the bank balance was covered by federal depository insurance and \$551,784 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

***Investments***

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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

Standard & Poors Rating		Fair Value	Investment Maturities (in months)		% Total Investments
			0 - 6	24 - 36	
AA-	Fifth Third US Treasury Money Market	\$ 96,392	\$ 96,392	\$ 0	1.96%
AAm	Victory Federal Money Market	849,141	849,141	0	17.42%
AAm	Victory Federal Money Market	663,800	663,800	0	13.62%
AAm	Federated Prime Cash Money Market	231,535	231,535	0	4.75%
AAA	Federal National Mortgage Association	101,313	0	101,313	2.08%
AAA	Freddie Mac	102,063	0	102,063	2.09%
AAA	Freddie Mac	76,454	0	76,454	1.57%
AAA	Federal Home Loan	102,156	0	102,156	2.10%
AAA	STAROhio	2,652,417	2,652,417	0	54.41%
	Totals	\$ 4,875,271	\$ 4,493,285	\$ 381,986	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.

**Credit Risk:** The School District's investments at June 30, 2008 in FNMA, Freddie Mac and Federal Home Loan are rated AAA by Standard & Poor's. Its investments in STAROhio are also rated AAA 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 5 percent of the School District's investments are in Federal National Mortgage, Federal Home Loan and STAROhio 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 2008 for real and public utility property taxes represents collections of calendar 2007 taxes. Property tax payments received during calendar 2008 for tangible personal property (other than public utility property) is for calendar 2008 taxes.

2008 real property taxes are levied after April 1, 2007, 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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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. 2008 public utility property taxes became a lien December 31, 2007, are levied after April 1, 2008 and are collected in 2008 with real property taxes.

Tangible personal property tax revenue received during calendar year 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2008, on the value as of December 31, 2007. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-four percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory was 12.5 percent for 2007 and is 6.25 percent for 2008. This will be reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School 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 will be eliminated by 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 will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The assessed values upon which the fiscal year 2008 taxes were collected are:

	2007 Second		2008 First	
	Half Collections		Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 482,941,100	97.85%	\$ 486,429,360	98.35%
Public Utility	6,552,990	1.33%	5,218,290	1.06%
Tangible Personal Property	4,045,333	0.82%	2,905,855	0.59%
	<u>\$ 493,539,423</u>	<u>100.00%</u>	<u>\$ 494,553,505</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	\$ 100.90		\$ 108.30	

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.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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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, 2008, are available to finance fiscal year 2008 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, 2008 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, 2008, was \$3,004,385 and is recognized as revenue. \$2,599,002 was available to the general fund and \$405,383 was available to the debt service fund.

**Note 8 - Receivables**

Receivables at June 30, 2008, consisted of taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

**Note 9 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	Restated Balance 6/30/07	Additions	Reductions	Balance 6/30/08
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635
Construction in progress	2,298,406	0	(2,298,406)	0
	<u>3,685,041</u>	<u>0</u>	<u>(2,298,406)</u>	<u>1,386,635</u>
 <i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	33,511,565	4,072,164	0	37,583,729
Furniture and Equipment	1,780,000	40,742	(122,313)	1,698,429
Vehicles	1,558,164	70,700	(67,038)	1,561,826
Textbooks	440,391	0	(93,814)	346,577
	<u>37,290,120</u>	<u>4,183,606</u>	<u>(283,165)</u>	<u>41,190,561</u>
 Less Accumulated Depreciation:				
Buildings and Improvements	(8,744,700)	(1,003,662)	0	(9,748,362)
Furniture and Equipment	(1,241,114)	(62,946)	122,313	(1,181,747)
Vehicles	(1,095,147)	(110,764)	67,038	(1,138,873)
Textbooks	(259,276)	(94,952)	93,814	(260,414)
	<u>(11,340,237)</u>	<u>(1,272,324)</u>	<u>283,165</u>	<u>(12,329,396)</u>
 Total Capital Assets being depreciated, net	 <u>25,949,883</u>	 <u>2,911,282</u>	 <u>0</u>	 <u>28,861,165</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 29,634,924</u>	 <u>\$ 2,911,282</u>	 <u>\$(2,298,406)</u>	 <u>\$ 30,247,800</u>
 <b>Business-Type Activities</b>				
<i>Capital Assets being depreciated</i>				
Furniture and Equipment	\$ 182,654	\$ 0	\$ 0	\$ 182,654
 Less Accumulated Depreciation	 <u>(81,164)</u>	 <u>(8,419)</u>	 <u>0</u>	 <u>(89,583)</u>
 Business-Type Activities Capital Assets, Net	 <u>\$ 101,490</u>	 <u>\$ (8,419)</u>	 <u>\$ 0</u>	 <u>\$ 93,071</u>



**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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Depreciation expense was charged as follows:

*Governmental Activities:*

Instruction:

Regular	\$	733,291
Special		4,073

Support Services:

Pupil		5,426
Instructional Staff		110,971
Administration		1,040
Operation and Maintenance of Plant		298,299
Pupil Transportaion		107,077
Operation of Non-Instructional Services		9,277
Extracurricular Activities		2,870

Total Depreciation \$ 1,272,324

*Business-Type Activities:*

Food Service \$ 8,419

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

**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 2008, 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	\$ 54,004,462
	Extra Expense	1,000,000
	Valuable Papers	100,000
	Inland Marine	1,553,714
	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
	Sexual Misconduct/Molestation	1,000,000
	Employee Benefits	1,000,000
	- per loss	1,000,000
	- Aggregate	3,000,000
<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Travelers Insurance	Boiler and Machinery	\$ 30,000,000
Ohio Casualty	Public Employee Dishonesty	250,000
	Money and Securities	5,000

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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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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 Gates McDonald & Company 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.

***B. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Reliance Standard Insurance Company, in the amount of \$75,000 for all certified and union exempt employees, all administrators, and treasurer; \$135,590 for the superintendent; and \$30,000 for non-certified employees.

All employees are offered a wellness program by the School District. This program provides preventive medical treatments and is entirely covered by the School District. 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.

Dental coverage is provided through Guardian 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

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

### *Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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System 300 East Broad Street, 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 forms and publications.

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 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2007 the amount was 10 percent and for fiscal year 2006 the amount was 10.68 percent. The contributions to SERS for pension obligations for the fiscal years ended June 30, 2008, 2007, and 2006 were \$305,240, \$384,291 and \$410,819, respectively; 50 percent has been contributed for fiscal year 2008 and 100 percent for the fiscal years 2007 and 2006. \$233,268 represents the unpaid contribution for fiscal year 2008, and is recorded as a liability within the respective funds.

#### ***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 (614) 227-4090, 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. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001 were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. 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, 2008, 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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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used to fund pension obligations. For fiscal year 2007, 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, 2008, 2007, and 2006 were \$1,332,273, \$1,333,983 and \$1,305,817, respectively. Contributions to the DC and Combined Plans for fiscal year 2008 were \$34,554 made by the School District and \$57,477 made by the plan members. 83 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. \$233,436 represents the unpaid contribution for fiscal year 2008, 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, 2008, one member of the Board of Education has elected Social Security. The Board's liability is 6.2 percent of wages paid.

**Note 13 - Postemployment Benefits**

***A. 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 (888) 227-7877.

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, 2008, 2007 and 2006. The School District's contributions for health care for fiscal years ended June 30, 2008, 2007 and 2006 were \$100,173, \$101,121 and \$100,447, respectively.

***B. 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'

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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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 *Forms and Publications*.

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, 2008, the health care allocation was 4.18 percent, at June 30, 2007 and 2006, the health care allocation was 3.32 percent. The District's contributions for the years ended June 30, 2008, 2007 and 2006 were \$139,291, \$127,585 and \$127,708, 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 2007 (the latest information available), the minimum compensation level was established at \$35,800. For the School District during fiscal year 2008 this amounted to \$75,633.

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 2008, the actuarially required allocation was .66 percent and for fiscal year 2007 the required allocation was .68 percent. The School District contributions for the fiscal years 2008 and 2007 were \$21,993 and 26,132, respectively.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

**Note 14 - Long - Term Obligations**

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

	Outstanding 6/30/07	Additions	Reductions	Outstanding 6/30/08	Amounts Due in One Year
<b>Governmental Activities:</b>					
General Obligation Bonds:					
1988 Additions/Facilities 7.50%	\$ 1,380,000	\$ 0	\$ 305,000	\$ 1,075,000	\$ 330,000
1997 Renovations 5.39%	615,000	0	615,000	0	0
2005 Refunding Bonds					
Serial Bonds \$16,320,000					
at 2.5% - 4.125%	15,885,000	0	290,000	15,595,000	830,000
Bond Premium	1,437,680	0	78,683	1,358,997	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	499,988	0	0	499,988	50,870
Accretion of Interest	373,355	223,390	0	596,745	0
2005 School Improvement Bonds					
Current Interest Bonds \$9,655,000					
at 3.71% - 3.94%	9,510,000	0	225,000	9,285,000	275,000
Bond Premium	542,724	0	15,580	527,144	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	294,990	0	0	294,990	0
Accretion of Interest	101,393	65,774	0	167,167	0
Total General Obligation Bonds	30,640,130	289,164	1,529,263	29,400,031	1,485,870
Compensated Absences	1,147,717	33,626	115,722	1,065,621	135,098
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 31,787,847</u>	<u>\$ 322,790</u>	<u>\$ 1,644,985</u>	<u>\$ 30,465,652</u>	<u>\$ 1,620,968</u>
<b>Business-Type Activities</b>					
Compensated Absences **	<u>\$ 19,688</u>	<u>\$ 2,206</u>	<u>\$ 0</u>	<u>\$ 21,894</u>	<u>\$ 0</u>

\*\* The School District had no severance payouts in the business-type activities in fiscal year 2008 and does not anticipate any in fiscal year 2009.

*1988 Additions/Facilities*

In 1988, the School District issued \$4,250,000 in general obligation bonds for renovations to four buildings in the district. The bonds mature in December 2022.

*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 2010.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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*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, 2008 was \$15,580.

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 2008, \$65,774 was accreted for a liability of \$462,157.

*2005 School Improvement Refunding Bonds*

On January 6, 2005, the School District issued \$16,820,000 refunded 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. As of June 30, 2006, \$16,820,000 of these bonds are considered defeased.

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, 2008 was \$78,683. 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.

The capital appreciation bonds mature December 1, 2009 - 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 \$2,030,000. For fiscal year 2008, \$223,390 was accreted for a liability of \$1,096,733.



**Chagrin Falls Exempted Village School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2008

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

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2008 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
2009	\$ 1,435,000	\$ 1,005,858	\$ 50,870	\$ 69,130	\$ 1,485,870	\$ 1,074,988
2010	1,505,000	940,528	39,128	75,872	1,544,128	1,016,400
2011	790,000	298,129	228,064	666,936	1,018,064	965,065
2012	110,000	33,169	295,688	909,312	405,688	942,481
2013	1,015,000	715,353	97,560	207,440	1,112,560	922,793
2014 - 2018	6,620,010	3,077,655	378,658	841,342	6,998,668	3,918,997
2019 - 2023	8,940,000	2,126,597	0	0	8,940,000	2,126,597
2024 - 2028	2,345,000	899,007	0	0	2,345,000	899,007
2029 - 2033	2,900,000	329,724	0	0	2,900,000	329,724
<b>Total</b>	<b>\$ 25,660,010</b>	<b>\$ 9,426,020</b>	<b>\$ 1,089,968</b>	<b>\$ 2,770,032</b>	<b>\$ 26,749,978</b>	<b>\$ 12,196,052</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 \$65,465 to LGCA during fiscal year 2008. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

**B. Ohio Schools Council**

The Ohio Schools Council Association (Council) is a jointly governed organization among 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 2008, the School District paid \$800 to the Council. Financial information can be obtained by contacting Albert G. Vasek, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio, 44131.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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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.

**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, 2008.

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2008*

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**Note 18 - Interfund Transfers**

Transfers made during fiscal year 2008 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 0	\$ 313,600
Permanent Improvement Fund	300,000	0
Other Governmental Funds	13,600	0
Total	<u>\$ 313,600</u>	<u>\$ 313,600</u>

In 2008, the transfer to the permanent improvement construction fund was to provide funds for the new auditorium. The remaining transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

**Note 19 – Contractual Commitments**

As of June 30, 2008, the School District had contractual purchase commitments for the following:

	<u>Contractual Commitment</u>	<u>Expended</u>	<u>Balance 06/30/08</u>
Ventilator Replacement	<u>\$ 459,100</u>	<u>\$ 128,700</u>	<u>\$ 330,400</u>

**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.

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

**Chagrin Falls Exempted Village School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2008*

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	Capital Improvement Reserve	Textbook Instructional Materials Reserve	Total
Set-Aside Cash Balance as of June 30, 2007	\$ 45,403	\$ 138,820	\$ 184,223
Current Year Set-Aside Requirement	301,426	301,426	602,852
Qualifying Disbursements	(270,298)	(236,197)	(506,495)
Total	<u>\$ 76,531</u>	<u>\$ 204,049</u>	<u>\$ 280,580</u>
Balance Carried Forward to FY 2009	<u>\$ 76,531</u>	<u>\$ 204,049</u>	<u>\$ 280,580</u>
Amount to Restrict for Set-Asides			<u>\$ 280,580</u>
Total Restricted Assets			<u>\$ 280,580</u>

The School District may use any negative amount in the textbooks set-aside to reduce set-aside requirements of future fiscal years. Amounts remaining at the fiscal year-end are represented by a reserve fund balance presented on the balance sheet.

***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. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

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

***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.

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

***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.

***Entry Year Grants*** – This fund accounts for State monies used to reimburse the School District for the expense of training and working with first year teachers, reimbursing shadow (experienced) teachers who meet with the new teachers on a regular basis throughout their first year.

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

***SchoolNet Professional Development Fund*** – This fund accounts for State monies for staff development to support educational uses of technology in the classroom.

# Chagrin Falls Exempted Village School District

## *Combining Statements – Nonmajor Funds*

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

***Ohio Reads Grant Fund*** – This fund accounts for State monies to improve reading outcomes, especially on fourth grade reading proficiency tests and for costs associated with volunteer coordinators who administer the program.

***Miscellaneous State Grants Fund*** – This fund is used to account for various monies received from State agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the auditor of State.

***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.

***Title VI Fund*** – This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs, in-service and staff development.

***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.

***Miscellaneous Federal Grants*** - This fund accounts for Federal monies received to encourage and help fund smaller classroom size and additional staffing needs.

**Chagrin Falls Exempted Village School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2008*

	Nonmajor Special Revenue Funds	School Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 135,561	\$ 0	\$ 135,561
In Segregated Accounts	39,756	0	39,756
<i>Total Assets</i>	<u>\$ 175,317</u>	<u>\$ 0</u>	<u>\$ 175,317</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	1,381	0	\$ 1,381
Accrued Wages and Benefits	36,387	0	36,387
Intergovernmental Payable	21,802	0	21,802
<i>Total Liabilities</i>	<u>59,570</u>	<u>0</u>	<u>59,570</u>
<b>Fund Balances (Deficit)</b>			
Fund Balance:			
Reserved for Encumbrances	1,068	0	1,068
Unreserved, Undesignated			
Special Revenue Funds	114,679	0	114,679
<i>Total Fund Balances (Deficit)</i>	<u>115,747</u>	<u>0</u>	<u>115,747</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 175,317</u>	<u>\$ 0</u>	<u>\$ 175,317</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, 2008*

	Nonmajor Special Revenue Funds	Schoolnet Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Intergovernmental	\$ 622,160	\$ 13,202	\$ 635,362
Investment Income	3,006	0	3,006
Extracurricular Activities	233,454	0	233,454
Gifts and Donations	47,091	0	47,091
<i>Total Revenues</i>	<u>905,711</u>	<u>13,202</u>	<u>918,913</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	110,310	13,202	123,512
Support Services:			
Pupils	142,414	0	142,414
Instructional Staff	378,907	0	378,907
Administration	15,140	0	15,140
Operation of Non-Instructional Services	153,340	0	153,340
Extracurricular Activities	189,757	0	189,757
<i>Total Expenditures</i>	<u>989,868</u>	<u>13,202</u>	<u>1,003,070</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(84,157)	0	(84,157)
<b>Other Financing Sources (Uses):</b>			
Transfers In	13,600	0	13,600
<i>Total Other Financing Sources and (Uses)</i>	<u>13,600</u>	<u>0</u>	<u>13,600</u>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(70,557)	0	(70,557)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>186,304</u>	<u>0</u>	<u>186,304</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 115,747</u>	<u>\$ 0</u>	<u>\$ 115,747</u>

## Chagrin Falls Exempted Village School District

### Combining Balance Sheet

#### Nonmajor Special Revenue Funds

June 30, 2008

	Special Trust	Miscellaneous Grants	Public School Support	Athletic/ District Managed
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 41,135	\$ 2,275	\$ 29,759	\$ 55,087
In Segregated Accounts	39,756	0	0	0
<i>Total Assets</i>	\$ 80,891	\$ 2,275	\$ 29,759	\$ 55,087
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	0	0	568	813
Accrued Wages and Benefits	0	2,613	0	0
Intergovernmental Payable	0	545	33	0
<i>Total Liabilities</i>	0	3,158	601	813
<b>Fund Balances (Deficit)</b>				
Fund Balance:				
Reserved for Encumbrances	0	0	499	0
Undesignated				
Special Revenue Funds	80,891	(883)	28,659	54,274
<i>Total Fund Balances (Deficit)</i>	80,891	(883)	29,158	54,274
<i>Total Liabilities and Fund Balances (Deficit)</i>	\$ 80,891	\$ 2,275	\$ 29,759	\$ 55,087

Auxiliary Services	Educational Management Information Systems	Entry Year Grant	Data Communications	Schoolnet Professional Development
\$ 7,305	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0
<u>\$ 7,305</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
0	0	0	0	0
7,132	0	0	0	0
3,219	59	0	0	0
<u>10,351</u>	<u>59</u>	<u>0</u>	<u>0</u>	<u>0</u>
569	0	0	0	0
(3,615)	(59)	0	0	0
<u>(3,046)</u>	<u>(59)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 7,305</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(continued)

**Chagrin Falls Exempted Village School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds (continued)**  
**June 30, 2008**

	Ohio Reads Grant	Miscellaneous State Grants	Title VI-B	Title VI
<b>Assets:</b>				
Equity in Pooled Cash and Cash Equivalents In Segregated Accounts	\$ 0	\$ 0	\$ 0	\$ 0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	24,040	0
Intergovernmental Payable	0	0	17,908	0
	<u>0</u>	<u>0</u>	<u>41,948</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>41,948</u>	<u>0</u>
<b>Fund Balances (Deficit):</b>				
Fund Balance:				
Reserved for Encumbrances	0	0	0	0
Unreserved, Undesignated Special Revenue Funds	0	0	(41,948)	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>0</u>	<u>(41,948)</u>	<u>0</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Drug Free Schools	Preschool Handicapped	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 135,561
0	0	0	0	39,756
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175,317</u>
0	0	0	0	1,381
0	0	2,602	0	36,387
0	0	38	0	21,802
<u>0</u>	<u>0</u>	<u>2,640</u>	<u>0</u>	<u>59,570</u>
0	0	0	0	1,068
0	0	(2,640)	0	114,679
<u>0</u>	<u>0</u>	<u>(2,640)</u>	<u>0</u>	<u>115,747</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175,317</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, 2008*

	Special Trust	Miscellaneous Grants	Public School Support	Athletic/ District Managed
<b>Revenues:</b>				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Investment Income	1,940	0	0	0
Extracurricular Activities	0	0	89,748	143,706
Gifts and Donations	17,500	2,000	2,500	25,091
<i>Total Revenues</i>	<u>19,440</u>	<u>2,000</u>	<u>92,248</u>	<u>168,797</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	24,450	0	0
Support Services:				
Pupils	32,947	0	107,467	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	189,757
<i>Total Expenditures</i>	<u>32,947</u>	<u>24,450</u>	<u>107,467</u>	<u>189,757</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,507)	(22,450)	(15,219)	(20,960)
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	0	13,600
<i>Total Other Financing Sources and (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,600</u>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(13,507)	(22,450)	(15,219)	(7,360)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>94,398</u>	<u>21,567</u>	<u>44,377</u>	<u>61,634</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 80,891</u>	<u>\$ (883)</u>	<u>\$ 29,158</u>	<u>\$ 54,274</u>

Auxiliary Services	Educational Management Information Systems	Entry Year	Data Communications	Schoolnet Professional Development
\$ 147,482	\$ 6,775	\$ 800	\$ 12,000	\$ 2,970
1,066	0	0	0	0
0	0	0	0	0
0	0	0	0	0
148,548	6,775	800	12,000	2,970
0	0	6,400	12,000	4,529
0	0	0	0	0
0	0	0	0	0
0	6,834	0	0	0
150,340	0	0	0	0
0	0	0	0	0
150,340	6,834	6,400	12,000	4,529
(1,792)	(59)	(5,600)	0	(1,559)
0	0	0	0	0
0	0	0	0	0
(1,792)	(59)	(5,600)	0	(1,559)
(1,254)	0	5,600	0	1,559
\$ (3,046)	\$ (59)	\$ 0	\$ 0	\$ 0

(continued)

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2008*

	Ohio Reads Grant	Miscellaneous State Grants	Title VI-B	Title VI
<b>Revenues:</b>				
Intergovernmental	\$ 0	\$ 0	\$ 387,658	\$ 4,641
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>387,658</b>	<b>4,641</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	0	0	4,641
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	200	378,707	0
Administration	0	1,800	6,506	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	0
<b>Total Expenditures</b>	<b>0</b>	<b>2,000</b>	<b>385,213</b>	<b>4,641</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(2,000)	2,445	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>	0	(2,000)	2,445	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	2,000	(44,393)	0
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (41,948)</b>	<b>\$ 0</b>



Drug Free Schools	Preschool Handicapped	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 3,467	\$ 12,277	\$ 29,850	\$ 14,240	\$ 622,160
0	0	0	0	3,006
0	0	0	0	233,454
0	0	0	0	47,091
<u>3,467</u>	<u>12,277</u>	<u>29,850</u>	<u>14,240</u>	<u>905,711</u>
1,467	12,277	30,306	14,240	110,310
2,000	0	0	0	142,414
0	0	0	0	378,907
0	0	0	0	15,140
0	0	3,000	0	153,340
0	0	0	0	189,757
<u>3,467</u>	<u>12,277</u>	<u>33,306</u>	<u>14,240</u>	<u>989,868</u>
0	0	(3,456)	0	(84,157)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,600</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>13,600</u>
0	0	(3,456)	0	(70,557)
<u>0</u>	<u>0</u>	<u>816</u>	<u>0</u>	<u>186,304</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (2,640)</u>	<u>\$ 0</u>	<u>\$ 115,747</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, 2008*

	Final	Actual	Variance Over (Under)
<b>Revenues:</b>			
Taxes	\$ 17,384,403	\$ 17,130,046	\$ (254,357)
Intergovernmental	4,572,200	4,589,261	17,061
Investment Income	250,000	232,816	(17,184)
Tuition and Fees	135,000	108,321	(26,679)
Rentals	30,000	29,053	(947)
Gifts and Donations	2,000	2,000	0
Miscellaneous	32,000	34,150	2,150
<i>Total Revenues</i>	<u>22,405,603</u>	<u>22,125,647</u>	<u>(279,956)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	7,065,598	7,065,598	0
Fringe Benefits	2,186,133	2,142,493	(43,640)
Purchased Services	69,628	69,628	0
Materials and Supplies	237,270	237,270	0
Capital Outlay - New	47,605	47,605	0
Other	4,630	4,630	0
Total Regular	<u>9,610,864</u>	<u>9,567,224</u>	<u>(43,640)</u>
Special:			
Salaries and Wages	1,153,951	1,153,951	0
Fringe Benefits	326,702	326,702	0
Purchased Services	381,151	381,151	0
Materials and Supplies	4,165	4,165	0
Capital Outlay - New	607	607	0
Total Special	<u>1,866,576</u>	<u>1,866,576</u>	<u>0</u>
Vocational:			
Purchased Services	112,944	112,944	0
Total Vocational	<u>112,944</u>	<u>112,944</u>	<u>0</u>
Other:			
Purchased Services	0	0	0
Total Other	<u>0</u>	<u>0</u>	<u>0</u>
Total Instruction	<u>11,590,384</u>	<u>11,546,744</u>	<u>(43,640)</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, 2008*

	Final	Actual	Variance Over (Under)
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	550,782	550,782	0
Fringe Benefits	164,281	164,243	(38)
Purchased Services	107,410	107,405	(5)
Materials and Supplies	4,967	4,967	0
Capital Outlay - New	1,920	1,920	0
Capital Outlay - Replacement	0	0	0
<b>Total Pupils</b>	<b>829,360</b>	<b>829,317</b>	<b>(43)</b>
<b>Instructional Staff:</b>			
Salaries and Wages	511,576	511,576	0
Fringe Benefits	216,096	193,101	(22,995)
Purchased Services	188,061	180,062	(7,999)
Materials and Supplies	10,833	10,668	(165)
<b>Total Instructional Staff</b>	<b>926,566</b>	<b>895,407</b>	<b>(31,159)</b>
<b>Board of Education:</b>			
Fringe Benefits	2,000	1,280	(720)
Purchased Services	38,389	26,181	(12,208)
Materials and Supplies	9,967	8,614	(1,353)
Other	34,786	34,786	0
<b>Total Board of Education</b>	<b>85,142</b>	<b>70,861</b>	<b>(14,281)</b>
<b>Administration:</b>			
Salaries and Wages	1,165,451	1,165,451	0
Fringe Benefits	524,942	489,617	(35,325)
Purchased Services	429,050	393,527	(35,523)
Materials and Supplies	12,421	12,415	(6)
Capital Outlay - New	13,043	13,043	0
Other	0	0	0
<b>Total Administration</b>	<b>2,144,907</b>	<b>2,074,053</b>	<b>(70,854)</b>
<b>Fiscal:</b>			
Salaries and Wages	241,375	240,797	(578)
Fringe Benefits	107,635	107,302	(333)
Purchased Services	49,122	49,122	0
Materials and Supplies	1,366	1,366	0
Other	325,549	324,225	(1,324)
<b>Total Fiscal</b>	<b>725,047</b>	<b>722,812</b>	<b>(2,235)</b>
<b>Business:</b>			
Purchased Services	800	800	0
<b>Total Business</b>	<b>800</b>	<b>800</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, 2008*

	Final	Actual	Variance Over (Under)
<b>Operation and Maintenance of Plant:</b>			
Salaries and Wages	964,559	964,559	0
Fringe Benefits	444,531	435,993	(8,538)
Purchased Services	890,823	881,843	(8,980)
Materials and Supplies	123,199	120,378	(2,821)
Capital Outlay - New	0	0	0
Capital Outlay - Replacement	0	0	0
<b>Total Operation and Maintenance of Plant</b>	<b>2,423,112</b>	<b>2,402,773</b>	<b>(20,339)</b>
<b>Pupil Transportation:</b>			
Salaries and Wages	630,140	630,140	0
Fringe Benefits	222,040	221,844	(196)
Purchased Services	62,808	61,843	(965)
Materials and Supplies	139,923	137,762	(2,161)
Capital Outlay - Replacement	85,049	85,049	0
<b>Total Pupil Transportation</b>	<b>1,139,960</b>	<b>1,136,638</b>	<b>(3,322)</b>
<b>Central:</b>			
Purchased Services	16,452	16,452	0
<b>Total Central</b>	<b>16,452</b>	<b>16,452</b>	<b>0</b>
<b>Total Support Services</b>	<b>8,291,346</b>	<b>8,149,113</b>	<b>142,233</b>
<b>Community Services:</b>			
Salaries and Wages	1,500	1,207	(293)
Fringe Benefits	215	11	(204)
Purchased Services	3,200	3,200	0
<b>Total Community Services</b>	<b>4,915</b>	<b>4,418</b>	<b>(497)</b>
<b>Total Other Operation of Non-Instructional Services</b>	<b>4,915</b>	<b>4,418</b>	<b>497</b>
<b>Sports Oriented Activities:</b>			
Salaries and Wages	403,335	403,335	0
Fringe Benefits	55,697	55,697	0
Purchased Services	8,686	7,623	(1,063)
<b>Total Sports Oriented Activities</b>	<b>467,718</b>	<b>466,655</b>	<b>(1,063)</b>
<b>Total Extracurricular Activities</b>	<b>467,718</b>	<b>466,655</b>	<b>1,063</b>
<b>Total Expenditures</b>	<b>20,354,363</b>	<b>20,166,930</b>	<b>(187,433)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>2,051,240</b>	<b>1,958,717</b>	<b>(92,523)</b>
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Assets	750	400	(350)
Refund of Prior Year Expenditures	0	17,669	17,669
Transfers Out	(317,600)	(313,600)	4,000
<b>Total Other Financing Sources (Uses)</b>	<b>(316,850)</b>	<b>(295,531)</b>	<b>21,319</b>
<b>Net Change in Fund Balance</b>	<b>1,734,390</b>	<b>1,663,186</b>	<b>(71,204)</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>	<b>13,658</b>	<b>13,658</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>79,064</b>	<b>79,064</b>	<b>0</b>
<b>Fund Balance (Deficit) at End of Year</b>	<b>\$ 1,827,112</b>	<b>\$ 1,755,908</b>	<b>\$ (71,204)</b>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
 Budget (Non-GAAP Basis) and Actual  
 Special Trust  
 For the Fiscal Year Ended June 30, 2008*

	Final	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 0	\$ 0	\$ 0
Investment Income	1,500	2,063	563
Extracurricular Activities	0	0	0
Gifts and Donations	23,500	17,500	(6,000)
<i>Total Revenues</i>	<u>25,000</u>	<u>19,563</u>	<u>(5,437)</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Pupils:			
Purchased Services	3,658	3,297	(361)
Other	62,707	47,650	(15,057)
Total Pupils	<u>66,365</u>	<u>50,947</u>	<u>(15,418)</u>
Total Support Services	<u>66,365</u>	<u>50,947</u>	<u>(15,418)</u>
<i>Total Expenditures</i>	<u>66,365</u>	<u>50,947</u>	<u>(15,418)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(41,365)</u>	<u>(31,384)</u>	<u>9,981</u>
<i>Net Change in Fund Balance</i>	(41,365)	(31,384)	9,981
<i>Fund Balance (Deficit) at Beginning of Year</i>	95,051	95,051	0
Prior Year Encumbrances Appropriated	20,815	20,815	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 74,501</u>	<u>\$ 84,482</u>	<u>\$ 9,981</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Grants*  
*For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Gifts and Donations	\$ 2,000	\$ 2,000	\$ 0
<i>Total Revenues</i>	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	22,035	19,969	(2,066)
Fringe Benefits	3,350	3,141	(209)
Purchased Services	2,000	2,000	0
Total Regular	<u>27,385</u>	<u>25,110</u>	<u>(2,275)</u>
Total Instruction	<u>27,385</u>	<u>25,110</u>	<u>(2,275)</u>
<i>Total Expenditures</i>	<u>27,385</u>	<u>25,110</u>	<u>(2,275)</u>
<i>Net Change in Fund Balance</i>	(25,385)	(23,110)	2,275
<i>Fund Balance (Deficit) at Beginning of Year</i>	25,385	25,385	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 2,275</u>	<u>\$ 2,275</u>



**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Public School Support  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Extracurricular Activities	\$ 215,000	\$ 89,748	\$ (125,252)
Gifts and Donations	0	2,500	2,500
<i>Total Revenues</i>	<u>215,000</u>	<u>92,248</u>	<u>(122,752)</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	12,911	4,911	(8,000)
Fringe Benefits	1,088	785	(303)
Purchased Services	146,736	62,354	(84,382)
Materials and Supplies	46,909	29,360	(17,549)
Capital Outlay - New	11,137	11,137	0
Other	456	456	0
Total Pupils	<u>219,237</u>	<u>109,003</u>	<u>(110,234)</u>
Total Support Services	<u>219,237</u>	<u>109,003</u>	<u>(110,234)</u>
<i>Total Expenditures</i>	<u>219,237</u>	<u>109,003</u>	<u>(110,234)</u>
<i>Net Change in Fund Balance</i>	(4,237)	(16,755)	(12,518)
<i>Fund Balance (Deficit) at Beginning of Year</i>	43,696	43,696	0
Prior Year Encumbrances Appropriated	<u>1,751</u>	<u>1,751</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 41,210</u>	<u>\$ 28,692</u>	<u>\$ (12,518)</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, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Extracurricular Activities	\$ 143,000	\$ 143,706	\$ 706
Gifts and Donations	12,000	25,091	13,091
<i>Total Revenues</i>	<u>155,000</u>	<u>168,797</u>	<u>13,797</u>
<b>Expenditures:</b>			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Salaries and Wages	1,875	1,875	0
Fringe Benefits	58	58	0
Purchased Services	20,511	13,481	(7,030)
Materials and Supplies	33,586	27,078	(6,508)
Total Academic and Subject Oriented Activities	<u>56,030</u>	<u>42,492</u>	<u>(13,538)</u>
Sports Oriented Activities:			
Purchased Services	75,493	54,515	(20,978)
Materials and Supplies	81,105	77,581	(3,524)
Capital Outlay - New	565	0	(565)
Total Sports Oriented Activities	<u>157,163</u>	<u>132,096</u>	<u>(25,067)</u>
School and Public Service Co-Curricular Activities:			
Purchased Services	500	0	(500)
Materials and Supplies	36,800	22,943	(13,857)
Total School and Public Service Co-Curricular Activities	<u>37,300</u>	<u>22,943</u>	<u>(14,357)</u>
Total Extracurricular Activities	<u>250,493</u>	<u>197,531</u>	<u>(52,962)</u>
<i>Total Expenditures</i>	<u>250,493</u>	<u>197,531</u>	<u>(52,962)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(95,493)</u>	<u>(28,734)</u>	<u>66,759</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	0	520	520
Transfers In	45,000	13,600	(31,400)
<i>Total Other Financing Sources (Uses)</i>	<u>45,000</u>	<u>14,120</u>	<u>(30,880)</u>
<i>Net Change in Fund Balance</i>	(50,493)	(14,614)	35,879
<i>Fund Balance (Deficit) at Beginning of Year</i>	48,161	48,161	0
Prior Year Encumbrances Appropriated	<u>22,324</u>	<u>22,324</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 19,992</u>	<u>\$ 55,871</u>	<u>\$ 35,879</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and*  
*Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services*  
*For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 143,934	\$ 147,482	\$ 3,548
Investment Income	1,066	1,066	0
<i>Total Revenues</i>	<u>145,000</u>	<u>148,548</u>	<u>3,548</u>
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	53,750	53,750	0
Fringe Benefits	13,010	13,010	0
Purchased Services	46,185	45,440	(745)
Materials and Supplies	31,891	29,448	(2,443)
Other	5,938	5,938	0
Total Community Services	<u>150,774</u>	<u>147,586</u>	<u>(3,188)</u>
Total Other Operation of Non-Instructional Services	<u>150,774</u>	<u>147,586</u>	<u>(3,188)</u>
<i>Total Expenditures</i>	<u>150,774</u>	<u>147,586</u>	<u>(3,188)</u>
<i>Net Change in Fund Balance</i>	(5,774)	962	6,736
<i>Fund Balance (Deficit) at Beginning of Year</i>	9,986	9,986	0
Prior Year Encumbrances Appropriated	<u>5,774</u>	<u>5,774</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 9,986</u>	<u>\$ 16,722</u>	<u>\$ 6,736</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Educational Management Information Systems  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 6,775	\$ 6,775	\$ 0
<i>Total Revenues</i>	<u>6,775</u>	<u>6,775</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Administration:			
Salaries and Wages	6,147	6,147	0
Fringe Benefits	78	78	0
Purchased Services	<u>550</u>	<u>550</u>	<u>0</u>
Total Administration	<u>6,775</u>	<u>6,775</u>	<u>0</u>
Total Support Services	<u>6,775</u>	<u>6,775</u>	<u>0</u>
<i>Total Expenditures</i>	<u>6,775</u>	<u>6,775</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<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  
 Entry Year Programs  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 6,400	\$ 6,400	\$ 0
<i>Total Revenues</i>	<u>6,400</u>	<u>6,400</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	6,400	6,400	0
Total Regular	<u>6,400</u>	<u>6,400</u>	<u>0</u>
Total Instruction	<u>6,400</u>	<u>6,400</u>	<u>0</u>
<i>Total Expenditures</i>	<u>6,400</u>	<u>6,400</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<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  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 12,000	\$ 12,000	\$ 0
<i>Total Revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	12,000	12,000	0
Total Regular	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Total Instruction	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Total Support Services	<u>12,000</u>	<u>12,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<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  
 SchoolNet Professional Development  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 3,500	\$ 2,970	\$ (530)
<i>Total Revenues</i>	<u>3,500</u>	<u>2,970</u>	<u>(530)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	3,783	3,783	0
Materials and Supplies	1,276	746	(530)
Total Regular	<u>5,059</u>	<u>4,529</u>	<u>(530)</u>
Total Instruction	<u>5,059</u>	<u>4,529</u>	<u>(530)</u>
<i>Total Expenditures</i>	<u>5,059</u>	<u>4,529</u>	<u>(530)</u>
<i>Net Change in Fund Balance</i>	(1,559)	(1,559)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,559	1,559	0
Prior Year Encumbrances Appropriated	<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  
 Ohio Reads Grant  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 2,000	\$ 0	\$ (2,000)
<i>Total Revenues</i>	<u>2,000</u>	<u>0</u>	<u>(2,000)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	2,000	0	(2,000)
Total Regular	<u>2,000</u>	<u>0</u>	<u>(2,000)</u>
Total Instruction	<u>2,000</u>	<u>0</u>	<u>(2,000)</u>
<i>Total Expenditures</i>	<u>2,000</u>	<u>0</u>	<u>(2,000)</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	4,467	4,467	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,467</u>	<u>\$ 4,467</u>	<u>\$ 0</u>



**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Miscellaneous State Grants  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Instructional Staff:			
Materials and Supplies	200	200	0
Total Instructional Staff	200	200	0
Administration:			
Purchased Services	1,800	1,800	0
Total Administration	1,800	1,800	0
Total Support Services	2,000	2,000	0
<i>Total Expenditures</i>	2,000	2,000	0
<i>Net Change in Fund Balance</i>	(2,000)	(2,000)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,000	2,000	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title VI-B  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 390,000	\$ 387,658	\$ (2,342)
<i>Total Revenues</i>	<u>390,000</u>	<u>387,658</u>	<u>(2,342)</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	232,127	232,127	0
Fringe Benefits	52,481	52,481	0
Purchased Services	93,000	93,000	0
Total Instructional Staff	<u>377,608</u>	<u>377,608</u>	<u>0</u>
Administration:			
Salaries and Wages	2,750	2,750	0
Purchased Services	7,300	7,300	0
Total Administration	<u>10,050</u>	<u>10,050</u>	<u>0</u>
Total Support Services	<u>387,658</u>	<u>387,658</u>	<u>0</u>
<i>Total Expenditures</i>	<u>387,658</u>	<u>387,658</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,342	0	(2,342)
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,342</u>	<u>\$ 0</u>	<u>\$ (2,342)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title VI  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 4,700	\$ 4,641	\$ (59)
<i>Total Revenues</i>	<u>4,700</u>	<u>4,641</u>	<u>(59)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	3,161	3,161	0
Purchased Services	1,183	1,183	0
Materials and Supplies	297	297	0
Total Regular	<u>4,641</u>	<u>4,641</u>	<u>0</u>
Total Instruction	<u>4,641</u>	<u>4,641</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,641</u>	<u>4,641</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	59	0	(59)
<i>Fund Balance (Deficit) at Beginning of Year</i>	6,484	6,484	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 6,543</u>	<u>\$ 6,484</u>	<u>\$ (59)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Drug Free Schools  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 3,500	\$ 3,467	\$ (33)
<i>Total Revenues</i>	<u>3,500</u>	<u>3,467</u>	<u>(33)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,467	1,467	0
Total Regular	<u>1,467</u>	<u>1,467</u>	<u>0</u>
Total Instruction	<u>1,467</u>	<u>1,467</u>	<u>0</u>
Support Services:			
Pupils:			
Materials and Supplies	2,000	2,000	0
Total Pupils	<u>2,000</u>	<u>2,000</u>	<u>0</u>
Total Support Services	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,467</u>	<u>3,467</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	33	0	(33)
<i>Fund Balance (Deficit) at Beginning of Year</i>	48	48	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 81</u>	<u>\$ 48</u>	<u>\$ (33)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Preschool Handicapped Grant  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 12,300	\$ 12,277	\$ (23)
<i>Total Revenues</i>	<u>12,300</u>	<u>12,277</u>	<u>(23)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	11,477	11,477	0
Purchased Services	800	800	0
Total Regular	<u>12,277</u>	<u>12,277</u>	<u>0</u>
Total Instruction	<u>12,277</u>	<u>12,277</u>	<u>0</u>
<i>Total Expenditures</i>	<u>12,277</u>	<u>12,277</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	23	0	(23)
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 23</u>	<u>\$ 0</u>	<u>\$ (23)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Title II-A  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 30,200	\$ 29,850	\$ (350)
<i>Total Revenues</i>	<u>30,200</u>	<u>29,850</u>	<u>(350)</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	22,797	22,797	0
Purchased Services	6,555	6,555	0
Materials and Supplies	1,482	1,482	0
Total Regular	<u>30,834</u>	<u>30,834</u>	<u>0</u>
Total Instruction	<u>30,834</u>	<u>30,834</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	3,000	3,000	0
Total Community Services	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>3,000</u>	<u>3,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>33,834</u>	<u>33,834</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(3,634)	(3,984)	(350)
<i>Fund Balance (Deficit) at Beginning of Year</i>	19,599	19,599	0
Prior Year Encumbrances Appropriated	<u>160</u>	<u>160</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 16,125</u>	<u>\$ 15,775</u>	<u>\$ (350)</u>

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 Miscellaneous Federal Grants  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 14,240	\$ 14,240	\$ 0
<i>Total Revenues</i>	<u>14,240</u>	<u>14,240</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	10,177	10,177	0
Capital Outlay - New	3,073	3,073	0
Other	990	990	0
Total Regular	<u>14,240</u>	<u>14,240</u>	<u>0</u>
Total Instruction	<u>14,240</u>	<u>14,240</u>	<u>0</u>
<i>Total Expenditures</i>	<u>14,240</u>	<u>14,240</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<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  
 Bond Retirement  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Taxes	\$ 2,131,320	\$ 2,210,936	\$ 79,616
Intergovernmental	284,818	293,120	8,302
<i>Total Revenues</i>	<u>2,416,138</u>	<u>2,504,056</u>	<u>87,918</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Fiscal:			
Purchased Services	55,524	21,250	(34,274)
Total Fiscal	<u>55,524</u>	<u>21,250</u>	<u>(34,274)</u>
Total Support Services	<u>55,524</u>	<u>21,250</u>	<u>(34,274)</u>
Debt Service:			
Principal Retirement	1,435,000	1,435,000	0
Interest and Fiscal Charges	1,159,476	1,141,325	(18,151)
			0
Total Debt Service	<u>2,594,476</u>	<u>2,576,325</u>	<u>(18,151)</u>
<i>Total Expenditures</i>	<u>2,650,000</u>	<u>2,597,575</u>	<u>(52,425)</u>
<i>Net Change in Fund Balance</i>	(233,862)	(93,519)	140,343
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,397,617	2,397,617	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,163,755</u>	<u>\$ 2,304,098</u>	<u>\$ 140,343</u>



**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenditures, and  
 Budget (Non-GAAP Basis) and Actual  
 SchoolNet  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Intergovernmental	\$ 13,202	\$ 13,202	\$ 0
<i>Total Revenues</i>	<u>13,202</u>	<u>13,202</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction			
Regular:			
Capital Outlay - New	13,202	13,202	0
Total Regular	<u>13,202</u>	<u>13,202</u>	<u>0</u>
Total Instruction	<u>13,202</u>	<u>13,202</u>	<u>0</u>
<i>Total Expenditures</i>	<u>13,202</u>	<u>13,202</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<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  
Permanent Improvement  
For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Investment Income	\$ 96,500	\$ 36,345	\$ (60,155)
Gifts and Donations	0	42,927	42,927
<i>Total Revenues</i>	<u>96,500</u>	<u>79,272</u>	<u>(17,228)</u>
<b>Expenditures:</b>			
Current:			
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	75,988	75,988	0
Total Architecture and Engineering Services	<u>75,988</u>	<u>75,988</u>	<u>0</u>
Building Acquisitions and Construction Services:			
Purchased Services	45,770	31,048	(14,722)
Capital Outlay - New	402,405	247,784	(154,621)
Total Building Acquisitions and Construction Services	<u>448,175</u>	<u>278,832</u>	<u>(169,343)</u>
Building Improvement Services:			
Purchased Services	79,117	79,117	0
Capital Outlay - New	2,278,167	2,227,845	(50,322)
Total Building Improvement Services	<u>2,357,284</u>	<u>2,306,962</u>	<u>(50,322)</u>
Other Facilities Acquisition and Construction Services:			
Capital Outlay - New	3,000	3,000	0
Total Other Facilities Acquisitions and Construction Service	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Total Capital Outlay	<u>2,884,447</u>	<u>2,664,782</u>	<u>(219,665)</u>
<i>Total Expenditures</i>	<u>2,884,447</u>	<u>2,664,782</u>	<u>(219,665)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,787,947)</u>	<u>(2,585,510)</u>	<u>202,437</u>
<b>Other Financing Sources (Uses):</b>			
Transfers In	300,000	300,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>300,000</u>	<u>300,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,487,947)	(2,285,510)	202,437
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,787,994	1,787,994	0
Prior Year Encumbrances Appropriated	<u>1,852,940</u>	<u>1,852,940</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,152,987</u>	<u>\$ 1,355,424</u>	<u>\$ 202,437</u>

***PROPRIETARY 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, Expenses, and*  
*Budget (Non-GAAP Basis) and Actual*  
*Food Service*  
*For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Sales	\$ 585,100	\$ 600,987	\$ 15,887
Other Operating Revenues	3,000	120	(2,880)
<i>Total Revenues</i>	588,100	601,107	13,007
<b>Expenses:</b>			
Salaries	215,887	194,808	(21,079)
Fringe Benefits	61,949	61,471	(478)
Purchased Services	7,382	7,029	(353)
Materials and Supplies	335,359	335,359	0
Other	4,500	4,457	(43)
<i>Total Expenses</i>	625,077	603,124	(21,953)
<i>Excess of Revenues Over (Under) Expenses</i>	(36,977)	(2,017)	34,960
<b>Non-Operating Revenues (Expenses):</b>			
Operating Grants	35,300	31,763	(3,537)
Refund of Prior Year Expenses	0	3	3
Interest Income	1,600	2,432	832
Total Non-Operating Revenues (Expenses)	36,900	34,198	(2,702)
<i>Income (Loss) Before Operating Transfers</i>	(77)	32,181	32,258
Advances In	0	(1,204)	(1,204)
Transfers Out	0	1,204	1,204
<i>Net Change in Fund Equity</i>	(77)	32,181	32,258
<i>Fund Equity (Deficit) at Beginning of Year</i>	35,357	35,357	0
<i>Prior Year Encumbrances Appropriated</i>	77	77	0
<i>Fund Equity (Deficit) at End of Year</i>	\$ 35,357	\$ 67,615	\$ 32,258

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenses, and  
 Budget (Non-GAAP Basis) and Actual  
 Uniform Supplies  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
Sales	\$ 110,000	\$ 101,299	\$ (8,701)
<i>Total Revenues</i>	110,000	101,299	(8,701)
<b>Expenses:</b>			
Materials and Supplies	110,285	99,922	(10,363)
<i>Total Expenses</i>	110,285	99,922	(10,363)
<i>Net Change in Fund Equity</i>	(285)	1,377	1,662
<i>Fund Equity (Deficit) at Beginning of Year</i>	4,301	4,301	0
<i>Prior Year Encumbrances Appropriated</i>	285	285	0
<i>Fund Equity (Deficit) at End of Year</i>	\$ 4,301	\$ 5,963	\$ 1,662

**Chagrin Falls Exempted Village School District**  
*Schedule of Revenues, Expenses, and  
 Budget (Non-GAAP Basis) and Actual  
 Adult Education  
 For the Fiscal Year Ended June 30, 2008*

	Final Budget	Actual	Variance Over (Under)
<b>Revenues:</b>			
Tuition	\$ 425,000	\$ 363,369	\$ (61,631)
<i>Total Revenues</i>	425,000	363,369	(61,631)
<b>Expenses:</b>			
Salaries	158,750	142,516	(16,234)
Fringe Benefits	29,572	29,572	0
Purchased Services	294,866	238,924	(55,942)
Materials and Supplies	419	113	(306)
Other	7,492	7,492	0
<i>Total Expenses</i>	491,099	418,617	(72,482)
<i>Net Change in Fund Equity</i>	(66,099)	(55,248)	10,851
<i>Fund Equity (Deficit) at Beginning of Year</i>	140,334	140,334	0
<i>Prior Year Encumbrances Appropriated</i>	26,099	26,099	0
<i>Fund Equity (Deficit) at End of Year</i>	<u>\$ 100,334</u>	<u>\$ 111,185</u>	<u>\$ 10,851</u>

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

# Chagrin Falls Exempted Village School District

## *Combining Statements – Agency Funds*

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

***Rotary Fund*** - This fund accounts for activities associated with the collection and disbursement of funds used for student field trips and advance placement testing that are not part of the programs provided by the School District. It is a flow-through account, funds receipted are held until entirely expended for a specific purpose.

***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 Assets and Liabilities*

*Agency Funds*

*June 30, 2008*

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	<u>Rotary</u>	<u>Student Activities</u>	<u>Total Agency Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 12,958	\$ 59,041	\$ 71,999
<i>Total Assets</i>	<u>\$ 12,958</u>	<u>\$ 59,041</u>	<u>\$ 71,999</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Undistributed Monies	12,958	0	12,958
Due to Students	<u>0</u>	<u>59,041</u>	<u>59,041</u>
<i>Total Liabilities</i>	<u>\$ 12,958</u>	<u>\$ 59,041</u>	<u>\$ 71,999</u>

**Chagrin Falls Exempted Village School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Fiscal Year Ended June 30, 2008*

	<b>Beginning Balance 7/1/07</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance 6/30/08</b>
<b>Rotary</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 9,213	\$ 48,172	\$ 44,427	\$ 12,958
<b>Liabilities</b>				
Undistributed Monies	\$ 9,213	\$ 48,172	\$ 44,427	\$ 12,958
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 61,585	\$ 124,559	\$ 127,103	\$ 59,041
<b>Liabilities</b>				
Due to Students	\$ 61,585	\$ 124,559	\$ 127,103	\$ 59,041
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 70,798	\$ 172,731	\$ 171,530	\$ 71,999
<b>Liabilities</b>				
Undistributed Monies	\$ 9,213	\$ 48,172	\$ 44,427	\$ 12,958
Due to Students	61,585	124,559	127,103	59,041
<i>Total Liabilities</i>	<i>\$ 70,798</i>	<i>\$ 172,731</i>	<i>\$ 171,530</i>	<i>\$ 71,999</i>

**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-20
<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-21 - S-25
<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-26 - 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-27 - S-41

**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.

**Chagrin Falls Exempted Village School District**  
*Net Assets by Component*  
*Last Eight Fiscal Years (1)*  
*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental Activities:				
Invested in Capital Assets,				
Net of Related Debt	\$ 1,611,681	\$ 1,070,070	\$ 2,200,744	\$ 1,946,362
Restricted	4,004,857	4,770,065	1,104,831	879,207
Unrestricted	1,009,120	(1,222,306)	(1,038,726)	383,288
<i>Total Governmental Activities</i>				
<i>Net Assets</i>	<u>\$ 6,625,658</u>	<u>\$ 4,617,829</u>	<u>\$ 2,266,849</u>	<u>\$ 3,208,857</u>
Business-Type Activities				
Invested in Capital Assets	\$ 93,071	\$ 151,180	\$ 169,306	\$ 170,001
Restricted	0	0	0	0
Unrestricted	77,779	82,439	(3,267)	89,820
<i>Total Business-Type Activities</i>				
<i>Net Assets</i>	<u>\$ 170,850</u>	<u>\$ 233,619</u>	<u>\$ 166,039</u>	<u>\$ 259,821</u>
Primary Government				
Invested in Capital Assets,				
Net of Related Debt	\$ 1,704,752	\$ 1,221,250	\$ 2,370,050	\$ 2,116,363
Restricted	4,004,857	4,770,065	1,104,831	879,207
Unrestricted	1,086,899	(1,139,867)	(1,041,993)	473,108
<i>Total Primary Government</i>				
<i>Net Assets</i>	<u>\$ 6,796,508</u>	<u>\$ 4,851,448</u>	<u>\$ 2,432,888</u>	<u>\$ 3,468,678</u>

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

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 1,567,981	\$ 1,544,335	\$ 1,497,343	\$ 1,661,446
2,155,299	1,855,906	2,393,854	2,328,980
408,187	(87,075)	1,598,300	1,447,713
<u>\$ 4,131,467</u>	<u>\$ 3,313,166</u>	<u>\$ 5,489,497</u>	<u>\$ 5,438,139</u>
\$ 187,256	\$ 196,624	\$ 207,659	\$ 203,534
0	0	0	0
83,728	98,548	63,570	25,129
<u>\$ 270,984</u>	<u>\$ 295,172</u>	<u>\$ 271,229</u>	<u>\$ 228,663</u>
\$ 1,755,237	\$ 1,740,959	\$ 1,705,002	\$ 1,864,980
2,155,299	1,855,906	2,393,854	2,328,980
491,915	11,473	1,661,870	1,472,842
<u>\$ 4,402,451</u>	<u>\$ 3,608,338</u>	<u>\$ 5,760,726</u>	<u>\$ 5,666,802</u>

**Chagrin Falls Exempted Village School District**  
*Changes in Net Assets*  
*Last Eight Fiscal Years (1)*  
*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Expenses:</b>				
<b>Governmental Activities:</b>				
Regular Instruction	\$ 10,211,305	\$ 9,933,444	\$ 9,893,476	\$ 10,026,597
Special Instruction	1,851,409	1,712,549	1,483,639	1,636,142
Vocational Instruction	108,040	162,699	123,302	71,620
Adult/Continuing Instruction	0	0	0	0
Other Instruction	0	13,210	34,060	29,720
Pupil Support	962,287	995,334	1,072,115	1,139,741
Instructional Staff Support	1,343,348	1,398,338	1,489,359	1,297,374
Board of Education	62,223	94,466	89,991	83,165
Administration	1,963,707	2,069,076	1,976,027	1,816,179
Fiscal	707,475	1,284,233	640,702	936,955
Business	800	800	800	800
Operation and Maintenance of Plant	2,442,552	2,828,169	3,020,408	2,479,388
Pupil Transportation	1,157,144	1,126,296	1,215,315	1,120,571
Central	16,001	22,099	25,809	24,281
Operation of Non-Instructional Services	165,741	184,844	173,704	160,332
Extracurricular Activities	623,811	731,019	702,459	690,406
Capital Outlay	0	0	0	0
Interest and Fiscal Charges	1,333,641	1,461,470	1,442,066	2,548,040
Reissuance Costs	0	0	0	188,590
<b>Total Governmental Activities Expenses</b>	<b>22,949,484</b>	<b>24,018,046</b>	<b>23,383,232</b>	<b>24,249,901</b>
<b>Business-Type Activities:</b>				
Food Service	657,655	623,945	594,929	668,197
Uniform School Supplies	99,922	108,859	93,703	106,213
Adult Education	400,043	343,265	217,837	164,844
Windsor Educational	0	0	0	0
<b>Total Business-Type Activities Expenses</b>	<b>1,157,620</b>	<b>1,076,069</b>	<b>906,469</b>	<b>939,254</b>
<b>Total Primary Government Expenses</b>	<b>24,107,104</b>	<b>25,094,115</b>	<b>24,289,701</b>	<b>\$ 25,189,155</b>
<b>Program Revenues:</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
Regular Instruction	\$ 108,321	\$ 46,728	\$ 84,170	\$ 51,244
Special Instruction	0	0	0	5
Pupil Support	89,748	117,182	220,695	206,626
Fiscal	29,053	22,624	19,908	51,352
Operation and Maintenance of Plant	0	27,782	0	0
Extracurricular Activities	143,706	168,239	160,390	148,019
<b>Operating Grants and Contributions</b>				
Regular Instruction	75,556	78,149	73,776	118,098
Special Instruction	67,296	72,521	76,445	95,065
Pupil Support	3,940	0	53,674	92,846
Instructional Staff Support	381,111	351,980	323,026	233,134
Administration	13,322	6,563	6,611	6,188
Operation and Maintenance of Plant	0	0	0	0
Operation of Non Instructional	151,237	164,254	144,668	150,036
Extracurricular Activities	0	0	0	0
<b>Capital Grants and Contributions</b>				
Regular Instruction	13,202	0	0	16,905
Instructional Staff Support	0	0	0	0
Operation and Maintenance of Plant	36,345	0	0	0
Pupil Transportation	0	0	0	0
<b>Total Governmental Activities Program Revenues</b>	<b>1,112,837</b>	<b>1,056,022</b>	<b>1,163,363</b>	<b>1,169,518</b>

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



	2004	2003	2002	2001
\$	10,019,345	\$ 9,291,338	\$ 9,002,902	\$ 9,432,792
	1,350,026	1,189,814	1,348,927	1,155,300
	92,934	108,138	101,713	55,069
	0	0	0	0
	37,335	5,912	18,144	0
	1,098,885	1,055,832	966,542	927,785
	1,159,805	986,686	1,065,858	754,176
	79,892	63,685	66,055	57,583
	1,610,209	1,510,595	1,349,681	1,309,319
	643,052	668,701	598,479	414,824
	800	800	750	0
	2,499,738	2,427,389	2,242,666	2,094,832
	1,097,121	1,063,140	946,889	827,971
	21,452	21,381	21,729	0
	198,003	209,998	129,891	185,448
	746,022	696,643	688,806	392,947
	1,240,118	1,283,851	1,237,510	1,358,729
	0	0	0	0
	<u>21,894,737</u>	<u>20,583,903</u>	<u>19,786,542</u>	<u>18,966,775</u>
	686,168	584,811	492,126	459,191
	71,642	64,589	59,940	65,405
	208,061	176,678	150,584	70,037
	0	68,146	0	0
	<u>965,871</u>	<u>894,224</u>	<u>702,650</u>	<u>594,633</u>
	<u>22,860,608</u>	<u>\$ 21,478,127</u>	<u>20,489,192</u>	<u>\$ 19,561,408</u>
\$	52,944	\$ 81,992	\$ 220,964	\$ 64,217
	0	0	0	0
	200,094	176,243	162,001	162,652
	17,456	19,715	17,859	0
	0	0	0	0
	140,112	143,374	141,978	155,244
	113,975	92,858	38,134	59,442
	3,776	0	0	2,650
	33,527	56,541	9,851	7,815
	207,882	104,580	105,498	166,904
	7,174	7,076	6,933	7,510
	0	0	0	10,800
	139,144	151,189	137,152	185,448
	0	0	38,103	29,078
	0		14,000	45,941
	0	30,718	0	174
	0	0	0	0
	0		0	19,811
	<u>916,084</u>	<u>864,286</u>	<u>892,473</u>	<u>917,686</u>

**Chagrin Falls Exempted Village School District**  
*Changes in Net Assets (continued)*  
*Last Eight Fiscal Years (1)*  
*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Business-Type Activities</b>				
Charges for Services:				
Food Service	600,990	529,535	527,520	619,966
Uniform School Supplies	101,299	97,554	92,293	96,152
Adult Education	363,369	448,362	243,275	184,228
Windsor Educational	0	0	0	0
Operating Grants and Contributions				
Food Service	76,331	55,301	37,221	25,531
<i>Total Business-Type Activities Program Revenues</i>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>
<i>Total Primary Government Program Revenues</i>	<u>2,254,826</u>	<u>2,186,774</u>	<u>2,063,672</u>	<u>2,095,395</u>
<b>Net (Expense) Revenue:</b>				
Governmental Activities	(21,836,647)	(22,962,024)	(22,219,869)	(23,080,383)
Business-Type Activities	(15,631)	54,683	(6,160)	(13,377)
<i>Total Primary Government Net Expense</i>	<u>\$ (21,852,278)</u>	<u>\$ (22,907,341)</u>	<u>\$ (22,226,029)</u>	<u>\$ (23,093,760)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 17,044,074	\$ 17,540,958	\$ 14,083,975	\$ 15,599,444
Debt Service	2,267,975	2,661,472	2,147,078	2,065,233
Grants and Entitlements not Restricted to Specific Programs	4,815,085	4,324,197	4,255,426	4,247,210
Investment Earnings	232,816	506,124	505,332	91,320
Miscellaneous	127,169	291,590	168,579	154,566
<i>Total Governmental Activities</i>	<u>24,487,119</u>	<u>25,324,341</u>	<u>21,160,390</u>	<u>22,157,773</u>
Business-Type Activities:				
Investment Earnings	2,432	1,560	3,671	2,214
Miscellaneous	120	0	26,178	0
<i>Total Business-Type Activities</i>	<u>2,552</u>	<u>1,560</u>	<u>29,849</u>	<u>2,214</u>
<i>Total Primary Government</i>	<u>\$ 24,489,671</u>	<u>\$ 25,325,901</u>	<u>\$ 21,190,239</u>	<u>\$ 22,159,987</u>
<b>Change in Net Assets</b>				
Governmental Activities	2,650,472	2,362,317	(1,059,479)	(922,610)
Business-Type Activities	(13,079)	56,243	23,689	(11,163)
<i>Total Primary Government</i>	<u>\$ 2,637,393</u>	<u>\$ 2,418,560</u>	<u>\$ (1,035,790)</u>	<u>\$ (933,773)</u>

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

2004	2003	2002	2001
641,834	549,986	499,914	446,752
74,349	69,600	66,862	65,833
191,304	171,745	145,053	83,840
0	67,909	0	0
<u>33,586</u>	<u>55,464</u>	<u>30,762</u>	<u>23,922</u>
<u>941,073</u>	<u>914,704</u>	<u>742,591</u>	<u>620,347</u>
<u>1,857,157</u>	<u>1,778,990</u>	<u>1,635,064</u>	<u>1,538,033</u>
(20,978,653)	(19,719,617)	(18,894,069)	(18,049,089)
<u>(24,798)</u>	<u>20,480</u>	<u>39,941</u>	<u>25,714</u>
<u>\$ (21,003,451)</u>	<u>\$ (19,699,137)</u>	<u>\$ (18,854,128)</u>	<u>\$ (18,023,375)</u>
\$ 15,342,604	\$ 11,672,680	\$ 13,315,386	\$ 11,634,491
2,146,903	1,839,749	1,563,514	1,920,748
4,203,459	3,881,296	3,820,383	3,655,753
15,472	47,382	225,968	345,430
<u>88,516</u>	<u>102,179</u>	<u>20,176</u>	<u>28,824</u>
<u>21,796,954</u>	<u>17,543,286</u>	<u>18,945,427</u>	<u>17,585,246</u>
610	3,226	2,625	2,312
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>610</u>	<u>3,226</u>	<u>2,625</u>	<u>2,312</u>
<u>\$ 21,797,564</u>	<u>\$ 17,546,512</u>	<u>\$ 18,948,052</u>	<u>\$ 17,587,558</u>
818,301	(2,176,331)	51,358	(463,843)
<u>(24,188)</u>	<u>23,706</u>	<u>42,566</u>	<u>28,026</u>
<u>\$ 794,113</u>	<u>\$ (2,152,625)</u>	<u>\$ 93,924</u>	<u>\$ (435,817)</u>

**Chagrin Falls Exempted Village School District**  
*Program Revenues by Function/Program*  
*Last Eight Fiscal Years (1)*  
*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Governmental Activities</b>				
Regular Instruction	\$ 197,079	\$ 124,877	\$ 157,946	\$ 186,247
Special Instruction	67,296	72,521	76,445	95,070
Pupil Support	93,688	117,182	274,369	299,472
Instructional Support	381,111	351,980	323,026	233,134
Administration	13,322	6,563	6,611	6,188
Fiscal	29,053	22,624	19,908	51,352
Operation and Maintenance of Plant	36,345	27,782	0	0
Pupil Transportation	0	0	0	0
Operation of Non Instructional	151,237	164,254	144,668	150,036
Extracurricular Activities	143,706	168,239	160,390	148,019
<i>Total Governmental Activities</i>	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>
<b>Business-Type Activities</b>				
Food Service	677,321	584,836	564,741	645,497
Uniform School Supplies	101,299	97,554	92,293	96,152
Adult Education	363,369	448,362	243,275	184,228
Windsor Educational	0	0	0	0
<i>Total Business-Type Activities</i>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>
<i>Total Primary Government</i>	<u>\$ 2,254,826</u>	<u>\$ 2,186,774</u>	<u>\$ 2,063,672</u>	<u>\$ 2,095,395</u>

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

	2004	2003	2002	2001
\$	166,919	\$ 174,850	\$ 273,098	\$ 169,600
	3,776	0	0	2,650
	233,621	232,784	171,852	170,467
	207,882	135,298	105,498	167,078
	7,174	7,076	6,933	7,510
	17,456	19,715	17,859	10,800
	0	0	0	0
	0	0	0	19,811
	139,144	151,189	137,152	185,448
	140,112	143,374	180,081	184,322
	<u>916,084</u>	<u>864,286</u>	<u>892,473</u>	<u>917,686</u>
	675,420	605,450	530,676	470,674
	74,349	69,600	66,862	65,833
	191,304	171,745	145,053	83,840
	0	67,909	0	0
	<u>941,073</u>	<u>914,704</u>	<u>742,591</u>	<u>620,347</u>
\$	<u>1,857,157</u>	<u>\$ 1,778,990</u>	<u>\$ 1,635,064</u>	<u>\$ 1,538,033</u>

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund					
Reserved	\$ 2,965,905	\$ 2,852,743	\$ 2,233,821	\$ 3,709,598	\$ 2,738,475
Unreserved	(959,629)	(2,987,439)	(2,343,891)	(2,539,529)	(2,125,432)
<i>Total General Fund</i>	<u>2,006,276</u>	<u>(134,696)</u>	<u>(110,070)</u>	<u>1,170,069</u>	<u>613,043</u>
All Other Governmental Funds					
Reserved	992,510	1,691,974	8,125,446	1,348,098	491,541
Unreserved, Reported in:					
Special Revenue Funds	114,679	161,629	122,621	131,387	192,206
Debt Service Funds	2,304,098	2,397,617	2,082,765	1,936,245	1,400,736
Capital Projects Funds	172,850	724,220	626,179	9,002,702	40,976
Permanent Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>53</u>	<u>0</u>
<i>Total All Other Governmental Funds</i>	<u>3,584,137</u>	<u>4,975,440</u>	<u>10,957,011</u>	<u>12,418,485</u>	<u>2,125,459</u>
<i>Total Governmental Funds</i>	<u>\$ 5,590,413</u>	<u>\$ 4,840,744</u>	<u>\$ 10,846,941</u>	<u>\$ 13,588,554</u>	<u>\$ 2,738,502</u>

<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
\$ 1,618,655 (1,462,800)	\$ 2,541,652 (407,207)	\$ 1,644,965 402,935	\$ 1,803,982 633,422	\$ 1,799,117 914,003
<u>155,855</u>	<u>2,134,445</u>	<u>2,047,900</u>	<u>2,437,404</u>	<u>2,713,120</u>
313,346	345,549	345,565	320,611	2,784,310
226,609	221,399	200,068	213,329	103,800
1,251,625	1,113,357	977,462	835,249	601,157
68,594	518,257	673,101	1,363,673	2,216,603
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,860,174</u>	<u>2,198,562</u>	<u>2,196,196</u>	<u>2,732,862</u>	<u>5,705,870</u>
<u>\$ 2,016,029</u>	<u>\$ 4,333,007</u>	<u>\$ 4,244,096</u>	<u>\$ 5,170,266</u>	<u>\$ 8,418,990</u>

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

	2008	2007	2006	2005	2004
<b>Revenues:</b>					
Taxes	\$ 19,398,904	\$ 19,173,424	\$ 16,139,165	\$ 18,329,367	\$ 17,162,148
Intergovernmental	5,517,743	4,997,664	4,933,626	4,959,482	4,708,937
Interest	272,167	506,124	505,332	91,320	15,472
Tuition and Fees	108,321	46,728	67,152	49,999	49,061
Extracurricular Activities	233,454	285,421	382,353	355,895	329,479
Rentals	29,053	27,744	19,908	51,352	17,456
Charges for Services	0	22,662	15,750	0	14,610
Contributions and Donations	92,018	263,145	154,981	113,747	87,483
Miscellaneous	35,151	28,445	13,418	4,429	10,133
<i>Total Revenues</i>	<u>25,686,811</u>	<u>25,351,357</u>	<u>22,231,685</u>	<u>23,955,591</u>	<u>22,394,779</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	9,494,487	9,605,336	9,250,195	9,596,898	9,174,555
Special	1,842,475	1,679,725	1,476,836	1,646,045	1,336,903
Vocational	108,040	162,699	123,302	71,620	92,934
Adult Continuing	0	0	0	0	0
Other	0	13,210	34,060	29,720	37,335
Support Services:					
Pupils	962,350	975,776	1,104,862	1,146,396	1,082,514
Instructional Staff	1,251,731	1,387,321	1,357,804	1,204,234	1,073,138
Board of Education	62,223	94,356	89,883	83,115	79,733
Administration	2,039,699	2,045,032	1,883,737	1,875,080	1,573,006
Fiscal	723,495	1,277,306	603,709	945,044	614,891
Business	800	800	800	800	800
Operation and Maintenance of Plant	2,253,916	2,516,357	2,489,294	2,334,061	2,305,252
Pupil Transportation	1,124,880	1,115,895	1,143,620	1,130,762	1,058,296
Central	16,001	22,099	25,809	24,936	21,452
Operation of Non-Instructional Services	157,167	161,178	158,724	151,141	181,176
Extracurricular Activities	620,941	724,915	697,089	695,109	727,167
Capital Outlay	1,703,012	7,001,158	2,213,235	707,912	251,793
Debt Service:					
Principal Retirement	1,435,000	1,295,000	1,146,145	853,647	821,488
Interest and Fiscal Charges	1,141,325	1,271,402	1,285,623	1,174,244	1,240,118
Bond Issuance Costs	0	0	0	188,590	0
<i>Total Expenditures</i>	<u>24,937,542</u>	<u>31,349,565</u>	<u>25,084,727</u>	<u>23,859,354</u>	<u>21,672,551</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	749,269	(5,998,208)	(2,853,042)	96,237	722,228
<b>Other Financing Sources (Uses):</b>					
Inception of Capital Lease	0	0	0	0	0
Proceeds of Debt Issuance	0	0	0	9,949,990	0
Refunding Bonds	0	0	0	16,819,988	0
Payment to Refund Bond Escrow Agent	0	0	0	(18,082,289)	0
Proceeds from Sales of Capital Assets	400	3,348	1,205	0	245
Bond Premiums	0	0	0	2,066,126	0
Transfers In	313,600	313,600	430,471	315,750	325,450
Transfers Out	(313,600)	(324,937)	(320,247)	(315,750)	(325,450)
<i>Total Financing Sources and (Uses)</i>	<u>400</u>	<u>(7,989)</u>	<u>111,429</u>	<u>10,753,815</u>	<u>245</u>
<i>Net Change in Fund Balance</i>	<u>\$ 749,669</u>	<u>\$ (6,006,197)</u>	<u>\$ (2,741,613)</u>	<u>\$ 10,850,052</u>	<u>\$ 722,473</u>
Debt Service as a Percentage of Noncapital Expenditures	6.22%	5.47%	4.99%	3.73%	3.86%

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



	2003	2002	2001	2000	1999
\$	13,302,500	\$ 14,855,371	\$ 13,548,353	\$ 13,065,299	\$ 12,475,336
	4,324,258	4,189,224	4,102,753	3,896,047	3,649,354
	47,382	227,195	345,430	462,074	985,389
	80,678	218,409	48,658	140,660	16,012
	320,931	306,534	320,430	309,015	281,422
	19,715	17,859	14,020	15,781	10,029
	0	0	0	0	0
	80,252	0	46,478	108,254	67,461
	33,738	74,718	11,424	24,027	88,707
	<u>18,209,454</u>	<u>19,889,310</u>	<u>18,437,546</u>	<u>18,021,157</u>	<u>17,573,710</u>
	8,467,549	8,125,303	8,278,904	7,591,192	7,333,117
	1,175,284	1,335,649	1,162,013	935,067	740,261
	108,138	101,713	55,069	93,237	50,860
	0	0	0	0	0
	5,912	18,144	0	0	0
	1,066,929	969,626	918,002	828,402	712,100
	981,533	944,988	775,947	805,682	652,331
	63,569	65,947	57,571	69,321	73,104
	1,475,971	1,383,754	1,244,528	1,449,521	1,202,036
	640,565	547,204	428,235	426,562	449,769
	800	750	0	17,726	700
	2,152,062	2,114,661	2,057,061	1,937,576	1,650,103
	1,066,596	988,953	762,138	942,333	858,975
	21,381	21,729	0	20,571	19,903
	193,699	131,840	223,963	142,115	116,903
	726,783	690,347	632,153	621,872	549,811
	281,643	248,154	753,847	3,742,530	12,876,362
	814,952	767,723	742,172	439,058	283,101
	1,283,851	1,349,265	1,361,834	1,404,466	1,448,710
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
	<u>20,527,217</u>	<u>19,805,750</u>	<u>19,453,437</u>	<u>21,467,231</u>	<u>29,018,146</u>
	(2,317,763)	83,560	(1,015,891)	(3,446,074)	(11,444,436)
	0	6,636	31,426	142,726	0
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	785	1,465	0	8,469	2,312
	0	0	0	0	0
	478,409	51,992	45,578	347,485	245,201
	<u>(478,409)</u>	<u>(54,742)</u>	<u>(45,578)</u>	<u>(347,485)</u>	<u>(260,454)</u>
	<u>785</u>	<u>5,351</u>	<u>31,426</u>	<u>151,195</u>	<u>(12,941)</u>
\$	<u>(2,316,978)</u>	<u>\$ 88,911</u>	<u>\$ (984,465)</u>	<u>\$ (3,294,879)</u>	<u>\$ (11,457,377)</u>
	4.06%	3.96%	3.98%	2.42%	2.61%

**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>
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
2001	382,568,900	1,093,054,000	8,017,290	9,110,557
2000	345,547,240	987,277,829	8,504,240	9,663,909
1999	322,021,960	920,062,743	8,789,110	9,987,625

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

- (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.

<b>Tangible Personal Property (3)</b>		<b>Total</b>		
<b><u>Assessed Value</u></b>	<b><u>Estimated Actual Value</u></b>	<b><u>Assessed Value</u></b>	<b><u>Estimated Actual Value</u></b>	<b><u>Ratio</u></b>
\$ 2,905,855	\$ 12,634,152	\$ 494,553,505	\$ 1,408,362,199	35%
4,045,333	17,588,404	493,539,423	1,404,866,698	35%
5,919,019	25,734,865	465,961,459	1,327,797,723	35%
7,210,137	31,348,422	448,282,327	1,279,716,888	35%
9,333,450	40,580,217	447,312,570	1,280,121,510	35%
10,781,967	43,127,874	419,468,207	1,199,676,338	35%
10,129,867	40,519,468	404,477,127	1,155,091,764	35%
9,737,879	38,951,516	400,324,069	1,141,116,073	35%
10,445,953	41,783,812	364,497,433	1,038,725,550	35%
9,536,826	38,147,304	340,347,896	968,197,672	35%

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

Collection Year	School Levy	Cuyahoga County Levy	Geauga County Levy	City Levy	Total Levy	Debt Service Included in Total Levy			
						School	County	City	Total
2007	108.30	13.42	15.10	11.20	148.02	5.75	0.74	2.9	9.39
2006	100.40	13.42	15.10	11.20	140.12	5.75	0.74	2.9	9.39
2005	100.90	20.30	15.10	11.50	147.80	6.25	0.50	3.20	9.95
2004	99.80	19.40	15.10	10.40	144.70	5.15	0.91	3.20	9.26
2003	92.20	17.60	14.60	10.40	134.80	5.45	0.91	2.10	8.46
2002	92.10	17.60	14.40	10.40	134.50	5.35	0.86	2.10	8.31
2001	92.30	17.60	14.40	10.50	134.80	5.55	0.79	2.20	8.54
2000	92.80	16.70	13.65	10.60	133.75	6.05	0.85	2.30	9.20
1999	88.00	16.70	13.45	10.70	128.85	5.45	0.72	2.40	8.57
1998	88.90	18.00	13.45	10.70	131.05	5.75	0.60	0.00	6.35

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 Auditor.

**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>
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%
2000	16,316,023	15,384,560	94.29%	357,567	15,742,127	96.48%
1999	14,530,724	13,543,133	93.20%	475,513	14,018,646	96.48%
1998	14,083,263	13,235,117	93.98%	247,088	13,482,205	95.73%

Source: Cuyahoga County Auditor for 2006 and 2007 and Cuyahoga and Geauga County Auditors for 1997 through 2005. Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) Represents collection year. 2008 information cannot be presented because all collections have not been made by June 30.

**Chagrin Falls Exempted Village School District**  
*Principal Taxpayers*  
*Real Estate Tax*  
*December 31, 2007 and December 31, 2002*

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
<b>December 31, 2007</b>		
Cleveland Electric Illuminating Company	2,040,490	0.42%
Western Reserve Company	1,844,970	0.38%
Hamlet Retirement LLC	1,731,870	0.36%
Chagrin Falls Shopping Center	1,684,380	0.35%
Harris Realty	1,619,600	0.33%
Hamlet Atrium LLC	1,303,760	0.27%
River Street Partners LLC	998,800	0.21%
Step North Equities LTD	930,790	0.19%
Hamlet Manor LTD	836,400	0.17%
Singerman, Lawrence J.	784,500	0.16%
Totals	<u>\$ 13,775,560</u>	<u>1.00%</u>
Total Assessed Valuation	<u>\$ 486,429,360</u>	
<b>December 31, 2002</b>		
Emcore Retirement Partners	\$ 16,668,280	4.36%
Harris Realty Company	7,171,200	1.87%
Western Reserve Company	7,159,680	1.87%
Chagrin Townhomes, Inc.	5,355,400	1.40%
Step North Equities Ltd.	3,577,600	0.94%
River Street Partners LLC	3,538,640	0.92%
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	0.56%
Totals	<u>\$ 52,837,920</u>	<u>13.81%</u>
Total Assessed Valuation	<u>\$ 382,568,900</u>	

Source: Cuyahoga and Geauga County Auditors

(1) Assessed values are for the 2008 collection year for 2007 and the 2003 collection year for 2002.

Information prior to 2000 was not available.

**Chagrin Falls Exempted Village School District**  
*Principal Taxpayers*  
*Tangible Personal Property Tax*  
*December 31, 2007 and December 31, 2002*

<b>Name of Taxpayer</b>	<b>Assessed Value (1)</b>	<b>Percent of Real Assessed Value</b>
<b>December 31, 2007</b>		
Alltel Ohio LP	163,130	5.61%
Windstream West Reserve	109,570	3.77%
Time Warner Cable	68,220	2.35%
Atthans Insurance Agency	37,250	1.28%
Ohio Bell Telephone Co.	31,490	1.08%
Cameo CC	31,040	1.07%
Mike & Terrie Ent.	24,430	0.84%
BET Trucking, Inc.	20,770	0.71%
Chagrin Valley Optometrist	19,770	0.68%
Drs. Slaten and Fry	18,560	0.64%
Totals	<u>\$ 524,230</u>	<u>18.04%</u>
Total Assessed Valuation	<u>\$ 2,905,855</u>	
<b>December 31, 2002</b>		
Alcoa, Inc.	\$ 1,808,450	18.23%
Chagrin Pet and Garden Supply	346,310	3.49%
Riser Foods	210,390	2.12%
Adelphia of the Midwest, Inc.	201,020	2.03%
Revco Discount Drug	199,510	2.01%
Cuffs Clothing Co.	190,310	1.92%
DeLage Landen Services LLC.	141,400	1.43%
Cleveland Plumbing Supply Co.	136,420	1.38%
American Teleradiology	135,200	1.36%
Lyon Financial Services, Inc.	122,800	1.24%
Totals	<u>\$ 3,491,810</u>	<u>35.20%</u>
Total Assessed Valuation	<u>\$ 9,919,411</u>	

Source: Cuyahoga and Geauga County Auditors.

Information prior to 2000 was not available.

**Chagrin Falls Exempted Village School District**  
*Principal Taxpayers*  
*Public Utility Personal Property Tax*  
*December 31, 2007 and December 31, 2002*

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
<b>December 31, 2007</b>		
Cleveland Electric Illuminating Company	2,131,090	58.00%
Alltel Ohio	224,900	2.81%
Western Reserve	168,400	5.54%
American Transmission	156,240	16.11%
East Ohio Gas Company	140,270	5.18%
Ohio Bell Telephone Company	59,270	5.18%
Totals	<u>\$ 2,880,170</u>	<u>92.82%</u>
Total Assessed Valuation	<u>\$ 5,218,290</u>	
<b>December 31, 2002</b>		
Cleveland Electric Illuminating Company	\$ 1,854,420	23.13%
Ohio Bell Telephone Company	969,410	12.09%
American Wireless Transmission	191,810	2.39%
Wheeling and Lake Erie Railroad	124,500	1.55%
New Par	101,370	1.26%
Totals	<u>\$ 3,241,510</u>	<u>40.43%</u>
Total Assessed Valuation	<u>\$ 8,017,290</u>	

Source: Cuyahoga and Geauga County Auditors.

Information prior to 2000 was not available.



**Chagrin Falls Exempted Village School District**  
*Computation of Direct & Overlapping General Obligation Bonded Debt*  
*as of June 30, 2008*

	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Application to School District</u>
<b>Direct:</b>			
Chagrin Falls Exempted Village	\$ 26,749,978	100.00%	\$ 26,749,978
<b>Overlapping:</b>			
Cuyahoga County	194,593,691	0.95%	1,856,324
Regional Transit Authority	147,385,000	0.95%	1,405,977
Bentleyville Village	770,000	20.92%	161,074
Chagrin Falls Village	3,440,000	58.95%	2,028,014
Moreland Hills Village	<u>1,075,000</u>	15.93%	<u>171,224</u>
Total Overlapping	<u>347,263,691</u>		<u>5,622,613</u>
Total	<u>\$ 374,013,669</u>		<u>\$ 32,372,591</u>

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 2008 collection year.

**Chagrin Falls Exempted Village School District**  
*Computation of Legal Debt Margin*  
 June 30, 2008

	2008	2007	2006	2005
Assessed Valuation	\$ 17,588,404	\$ 493,539,423	\$ 465,961,459	\$ 448,282,327
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 1,582,956	\$ 44,418,548	\$ 41,936,531	\$ 40,345,409
Outstanding debt:				
General Obligation Bonds	26,749,978	28,184,978	29,479,978	30,619,978
Less Amount Available in Debt Service	(2,709,481)	(2,706,487)	(2,445,341)	(2,447,563)
Total	24,040,497	25,478,491	27,034,637	28,172,415
Exemptions:				
Tax Anticipation Notes	-	-	-	-
Energy Conservation Note	-	-	-	-
Amount of Debt Subject to Debt Limit:	24,040,497	25,478,491	27,034,637	28,172,415
Overall Debt Margin	\$ (22,457,541)	\$ 18,940,057	\$ 14,901,894	\$ 12,172,994
Bonded Debt Limit - .1% of Assessed Value (1)	17,588	493,539	465,961	448,282
Amount of Debt Applicable	-	-	-	-
Unvoted Debt Margin	\$ 17,588	\$ 493,539	\$ 465,961	\$ 448,282

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.

2004	2003	2002	2001	2000	1999
\$ 447,312,570	\$ 418,605,651	\$ 404,477,127	\$ 400,324,069	\$ 364,497,433	\$ 340,347,896
\$ 40,258,131	\$ 37,674,509	\$ 36,402,941	\$ 36,029,166	\$ 32,804,769	\$ 30,631,311
21,515,000	22,310,000	23,080,000	23,775,000	24,450,000	24,840,000
(1,754,657)	(1,432,349)	(1,414,155)	(1,167,897)	(1,086,369)	(838,631)
19,760,343	20,877,651	21,665,845	22,607,103	23,363,631	24,001,369
-	-	-	-	-	-
-	-	-	-	-	-
19,760,343	20,877,651	21,665,845	22,607,103	23,363,631	24,001,369
\$ 20,497,788	\$ 16,796,858	\$ 14,737,096	\$ 13,422,063	\$ 9,441,138	\$ 6,629,942
447,313	418,606	404,477	400,324	364,497	340,348
-	-	-	-	-	-
\$ 447,313	\$ 418,606	\$ 404,477	\$ 400,324	\$ 364,497	\$ 340,348

**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>
2008	\$ 26,749,978	0.35%	\$ 1,847
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
2001	23,775,000	N/A	1,642
2000	24,450,000	N/A	1,948
1999	24,840,000	N/A	2,054

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>
2007	14,481	\$ 1,408,362,199	26,749,978	\$ 2,706,487	\$ 24,043,491	1.71%	\$ 1,660
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
2001	14,481	1,038,725,550	23,775,000	1,167,897	22,607,103	2.18%	1,561
2000	12,552	968,197,672	24,450,000	1,086,369	23,363,631	2.41%	1,861
1999	12,096	954,699,001	24,840,000	838,631	24,001,369	2.51%	1,984
1998	11,938	901,794,654	3,435,000	339,701	3,095,299	0.34%	259

Source:

(1) U.S. Census of Population

(2) Cuyahoga and Geauga County Auditors.

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

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<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>
2008	1,341,241	95,676	905	3,678
2007	1,386,096	90,895	900	4,652
2006	1,386,096	90,895	900	4,652
2005	1,386,096	90,895	900	4,652
2004	1,386,096	90,895	900	4,652
2003	1,386,096	90,895	900	4,652
2002	1,386,096	90,895	900	4,652
2001	1,386,096	90,895	900	4,652
2000	1,386,096	89,598	900	4,652
1999	1,386,096	87,913	900	4,652

(1) Cleveland Plain Dealer Newspaper.

(2) U.S. Census of Population, Alta Vista.

(3) Department of Job and Family Services.

<b>Moreland Hills Village Population (2)</b>	<b>South Russell Township Population (2)</b>	<b>Per Capita Income</b>	<b>Personal Income</b>	<b>Cuyahoga County Unemployment Rate (3)</b>	<b>Geauga County Unemployment Rate (3)</b>
3,093	3,938	1.6	92,991	8.1	6.3
3,400	5,560	1.6	92,991	4.9	3.4
3,400	5,560	1.6	92,991	4.9	3.4
3,400	5,560	N/A	N/A	4.8	3.2
3,400	5,560	N/A	N/A	4.8	3.2
3,400	5,560	N/A	N/A	4.8	3.2
3,400	5,560	N/A	N/A	4.8	3.2
3,400	5,529	N/A	N/A	4.6	3.0
3,400	3,600	N/A	N/A	4.6	2.8
3,400	3,600	N/A	N/A	4.5	3.0

**Chagrin Falls Exempted Village School District**  
*Principal Employers*  
*Current and Five Years Ago*

<b>Employer</b>	<b>Nature of Business</b>	<b>2008</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
Gamekeepers 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.



2003		
Employees (1)	Rank (1)	Percentage of Total Employment (1)
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

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

	<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
Enrollment Grades	PreK-3	PreK-3	PreK-3
Student Capacity - enrollment	592	581	584
Regular Instruction Classrooms	39	39	39
Regular Instruction Teachers	29	29	29
Special Instruction Teachers	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
Enrollment Grades	4-6	4-6	4-6
Student Capacity - enrollment	436	431	436
Regular Instruction Classrooms	28	28	28
Regular Instruction Teachers	27	27	27
Special Instruction Teachers	6	6	6
<b>Chagrin Falls Middle School</b>			
Constructed in 1999			
Total Building Square Footage	103,537	103,537	103,537
Enrollment Grades	7-8	7-8	7-8
Student Capacity - enrollment	322	296	292
Regular Instruction Classrooms	24	24	24
Regular Instruction Teachers	22	22	22
Special Instruction Teachers	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
Enrollment Grades	9-12	9-12	9-12
Student Capacity - enrollment	647	651	649
Regular Instruction Classrooms	44	44	44
Regular Instruction Teachers	46	46	46
Special Instruction Teachers	2	2	2

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

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

<b>Year</b>	<b>General Fund Expenditures</b>	<b>Average Daily Student Enrollment</b>	<b>Cost Per Pupil</b>
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
2001	15,879,362	1,919	8,275
2000	15,237,712	1,935	7,875
1999	13,874,579	1,866	7,435
1998	13,417,929	1,901	7,058

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>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Bachelor's Degree	10	18	18	15
Bachelor + 10	9	7	8	6
Bachelor + 20	9	9	10	17
Bachelor + 30	12	13	14	17
Master's Degree	48	56	56	46
Master's + 10	30	27	28	29
Master's + 20	16	12	12	12
Master's + 30	9	11	9	10
Phd	1	1	1	1
Total	<u>144</u>	<u>154</u>	<u>156</u>	<u>153</u>

Source: School District Personnel Records.

<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
21	22	23	30	22	21
9	13	12	9	10	10
15	15	15	14	19	19
17	14	14	16	14	13
40	45	47	45	42	41
26	23	18	21	19	21
14	10	12	7	10	10
10	10	8	7	9	9
1	1	1	1	1	1
<b>153</b>	<b>153</b>	<b>150</b>	<b>150</b>	<b>146</b>	<b>145</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>
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
2001	483	458	338	580	1,859
2000	490	470	338	556	1,854
1999	444	328	466	555	1,793

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>
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
2001	17.8	18.0
2000	18.0	18.1
1999	18.6	18.6

Source: Ohio Department of Education, EMIS Reports.

**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>
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
2001	95.6	93.9	97.1	81.2
2000	96.2	93.6	99.3	80.7
1999	95.3	93.5	99.2	81.4

Source: Ohio Department of Education Local Report Cards



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**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 Verbal</b>	<b>Ohio Verbal</b>	<b>National Verbal</b>
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
2001	121	137	88	544	534	506
2000	124	135	92	547	533	505
1999	104	120	87	541	534	505

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>
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
570	539	514	N/A	N/A	N/A
579	539	514	N/A	N/A	N/A
565	538	511	N/A	N/A	N/A

**Chagrin Falls Exempted Village School District**  
*ACT Composite 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 Composite</b>	<b>Ohio Composite</b>	<b>National Composite</b>
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
2001	101	137	74%	23.6	21.4	21.0
2000	103	135	76%	23.5	21.4	21.0
1999	93	120	78%	23.2	21.4	21.0

Source: High School Guidance Office

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

Function	2008	2007	2006	2005
Regular Instruction				
Elementary Classroom Teachers	29.00	29.00	28.00	27.00
Intermediate Classroom Teachers	26.50	26.50	25.00	24.50
Middle School Classroom Teachers	20.00	20.00	21.50	20.50
High School Classroom Teachers	42.50	42.50	42.00	42.00
Special Instruction				
Elementary Classroom Teachers	6.00	6.00	7.00	7.50
Intermediate Classroom Teachers	4.50	4.50	5.50	5.00
Middle School Classroom Teachers	2.50	2.50	2.50	2.00
High School Classroom Teachers	3.00	3.00	2.00	2.00
Pupil Support Services				
Guidance Counselors	6.00	6.00	6.00	6.00
Librarians	4.00	2.00	2.00	2.00
Psychologists	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	3.50	3.50	2.00	2.00
Instructional Support Services				
Non-Teaching Support Staff Elementary	12.50	12.50	13.50	12.50
Non-Teaching Support Staff Intermediate	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	5.00	5.00	5.00	4.00
Non-Teaching Support Staff High	7.50	7.50	6.50	6.00
Non-Teaching Support Staff Central	3.50	3.50	3.00	3.00
Administration				
Elementary	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00
Business				
Central	2.00	2.50	2.50	2.50
Business				
Treasurer Department	4.00	4.00	4.00	4.00
Operation of Plant				
Custodian Department	19.00	19.00	19.00	19.00
Maintenance Department	4.00	4.00	4.00	5.00
Pupil Transportation				
Bus Drivers	20.50	20.50	20.00	21.00
Mechanics	1.50	1.50	1.50	1.50
Transportation Support Staff	0.50	0.50	0.50	0.50
Central				
Community Relations	1.00	1.00	1.00	1.00
Technology	2.00	3.00	3.00	3.00
Personnel	0.50	0.50	0.50	0.50
Extracurricular				
Athletic Department	2.00	2.00	2.00	2.00
Food Service Program				
Elementary	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	3.00
High School Cooks	5.00	5.00	5.00	5.00
Central	1.00	1.00	1.00	1.00
Adult Education/Community Service				
Adult Education	1.50	1.50	1.50	1.50
Totals	261.50	261.00	258.00	255.50

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.





**Mary Taylor, CPA**  
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  
FEBRUARY 3, 2009**