

Chagrin Falls Exempted Village School District

* * * *

Report Letters

June 30, 2009



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, 2008 through June 30, 2009. 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

January 11, 2010

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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 4, 2009

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 (the School District) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 4, 2009. 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 the 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.

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 one matter involving the internal control of financial reporting, which we have reported to management of the School District in a separate letter dated December 4, 2009.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*. However, we noted one immaterial noncompliance matter, which we have reported to management of the School District in a separate letter dated December 4, 2009.

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

Rea & Associates, Inc.



**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

December 4, 2009

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

To the Board of Education:

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

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

1. We noted the Board adopted an anti-harassment policy at its meeting on June 4, 2007 and revised regulations to the policy on February 19, 2008.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that shall include the definition in division (A) of Ohio Rev. Code Section 3313.666;

- (3) A procedure for reporting prohibited incidents;
- (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
- (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

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

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

Hea & Associates, Inc.

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

Chagrin Falls, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

Chagrin Falls, Ohio Exempted Village School District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2009

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, 2009
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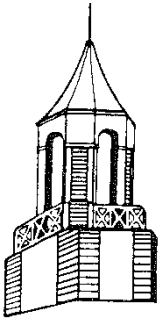
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**INTRODUCTORY
SECTION**



Chagrin Falls Exempted Village Schools

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ANNE SPANO
Treasurer/CFO

December 4, 2009

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, 2009. 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 1938 – grades 4-6), one middle school (built in 1999 – grades 7-8) and a high school (built in 1960 – grades 9-12). Current enrollment (for the 2008-2009 school year) was 2,033, and enrollment projections show that enrollment will remain steady over the next ten years (no substantial growth or reductions).

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

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies,

departments and organizations making up the Chagrin Falls Exempted Village School District (the primary government) and its potential component units.

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

Major Initiatives

Success was again a key word for this past school year for the Chagrin Falls Exempted Village Schools. The District was rated as "Excellent with Distinction" by the Ohio Department of Education putting us among a very elite group of districts in the State of Ohio to receive this honor for the ninth consecutive year. Cleveland Magazine chose the Chagrin Falls School District as the 2nd best District in Northeastern Ohio. In addition, the Intermediate School was the recipient of the Governor's Buckeye Best Healthy School Silver medal for the 5th year in a row. Finally, Newsweek Magazine ranked Chagrin Falls High School among the top 5 in Ohio and among the top 135 in the nation.

Gurney Elementary School provides daily experiences for their students that encourage emotional, social, physical and academic growth. Almost 600 students in Preschool, Kindergarten, First, Second and Third Grades attended Gurney during the 2008-2009 school year. In addition to regular instruction programs, 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 was provided for all students in art, music, physical education, foreign language and library. Along with those specialty areas, each classroom teacher utilizes the computer lab, the wireless computer lab, smartboards and mimios and extensive science materials to supplement and extend learning experiences. Grade level teams worked together to create instructional units that engaged students in the learning process. Kindergarteners learned to collect data and read graphs and charts. Their reading and writing skills soared through poetry and writer's workshop. First Graders took off in their reading and writing skills by producing their very own class and individual books. First Graders also worked with some of our Chagrin Falls High School Students to learn about nocturnal animals. Second Graders learned basic economics concepts and created their own societies with currency and businesses. Our Second Graders also showed off their skills in written expression by creating their own storybooks and presenting them in a young author's fair. Third Graders enjoyed science and social studies rotations among all of their teachers during which students were challenged and engaged with hands-on activities. Third Graders' math skills soared this year as all six teachers pre-tested students prior to each unit and then flexibly grouped them across the entire grade level for instruction which was followed by post-testing to demonstrate growth. Our third grade Ohio Achievement Tests Scores in reading and math were the highest in the area!

Chagrin Falls Intermediate School houses our district's fourth, fifth and sixth graders. In the 2008-2009 school year, the enrollment reached 460 students. The Intermediate School staff worked on several goals this year. The first was to implement a plan to train staff in Value Added. During our early release and delayed start professional development time, we met as a staff and studied the Value Added data from our building and district to determine patterns. Once we studied the data, we worked to discover ways to improve our scores in reading. As a result, we will be changing when spelling is taught to add an hour a week of instructional time. The second goal of the Intermediate School this year was to increase our use of technology. We had ten staff members enrolled in Digital Academy, which met once a month to learn new ways to implement technology in the classroom. We also dedicated several of our staff meetings to technology so all staff members could learn new ways of using technology in the classroom. The third goal the Intermediate School staff worked on this year was to study Understanding by Design. We spent the year reading the book and discussing it as a staff in professional development meetings. This approach to planning and teaching lessons helps teachers to work backwards when

designing lessons and units to help increase students' understanding of the "big ideas" of a lesson. Finally, the Intermediate School staff was busy creating short-cycle assessments in all academic classes. These assessments will be given to all students twice a year and will help teachers to know exactly what students retained and what they did not from previous units. We also continued a program that we started last 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, or not, the choice is yours." Our staff and students found these daily messages to be both inspirational and a way of modeling good choices. 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 our teachers, Mrs. Nancy Kevern was awarded the Chagrin Valley Rotary's "Today's Teacher" award. Mrs. Kevern is an outstanding sixth grade science teacher who is best known for her ability to build relationships with students and parents. This is the third teacher from our school to win this award.

Chagrin Falls Middle School is a seventh and eighth grade building with a student enrollment of 325 during the 2008-2009 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, art and consumer science. Chagrin Falls Middle School is a member of the Chagrin Valley Middle School Conference (CVMSC). Seventh and eighth grade students had the opportunity to participate in twelve interscholastic sports. Students also had the opportunity to participate in Student Council, Service Club, Yearbook, Newspaper, Power of the Pen, Ski Club, and Select choir. Seventh graders took their annual trip through Ohio and Kentucky, while the eighth grade visited Washington D.C. Middle School students also participated in a service learning recycling program. Students from the Middle School participated in a nationwide program for talented youth. Middle School students took the Ohio Achievement Tests in 7th and 8th grade mathematics and reading. Ninety-four percent of the seventh grade and the eighth grade students received the rating of proficient or higher on the mathematics test. Ninety-six percent of the seventh grade students and 97% of the eighth graders were proficient or higher on the reading test.

Chagrin Falls High School is a four-year comprehensive high school that continues to be recognized as a National School of Excellence. During the 2008-2009 school year, Chagrin Falls High School had an enrollment of 600 students. Advanced Placement testing was very successful. A total of 234 juniors and seniors took 564 tests exceeding last year's numbers. Of the tests administered last year, 86% were scored at a 3 or higher. Small class sizes, 134 course offerings and 19 advanced placement classes provided students with the opportunity for academic and personal growth. The commitment to academic excellence was highlighted with ten commended and five finalist students in the National Merit Corporation competition.

The first Cum Laude Society Induction Ceremony was held on April 29. Twenty-five seniors who had the highest level of academic achievement among their peers were inducted into this society. The 2008-2009 school year was the first year of the Performing Arts Academy at Chagrin Falls Schools. It is an accredited, half-day program under the umbrella of northeast Ohio's Mayfield Consortium. A total of 29 students from nine area school districts were enrolled in the program. The Academy is a college preparatory program that inspires character development and self discovery. Performances included *The Academy Dreams*, *Coffee and Comedy Improv Show*, *The Crucible*, *A Midsummer Nights Dream* and a musical review *Moving On*. The Chagrin Falls Drama and Music Departments presented wonderful performances of *Stage Door* and *Guys and Dolls*. 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. Cross country, girls track, boys lacrosse, and swimming all were represented in the state meet. All students had the opportunity to participate in various extra-curricular activities and student enrichment programs including the school newspaper,

student government, a literary magazine, yearbook, and service and academic clubs, along with an in-house television station. Students also gave back to the community by participating in several service projects which included a blood drive, canned food drive and donations to various charities such as Adopt a Family, Meals on Wheels and Geauga County Habitat for Humanity. Over 140 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.

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 2009-2010 school year will include mathematics, physical education, health and library media. The district continues to develop and expand the use of technology in the classroom. The district will focus on the integration of a Response to Intervention model to assist at risk students and evaluate k -12 reading and writing programs throughout the course of the 2009-2010 school year. The district remains committed to offering a well-rounded education that promotes international mindedness.

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. Ohio House Bill 1 was approved by the Ohio Legislature during the summer of 2009 and introduced the Ohio Evidence Based Funding Model. 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). Additionally, the district will engage in contract negotiations with the certificated union during the 2009-2010 school year.

The School District will also seek the Certificate of Excellence in Financial Reporting for the School District's 2009 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. The average federal adjusted gross income levels were at \$170,260 based on the 2007 Ohio Department of Taxation records, which maintains the Chagrin Falls Exempted Village School District as fourth in the State among 614 school districts. The School District has been ranked among the top ten school districts for the past twenty years.

Economic conditions have continued to weaken during the past year, and a recovery will depend upon a number of events, both nationally and worldwide. Legislative changes in the calculation of personal property taxes continue to affect the district through decreasing revenues, as do decreases in state funding. Federal Stimulus dollars will be made available to the district in the upcoming year. The effects of increases in utility costs and bus fuel will continue to negatively impact the district. Student enrollment has increased at a manageable rate. The 2008-09 enrollment of 2,033 students reflects an increase of thirty-six students as compared to the 2007-08 school year, and an increase of 240 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.

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

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

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

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

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is presented after the Independent Auditor's Report and provides an assessment of the School District's finances for 2009 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 \$59,964 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 \$109,540 for the year ended June 30, 2009; \$105,901 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, 2009. 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, 2008. 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.

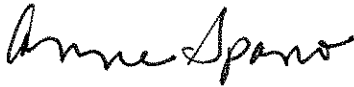
Special appreciation is expressed to Rea & Associates, Inc. for their assistance in planning, designing and reviewing this financial report.

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

Respectfully,



Mr. Stephen Thompson
Superintendent



Ms. Anne Spano
Treasurer

Chagrin Falls Exempted Village School District
Principal Officials
June 30, 2009

Board of Education

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

Treasurer/CFO

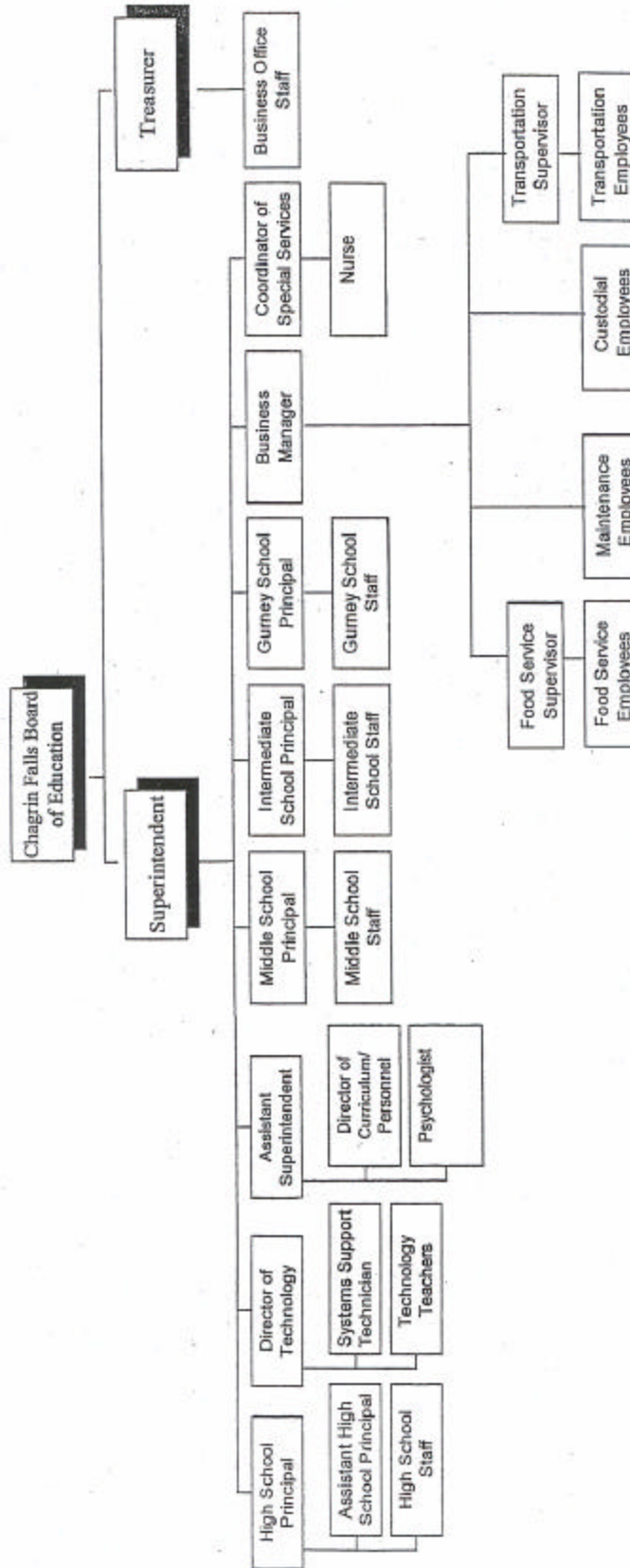
Ms. Anne Spano

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, 2008

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

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

Executive Director

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FINANCIAL SECTION



Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

Focused on Your Future.

December 4, 2009

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, 2009, 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, 2009, 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 4, 2009, 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.

Hea & Associates, Inc.

Chagrin Falls Exempted Village School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2009

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, 2009. 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 2009 are as follows:

- General Revenues accounted for \$26.5 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 \$1.2 million or 4.3% of total revenues of \$27.7 million. The business-type activities program revenues totaled \$1.2 million or 99.9% of the total business-type activities revenues.
- Total program expenses were \$26.0 million, \$24.9 million in governmental activities, and \$1.1 million in business-type activities.
- In total, net assets increased \$2.8 million from governmental activities. Business-type activities increased approximately \$.03 million.
- Capital assets in the governmental activities decreased \$.1 million through depreciation exceeding acquisitions.
- Outstanding bonded debt and related liabilities decreased from \$29.4 million to \$28.1 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, 2009*

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 2009?" 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 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 and the debt service fund.

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

Chagrin Falls Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009*

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 and debt service, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The School District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The governmental fund financial statements begin on page 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 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, 2009

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 2009 compared to 2008:

(Table 1)
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Assets						
Current and Other Assets	\$ 28,792,022	\$ 27,085,353	\$ 204,811	\$ 160,776	\$ 28,996,833	\$ 27,246,129
Capital Assets	30,150,306	30,247,800	81,412	93,071	30,231,718	30,340,871
Total Assets	58,942,328	57,333,153	286,223	253,847	59,228,551	57,587,000
Liabilities						
Other Liabilities	20,149,999	20,241,843	59,534	61,103	20,209,533	20,302,946
Long-Term Liabilities	29,383,768	30,465,652	25,419	21,894	29,409,187	30,487,546
Total Liabilities	29,383,768	30,465,652	25,419	21,894	29,409,187	30,487,546
Net Assets *						
Invested in Capital						
Assets Net of Debt	3,607,515	2,138,825	81,412	93,071	3,688,927	2,231,896
Restricted	3,143,103	3,477,713	0	0	3,143,103	3,477,713
Unrestricted (Deficit)	2,657,943	1,009,120	119,858	77,779	2,777,801	1,086,899
Total Net Assets	\$ 9,408,561	\$ 6,625,658	\$ 201,270	\$ 170,850	\$ 9,609,831	\$ 6,796,508

* A reclass of \$527,144 was made to increase/decrease invested in capital assets, net of debt and restricted net assets, respectively. This reclass was to properly classify the effects of the unamortized bond premium balance as of June 30, 2008.

The total assets increased by \$1.6 million comprised mostly by the governmental activities which includes an increase in cash. A decrease of approximately \$.1 million in total capital assets reflects depreciation exceeding additional purchases. Other liabilities decreased by \$.1 million. There was an increase in accrued wages and matured compensated absences as a result of normal pay increases and retirements during the year that will be paid after 6/30/09. These increases were offset by a decrease in deferred tax revenue in the governmental activities as a result of a reduction in property taxes receivable associated with a reduction in assessed property values within the School District.

Chagrin Falls Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009

The net assets of the School District's governmental activities increased approximately \$2.8 million or 42% and the business-type activities increased 17.8%.

Table 2 shows the changes in net assets for fiscal year 2009 compared to 2008.

(Table 2)
Governmental and Business-Type Activities

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 547,943	\$ 370,828	\$ 1,062,103	\$ 1,065,658	\$ 1,610,046	\$ 1,436,486
Operating Grants	636,929	692,462	100,074	76,331	737,003	768,793
Capital Grants	2,604	49,547	0	0	2,604	49,547
<i>General Revenue:</i>						
Property Taxes	20,930,444	19,312,049	0	0	20,930,444	19,312,049
Grants and Entitlements, not Restricted to Specific Programs	5,356,437	4,815,085	0	0	5,356,437	4,815,085
Other	240,463	359,985	614	2,552	241,077	362,537
Total Revenues	27,714,820	25,599,956	1,162,791	1,144,541	28,877,611	26,744,497
Program Expenses						
Instruction	13,659,279	12,170,754	0	0	13,659,279	12,170,754
Support Services	8,867,940	8,655,537	0	0	8,867,940	8,655,537
Operation of Non-Instructional	283,041	165,741	0	0	283,041	165,741
Extracurricular Activities	801,231	623,811	0	0	801,231	623,811
Interest and Fiscal Charges	1,320,426	1,333,641	0	0	1,320,426	1,333,641
Food Service	0	0	706,059	657,655	706,059	657,655
Uniform School Supplies	0	0	84,224	99,922	84,224	99,922
Community Education	0	0	342,088	400,043	342,088	400,043
Total Expenses	24,931,917	22,949,484	1,132,371	1,157,620	26,064,288	24,107,104
Increase (Decrease) in Net Assets	\$ 2,782,903	\$ 2,650,472	\$ 30,420	\$ (13,079)	\$ 2,813,323	\$ 2,637,393

The vast majority of revenue supporting governmental activities is general revenue (property taxes). General revenue in governmental activities increased approximately 8.3% from \$24.5 million in 2008 to \$26.5 million in 2009. The timing of the receipts for property tax and intergovernmental revenue partly accounts for the increase. Program expenses in governmental activities increased from \$22.9 million in 2008 to \$24.9 million in 2009 or 8.6%. An increase in regular instructional expenses accounts for the majority of the change.

Chagrin Falls Exempted Village School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2009

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 \$27.7 million and expenses of \$24.9 million.

(Table 3)
Governmental Activities

	2009		2008	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 13,658,396	\$ 13,266,633	\$ 12,170,754	\$ 11,906,379
Support Services:				
Pupil and Instructional Staff	2,326,045	1,932,181	2,305,635	1,830,836
Board of Education, Administration and Fiscal	2,924,224	2,899,178	2,734,205	2,691,830
Operation and Maintenance of Plant	2,473,588	2,470,342	2,442,552	2,406,207
Pupil Transportation and Central	1,144,083	1,144,083	1,173,145	1,173,145
Operation of Non-Instructional	283,041	125,417	165,741	14,504
Extracurricular Activities	801,231	585,298	623,811	480,105
Interest and Fiscal Charges	1,320,426	1,320,426	1,333,641	1,333,641
Total Expenses	<u>\$ 24,931,034</u>	<u>\$ 23,743,558</u>	<u>\$ 22,949,484</u>	<u>\$ 21,836,647</u>

Total net cost of service for 2009 was 8.7% over 2008. Instruction and student support services comprise 64.1% of governmental program expenses. Interest and fiscal charges were 5.3%. Interest expense was attributable to the outstanding bonds and fiscal expenses include payments to the County Auditors for administrative fees. Pupil transportation accounts for 4.67% and the operation and maintenance of facilities accounts for 9.9% 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 community education programs, the food service operations, and the sale of uniform school supplies. These programs had revenues of \$1.2 million and expenses of \$1.1 million for fiscal year 2009. There were small decreases in expenses in the uniform school supplies and community education programs which contributed an increase in net assets of 17.8% over fiscal year 2008. Business-type 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, 2009

Financial Analysis of the Government's Funds

Governmental Funds

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

The School District's governmental funds (as presented on the balance sheet on page 18) reported a total fund balance of \$7.9 million, which is \$2.3 million over last year's balance of \$5.6 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 \$2.5 million and the debt service fund with an increase in fund balance of \$.2 million.

General Fund

The general fund is the main operating fund of the School District. At the end of fiscal year 2009, the fund balance in the general fund was \$4.5 million, which is an increase of \$2.5 million from 2008 due, in part, to the timing of the taxes and intergovernmental revenues received.

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 2009, the fund balance in the debt service fund was \$2.9 million, which is an increase of \$.2 million due to the timing of the taxes and intergovernmental revenues received.

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 2009, 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 \$.3 million between the final budgeted revenue of \$24.1 million and the original budget estimates of \$23.8 million mainly in property taxes and intergovernmental revenues. There was a difference of \$1.0 million between the original and final budgeted appropriations. Instructional and administrative appropriations were originally estimated to be higher.

Final appropriations of \$21.9 million were \$.6 million more than the \$21.3 million actual expenditures with instructional and administrative expenditures being less than anticipated.

Chagrin Falls Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009*

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2009, the School District had \$30.23 million invested in land, buildings and improvements, furniture and equipment, vehicles and textbooks. A total of \$30.15 million of this was for governmental activities with the remainder attributable to business-type activities. Table 4 shows fiscal year 2009 balances compared with 2008.

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

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 1,386,635	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635	\$ 1,386,635
Buildings and Improvements	27,555,045	27,835,367	0	0	27,555,045	27,835,367
Furniture and Equipment	454,764	516,682	81,412	93,071	536,176	609,753
Vehicles	480,854	422,953	0	0	480,854	422,953
Textbooks	273,008	86,163	0	0	273,008	86,163
Totals	<u>\$ 30,150,306</u>	<u>\$ 30,247,800</u>	<u>\$ 81,412</u>	<u>\$ 93,071</u>	<u>\$ 30,231,718</u>	<u>\$ 30,340,871</u>

The \$.1 million decrease in capital assets was attributable to depreciation expense exceeding additional purchases, which included a new ventilator system and two new buses. 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, 2009

Debt

At June 30, 2009, the School District had \$28.1 million in bonds and related liabilities outstanding with \$1.5 million due within one year. During fiscal year 2009, \$1.4 million of general obligation bonds were retired. Table 5 summarizes bonds outstanding.

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

	Governmental Activities	
	2009	2008
General Obligation Bonds:		
1988 Additions/Facilities	\$ 745,000	\$ 1,075,000
2005 Capital Improvement (Refunding)	14,765,000	15,595,000
Unamortized Bond Premiums (Refunding)	1,278,683	1,358,997
Capital Appreciation Bonds (Refunding)	449,118	499,988
Accretion on Capital Appreciation Bonds (Refunding)	794,401	596,745
2005 School Improvement Bonds	9,010,000	9,285,000
Unamortized Bond Premiums (School Improvement)	510,998	527,144
Capital Appreciation Bonds (School Improvement)	294,990	294,990
Accretion on Capital Appreciation Bonds (School Improvement)	243,855	167,167
Totals	<u>\$ 28,092,045</u>	<u>\$ 29,400,031</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, 2009, the School District's overall bonded debt limit was \$43,885,459 and the unvoted debt margin was \$487,616. 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, 2009

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 2009.

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, 2009*

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.

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Chagrin Falls Exempted Village School District

Statement of Net Assets

June 30, 2009

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 7,535,258	\$ 201,753	\$ 7,737,011
Cash and Cash Equivalents in Segregated Accounts	39,756	0	39,756
Taxes Receivable	21,217,008	0	21,217,008
Inventory	0	3,058	3,058
Nondepreciable Capital Assets	1,386,635	0	1,386,635
Depreciable Capital Assets (Net)	28,763,671	81,412	28,845,083
<i>Total Assets</i>	<u>58,942,328</u>	<u>286,223</u>	<u>59,228,551</u>
Liabilities			
Accounts Payable	51,790	1,531	53,321
Contracts Payable	67,095	0	67,095
Accrued Wages and Benefits	1,953,096	30,790	1,983,886
Vacation Benefits Payable	135,466	2,136	137,602
Intergovernmental Payable	688,697	25,077	713,774
Deferred Revenue	17,079,831	0	17,079,831
Accrued Interest Payable	64,831	0	64,831
Matured Compensated Absences	109,193	0	109,193
Long Term Liabilities:			
Due Within One Year	1,649,878	0	1,649,878
Due in More Than One Year	27,733,890	25,419	27,759,309
<i>Total Liabilities</i>	<u>49,533,767</u>	<u>84,953</u>	<u>49,618,720</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	3,607,515	81,412	3,688,927
Restricted for:			
Capital Projects	390,559	0	390,559
Debt Service	2,543,251	0	2,543,251
Other Purposes	31,089	0	31,089
Set Asides	178,204	0	178,204
Unrestricted	2,657,943	119,858	2,777,801
<i>Total Net Assets</i>	<u>\$ 9,408,561</u>	<u>\$ 201,270</u>	<u>\$ 9,609,831</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, 2009

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Current:				
Instruction:				
Regular	\$ 11,527,572	\$ 229,320	\$ 137,025	\$ 0
Special	1,998,884	0	25,418	0
Vocational	112,692	0	0	0
Other	20,131	0	0	0
Support Services:				
Pupils	899,849	84,827	3,042	0
Instructional Staff	1,426,196	0	305,995	0
Board of Education	80,176	0	0	0
Administration	2,015,517	0	5,840	0
Fiscal	828,131	17,221	1,985	0
Business	400	0	0	0
Operation and Maintenance of Plant	2,473,588	642	0	2,604
Pupil Transportation	1,127,451	0	0	0
Central	16,632	0	0	0
Operation of Non-Instructional Services	283,041	0	157,624	0
Extracurricular Activities	801,231	215,933	0	0
Interest and Fiscal Charges	1,320,426	0	0	0
<i>Total Governmental Activities</i>	<u>24,931,917</u>	<u>547,943</u>	<u>636,929</u>	<u>2,604</u>
Business-Type Activities				
Food Service	706,059	599,641	100,074	0
Uniform School Supplies	84,224	104,698	0	0
Community Education	342,088	357,764	0	0
<i>Total Business-Type Activities</i>	<u>1,132,371</u>	<u>1,062,103</u>	<u>100,074</u>	<u>0</u>
<i>Totals</i>	<u>\$ 26,064,288</u>	<u>\$ 1,610,046</u>	<u>\$ 737,003</u>	<u>\$ 2,604</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

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
\$ (11,161,227)	\$ 0	\$ (11,161,227)
(1,973,466)	0	(1,973,466)
(112,692)	0	(112,692)
(20,131)	0	(20,131)
(811,980)	0	(811,980)
(1,120,201)	0	(1,120,201)
(80,176)	0	(80,176)
(2,009,677)	0	(2,009,677)
(808,925)	0	(808,925)
(400)	0	(400)
(2,470,342)	0	(2,470,342)
(1,127,451)	0	(1,127,451)
(16,632)	0	(16,632)
(125,417)	0	(125,417)
(585,298)	0	(585,298)
(1,320,426)	0	(1,320,426)
(23,744,441)	0	(23,744,441)
0	(6,344)	(6,344)
0	20,474	20,474
0	15,676	15,676
0	29,806	29,806
(23,744,441)	29,806	(23,714,635)
18,443,992	0	18,443,992
2,486,452	0	2,486,452
5,356,437	0	5,356,437
105,901	614	106,515
134,562	0	134,562
26,527,344	614	26,527,958
2,782,903	30,420	2,813,323
6,625,658	170,850	6,796,508
\$ 9,408,561	\$ 201,270	\$ 9,609,831

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Balance Sheet
Governmental Funds
June 30, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Equity in Pooled Cash and Investments	\$ 4,188,909	\$ 2,539,420	\$ 628,725	\$ 7,357,054
Cash and Cash Equivalents:				
Restricted Cash	178,204	0	0	178,204
In Segregated Accounts	0	0	39,756	39,756
Receivables:				
Taxes	18,620,525	2,596,483	0	21,217,008
Interfund	24	0	0	24
<i>Total Assets</i>	<u>\$ 22,987,662</u>	<u>\$ 5,135,903</u>	<u>\$ 668,481</u>	<u>\$ 28,792,046</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 25,897	\$ 0	\$ 25,893	\$ 51,790
Contracts Payable	0	0	67,095	67,095
Accrued Wages and Benefits	1,917,879	0	35,217	1,953,096
Interfund Payable	0	0	24	24
Intergovernmental Payable	669,760	0	18,937	688,697
Deferred Revenue	15,786,902	2,191,811	0	17,978,713
Matured Compensated Absences	109,193	0	0	109,193
<i>Total Liabilities</i>	18,509,631	2,191,811	147,166	20,848,608
Fund Balances				
Reserved for Encumbrances	41,456	0	269,844	311,300
Reserved for Tax Revenue Unavailable for Appropriation	2,833,623	404,672	0	3,238,295
Reserved to Textbook/Instructional Materials	74,313	0	0	74,313
Reserved for Capital Improvements/Maintenance	103,891	0	0	103,891
Unreserved, Undesignated, Reported in:				
General Fund	1,424,748	0	0	1,424,748
Special Revenue Funds	0	0	123,372	123,372
Debt Service Fund	0	2,539,420	0	2,539,420
Capital Projects Funds	0	0	128,099	128,099
<i>Total Fund Balances</i>	<u>4,478,031</u>	<u>2,944,092</u>	<u>521,315</u>	<u>7,943,438</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 22,987,662</u>	<u>\$ 5,135,903</u>	<u>\$ 668,481</u>	<u>\$ 28,792,046</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, 2009*

Total Governmental Fund Balances	\$	7,943,438
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		30,150,306
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds.		
Delinquent Property and Personal Property Taxes		898,882
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.		
General Obligation Bonds	\$	24,520,000
Capital Appreciation Bonds		1,782,364
Unamortized Bond Premiums		1,789,681
Compensated Absences		1,291,723
Vacation Benefits Payable		135,466
Accrued Interest Payable		64,831
		(29,584,065)
 <i>Net Assets of Governmental Activities</i>	 \$	 9,408,561

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, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 18,929,517	\$ 2,551,291	\$ 0	\$ 21,480,808
Intergovernmental	5,025,785	356,070	611,090	5,992,945
Investment Income	105,901	0	3,025	108,926
Tuition and Fees	229,320	0	84,827	314,147
Extracurricular Activities	0	0	215,933	215,933
Rentals	17,221	0	642	17,863
Gifts and Donations	0	0	91,937	91,937
Miscellaneous	41,742	0	883	42,625
<i>Total Revenues</i>	24,349,486	2,907,361	1,008,337	28,265,184
Expenditures:				
Current:				
Instruction:				
Regular	10,465,585	0	134,390	10,599,975
Special	1,998,852	0	0	1,998,852
Vocational	112,692	0	0	112,692
Other	20,131	0	0	20,131
Support Services:				
Pupils	804,606	0	91,593	896,199
Instructional Staff	968,973	0	314,999	1,283,972
Board of Education	80,176	0	0	80,176
Administration	1,974,687	0	5,834	1,980,521
Fiscal	790,735	42,762	1,987	835,484
Business	400	0	0	400
Operation and Maintenance of Plant	2,368,677	0	0	2,368,677
Pupil Transportation	1,182,167	0	0	1,182,167
Central	16,632	0	0	16,632
Operation of Non-Instructional Services	106,161	0	170,368	276,529
Extracurricular Activities	569,657	0	228,242	797,899
Capital Outlay	0	0	831,865	831,865
Debt Service:				
Principal Retirement	0	1,485,870	0	1,485,870
Interest and Fiscal Charges	0	1,144,118	0	1,144,118
<i>Total Expenditures</i>	21,460,131	2,672,750	1,779,278	25,912,159
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	2,889,355	234,611	(770,941)	2,353,025
Other Financing Sources (Uses):				
Transfers In	0	0	417,600	417,600
Transfers Out	(417,600)	0	0	(417,600)
<i>Total Financing Sources and (Uses)</i>	(417,600)	0	417,600	0
<i>Net Change in Fund Balance</i>	2,471,755	234,611	(353,341)	2,353,025
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,006,276	2,709,481	874,656	5,590,413
<i>Fund Balance (Deficit) at End of Year</i>	\$ 4,478,031	\$ 2,944,092	\$ 521,315	\$ 7,943,438

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, 2009

Net Change in Fund Balances - Total Governmental Funds	\$	2,353,025
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures, However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital expenditures in the current period.		
Capital Asset Additions	\$ 1,282,500	
Current Year Depreciation	<u>(1,379,994)</u>	(97,494)
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		(550,364)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Bond Principal		1,485,870
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
		1,576
Some expenses reported in the statement of activities do not use the current financial resources and therefore, are not reported as expenditures in governmental funds.		
(Increase) Decrease in Compensated Absences	(226,102)	
(Increase) Decrease in Vacation Payable	(5,724)	
(Increase) Decrease in Bond Accretion	(274,344)	
Amortization of Bond Premium	<u>96,460</u>	<u>(409,710)</u>
Change in Net Assets of Governmental Activities	\$	<u>2,782,903</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, 2009*

	<u>Budgeted Amounts</u>			Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 18,439,118	\$ 18,694,896	\$ 18,694,896	\$ 0
Intergovernmental	4,957,024	5,025,785	5,025,785	0
Investment Income	104,452	105,901	105,901	0
Tuition and Fees	226,183	229,320	229,320	0
Rentals	16,985	17,221	17,221	0
Miscellaneous	31,833	41,742	41,742	0
<i>Total Revenues</i>	<u>23,775,595</u>	<u>24,114,865</u>	<u>24,114,865</u>	<u>0</u>
Expenditures:				
Current				
Instruction	13,013,012	12,652,185	12,472,361	(179,824)
Support Services				
Pupils	921,731	827,190	811,204	(15,986)
Instructional Staff	1,215,721	978,517	972,857	(5,660)
Board of Education	101,535	99,006	87,127	(11,879)
Administration	2,445,307	2,284,806	1,978,588	(306,218)
Fiscal	730,955	793,343	786,704	(6,639)
Business	800	800	400	(400)
Operation and Maintenance of Plant	2,554,973	2,421,844	2,375,905	(45,939)
Pupil Transportation	1,292,592	1,206,710	1,194,101	(12,609)
Central	17,159	17,159	16,632	(527)
Operation of Non-Instructional Services	5,028	7,528	5,914	(1,614)
Extracurricular Activities	582,155	562,648	550,442	(12,206)
<i>Total Expenditures</i>	<u>22,880,968</u>	<u>21,851,736</u>	<u>21,252,235</u>	<u>(599,501)</u>
Excess of Revenues Over (Under) Expenditures	894,627	2,263,129	2,862,630	599,501
Other Financing Sources (Uses):				
Advances Out	45,899	(4,101)	(24)	4,077
Transfers Out	(417,600)	(417,600)	(417,600)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(371,701)</u>	<u>(421,701)</u>	<u>(417,624)</u>	<u>4,077</u>
<i>Net Change in Fund Balance</i>	522,926	1,841,428	2,445,006	603,578
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,755,908	1,755,908	1,755,908	0
Prior Year Encumbrances Appropriated	108,067	108,067	108,067	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,386,901</u>	<u>\$ 3,705,403</u>	<u>\$ 4,308,981</u>	<u>\$ 603,578</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Statement of Fund Net Assets
Proprietary Funds
June 30, 2009

	Business-Type Activities - Enterprise Funds			
	Food Service	Uniform School Supplies	Community Education	Total
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 51,881	\$ 24,094	\$ 125,778	\$ 201,753
Inventory	3,058	0	0	3,058
<i>Total Current Assets</i>	54,939	24,094	125,778	204,811
Non Current Assets:				
Depreciable Capital Assets (Net)	81,412	0	0	81,412
<i>Total Assets</i>	136,351	24,094	125,778	286,223
Liabilities				
Current Liabilities:				
Accounts Payable	285	160	1,086	1,531
Accrued Wages and Benefits	29,623	0	1,167	30,790
Vacation Benefits Payable	2,136	0	0	2,136
Intergovernmental Payable	18,903	0	6,174	25,077
<i>Total Current Liabilities</i>	50,947	160	8,427	59,534
Long Term Liabilities:				
Compensated Absences	23,571	0	1,848	25,419
<i>Total Liabilities</i>	74,518	160	10,275	84,953
Net Assets				
Invested in Capital Assets	81,412	0	0	81,412
Unrestricted	(19,579)	23,934	115,503	119,858
<i>Total Net Assets</i>	\$ 61,833	\$ 23,934	\$ 115,503	\$ 201,270

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, 2009

	Business-Type Activities - Enterprise Funds			
	Food Service	Uniform School Supplies	Community Education	Total
Operating Revenues:				
Tuition and Fees	\$ 0	\$ 0	\$ 357,764	\$ 357,764
Sales	599,641	104,698	0	704,339
<i>Total Operating Revenues</i>	<u>599,641</u>	<u>104,698</u>	<u>357,764</u>	<u>1,062,103</u>
Operating Expenses:				
Salaries	213,513	0	92,608	306,121
Fringe Benefits	57,303	0	16,423	73,726
Purchased Services	8,980	160	225,357	234,497
Materials and Supplies	413,206	84,064	1,757	499,027
Depreciation	8,420	0	0	8,420
Other Operating Expenses	4,637	0	5,943	10,580
<i>Total Operating Expenses</i>	<u>706,059</u>	<u>84,224</u>	<u>342,088</u>	<u>1,132,371</u>
Operating Income (Loss)	<u>(106,418)</u>	<u>20,474</u>	<u>15,676</u>	<u>(70,268)</u>
Non-Operating Revenues (Expenses):				
Federal Donated Commodities	64,308	0	0	64,308
Operating Grants	35,766	0	0	35,766
Interest	614	0	0	614
<i>Total Non-Operating Revenues (Expenses)</i>	<u>100,688</u>	<u>0</u>	<u>0</u>	<u>100,688</u>
<i>Change in Net Assets</i>	(5,730)	20,474	15,676	30,420
<i>Net Assets (Deficit) Beginning of Year</i>	<u>67,563</u>	<u>3,460</u>	<u>99,827</u>	<u>170,850</u>
<i>Net Assets (Deficit) End of Year</i>	<u>\$ 61,833</u>	<u>\$ 23,934</u>	<u>\$ 115,503</u>	<u>\$ 201,270</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, 2009

	Business-Type Activities - Enterprise Funds			
	Food Service	Uniform School Supplies	Community Education	Total
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 599,641	\$ 104,698	\$ 357,764	\$ 1,062,103
Cash Paid for Goods and Services	(358,714)	(84,064)	(238,085)	(680,863)
Cash Paid to Employees	(259,817)	0	(113,768)	(373,585)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(18,890)</u>	<u>20,634</u>	<u>5,911</u>	<u>7,655</u>
Cash Flows From Non-Capital Financing Activities:				
Grants	35,766	0	0	35,766
<i>Net Cash Provided By (Used For) Non-Capital Financing Activities</i>	<u>35,766</u>	<u>0</u>	<u>0</u>	<u>35,766</u>
Cash Flows From Investing Activities:				
Interest on Investments	614	0	0	614
<i>Net Cash Provided By (Used For) Investing Activities</i>	<u>614</u>	<u>0</u>	<u>0</u>	<u>614</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	17,490	20,634	5,911	44,035
<i>Cash and Cash Equivalents at Beginning of Year</i>	34,391	3,460	119,867	157,718
<i>Cash and Cash Equivalents at End of Year</i>	<u>\$ 51,881</u>	<u>\$ 24,094</u>	<u>\$ 125,778</u>	<u>\$ 201,753</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:				
Operating Income (Loss)	\$ (106,418)	\$ 20,474	\$ 15,676	\$ (70,268)
Adjustments:				
Depreciation	8,420	0	0	8,420
Federal Donated Commodities	64,308	0	0	64,308
Loss on Sale of Assets	3,239	0	0	3,239
Increase (Decrease) in Liabilities				
Accounts Payable	285	160	(4,055)	(3,610)
Accrued Wages and Benefits	9,091	0	(5,341)	3,750
Compensated Absences Payable	1,908	0	604	2,512
Due to Other Governments	277	0	(973)	(696)
<i>Total Adjustments</i>	<u>87,528</u>	<u>160</u>	<u>(9,765)</u>	<u>77,923</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (18,890)</u>	<u>\$ 20,634</u>	<u>\$ 5,911</u>	<u>\$ 7,655</u>

Noncash items:

The Food Service Fund received \$64,308 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, 2009

Assets

Equity in Pooled Cash and Investments	\$ <u>59,964</u>
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Liabilities

Due to Students	\$ <u>59,964</u>
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<i>Total Liabilities</i>	<u>\$ 59,964</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, 2009*

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 96 classified employees, 141 certified full-time teaching personnel and 11 administrators who provide services to 2,033 students and other community members.

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

Reporting Entity

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

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

The School District participates in two jointly governed organizations and one public entity risk pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the Ohio School Boards Association Workers' Compensation Group Rating Plan. These organizations are presented in Notes 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, 2009*

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 internal activities within "activity" types are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental 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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

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.

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.

Community Education Fund This fund accounts for educational opportunities offered on a tuition basis to residents 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, 2009*

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, 2009*

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, 2009, but which were levied to finance fiscal year 2010 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 2009.

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, 2009*

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

F. Cash and Investments

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the balance sheet. 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 2009, investments were limited to Victory Federal Mutual Funds, Freddie Mac, Federal National Mortgage Association, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Association Notes, Federal Farm Credit Banks, Conservative Deposit Account, 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, 2009. 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 2009 amounted to \$105,901, which includes \$52,879 assigned from other School District funds.

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

G. 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, 2009

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 capitalized.

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

Description	Governmental Activities Estimated Lives	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, 2009*

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 and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

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, 2009*

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 community education programs, 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 2009.

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. Change in Accounting Principles

For the year ended June 30, 2009, the School District has implemented GASB Statement No. 52, “*Land and Other Real Estate Held as Investments by Endowments*”, GASB Statement No. 55, “*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*”, and GASB Statement No. 56, “*Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*”.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments also are required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value, and other information that they currently present for other investments reported at fair value.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature.

GASB Statement No. 56 incorporates into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards.

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

Note 3 – Restatement of Fund Balance

The following is a summary of an adjustment to the beginning balance of the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for the several funds, which is needed to agree with the actual unencumbered cash balances of the School District. In a prior year, carryover encumbrances were inadvertently excluded from fund balance reporting on the cash-basis of accounting.

GOVERNMENTAL FUNDS								
Permanent Improvement Fund	Special Trust	Athletics/ District Managed Fund	Auxiliary Services Fund	Ohio Reads Fund	Title VI Fund	Drug Free Fund	Title II-A Fund	
Fund Balance								
June 30, 2008	\$ 1,355,424	\$ 84,482	\$ 55,871	\$ 16,722	\$ 4,467	\$ 6,484	\$ 48	\$ 15,775
Adjustment	(1,063,774)	(3,591)	(909)	(9,986)	(4,467)	(6,484)	(48)	(15,775)
Restated Fund Balance								
July 1, 2008	\$ 291,650	\$ 80,891	\$ 54,962	\$ 6,736	\$ 0	\$ 0	\$ 0	\$ 0

PROPRIETARY FUNDS			
Food Service Fund	Uniform School Supplies Fund	Community Education Fund	
Fund Balance			
June 30, 2008	\$ 67,615	\$ 5,963	\$ 111,185
Adjustment	(34,994)	(2,503)	(3,360)
Restated Fund Balance			
July 1, 2008	\$ 32,621	\$ 3,460	\$ 107,825

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

Note 4 - Accountability

Fund balances at June 30, 2009 included the following individual fund deficits:

	<u>Fund Balance</u>
Nonmajor Governmental Funds:	
Auxiliary	\$ 15,905
Educational Management Information Systems	53
Title VI-B	41,069
Miscellaneous Federal Grants	24

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

Note 5 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than 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.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balance

GAAP Basis	\$ 2,471,755
Net Adjustment for Revenue Accruals	(234,621)
Advance Out	(24)
Net Adjustment for Expenditure Accruals	266,030
Adjustment for Encumbrances	<u>(58,134)</u>
Budget Basis	<u><u>\$ 2,445,006</u></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 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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

- 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.

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.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

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 \$1,030,688 and the bank balances of the deposits totaled \$1,120,703. \$376,349 of the bank balance was covered by federal depository insurance and \$744,354 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, 2009, the School District had the following investments:

Standard & Poors Rating		Fair Value	Investment Maturities (in months)					% Total Investments
			0 - 6	6 - 12	12 - 24	24 - 36	36 - 60	
AA-	Fifth Third US Treasury Money Market	\$ 34,784	\$ 34,784	\$ 0	\$ 0	\$ 0	\$ 0	0.52%
AAm	Victory Federal Money Market	1,149,882	1,149,882	0	0	0	0	16.90%
AAm	Huntington Conservative Deposit Acct	230,702	230,702	0	0	0	0	3.39%
AAA	Federal National Mortgage Association	25,202	0	0	0	0	25,202	0.37%
AAA	Federal National Mortgage Association	25,250	0	0	0	25,250	0	0.37%
AAA	Federal National Mortgage Association	25,234	0	0	25,234	0	0	0.37%
AAA	Federal National Mortgage Association	24,578	0	0	0	0	24,578	0.36%
AAA	Freddie Mac	99,920	0	99,920	0	0	0	1.47%
AAA	Freddie Mac	25,707	0	0	25,707	0	0	0.38%
AAA	Freddie Mac	49,813	0	0	0	49,813	0	0.73%
AAA	Federal Home Loan	25,852	0	0	0	0	25,852	0.38%
AAA	Federal Home Loan	25,305	0	0	0	25,305	0	0.37%
AAA	Federal Home Loan	25,078	0	0	25,078	0	0	0.37%
AAA	Federal Home Loan	49,938	0	0	0	49,938	0	0.73%
AAA	Federal Farm Credit Bank	26,110	0	0	0	26,110	0	0.38%
AAA	Federal Home Loan Mortgage	25,188	0	0	25,188	0	0	0.37%
AAA	STAROhio	4,936,500	4,936,500	0	0	0	0	72.54%
	Totals	\$ 6,805,043	\$ 6,351,868	\$ 99,920	\$ 101,207	\$ 176,416	\$ 75,632	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, 2009 in Federal National Mortgage, Freddie Mac and Federal Home Loan, Federal Farm Credit and Federal Home Loan Mortgage 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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

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 the Victory Federal Money Market 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 2009 for real and public utility property taxes represents collections of calendar 2008 taxes. Property tax payments received during calendar 2009 for tangible personal property (other than public utility property) is for calendar 2009 taxes.

2009 real property taxes are levied after April 1, 2008, 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.

Tangible personal property tax revenues received in calendar year 2009 (other than public utility property) represent the collection of calendar year 2009 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

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. 2009 public utility property taxes became a lien December 31, 2008, are levied after April 1, 2009 and are collected in 2009 with real property taxes.

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.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

The assessed values upon which the fiscal year 2009 taxes were collected are:

	2008 Second Half Collections		2009 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$ 486,429,360	98.35%	\$ 484,579,200	98.61%
Public Utility	5,218,290	1.06%	5,489,790	1.12%
Tangible Personal Property	2,905,855	0.59%	1,302,500	0.27%
	<u>\$ 494,553,505</u>	<u>100.00%</u>	<u>\$ 491,371,490</u>	<u>100.00%</u>
 Tax rate per \$1,000 assessed valuation	 \$ 108.30		 \$ 108.60	

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

The School District receives property taxes from Cuyahoga and Geauga Counties. The County Auditors periodically advance to the School District their portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2009, are available to finance fiscal year 2009 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, 2009 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, 2009, was \$3,238,295 and is recognized as revenue. \$2,833,623 was available to the general fund and \$404,672 was available to the debt service fund.

Note 8 - Receivables

Receivables at June 30, 2009, consisted of taxes and interfund. 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, 2009

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2009, was as follows:

	Balance 6/30/08	Additions	Reductions	Balance 6/30/09
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635
	<u>1,386,635</u>	<u>0</u>	<u>0</u>	<u>1,386,635</u>
 <i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	37,583,729	794,689	0	38,378,418
Furniture and Equipment	1,698,429	0	(169,526)	1,528,903
Vehicles	1,561,826	174,512	(103,239)	1,633,099
Textbooks	346,577	313,299	(27,613)	632,263
	<u>41,190,561</u>	<u>1,282,500</u>	<u>(300,378)</u>	<u>42,172,683</u>
Total Capital Assets, being depreciated				
 Less Accumulated Depreciation:				
Buildings and Improvements	(9,748,362)	(1,075,011)	0	(10,823,373)
Furniture and Equipment	(1,181,747)	(61,918)	169,526	(1,074,139)
Vehicles	(1,138,873)	(116,611)	103,239	(1,152,245)
Textbooks	(260,414)	(126,454)	27,613	(359,255)
	<u>(12,329,396)</u>	<u>(1,379,994)</u>	<u>300,378</u>	<u>(13,409,012)</u>
Total Accumulated Depreciation				
Total Capital Assets being depreciated, net	<u>28,861,165</u>	<u>(97,494)</u>	<u>0</u>	<u>28,763,671</u>
 Governmental Activities Capital Assets, Net				
	<u>\$ 30,247,800</u>	<u>\$ (97,494)</u>	<u>\$ 0</u>	<u>\$ 30,150,306</u>
 Business-Type Activities				
<i>Capital Assets being depreciated</i>				
Furniture and Equipment	\$ 182,654	\$ 0	\$ (6,478)	\$ 176,176
	<u>(89,583)</u>	<u>(8,420)</u>	<u>3,239</u>	<u>(94,764)</u>
Less Accumulated Depreciation				
Business-Type Activities Capital Assets, Net	<u>\$ 93,071</u>	<u>\$ (8,420)</u>	<u>\$ (3,239)</u>	<u>\$ 81,412</u>

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

Depreciation expense was charged as follows:

Governmental Activities:

Instruction:

Regular	\$ 1,068,141
Special	2,453

Support Services:

Pupil	3,808
Instructional Staff	137,075
Administration	1,776
Operation and Maintenance of Plant	44,313
Pupil Transportation	111,360
Operation of Non-Instructional Services	8,198
Extracurricular Activities	<u>2,870</u>

Total Depreciation	<u>\$ 1,379,994</u>
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Business-Type Activities:

Food Service	<u>\$ 8,420</u>
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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 2009, 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	
	- Aggregate	3,000,000

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

<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 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.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

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 System 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853. It is also posted on SERS' website, www.ohsers.org, under *Employers/Audit Resources*.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2008 the amount was 9.16 percent and for fiscal year 2007 the amount was 10 percent. The contributions to SERS for pension obligations for the fiscal years ended June 30, 2009, 2008, and 2007 were \$334,618, \$305,240 and \$384,291, respectively; 50 percent has been contributed for fiscal year 2009 and 100 percent for the fiscal years 2008 and 2007. \$257,688 represents the unpaid contribution for fiscal year 2009, 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 1-888-227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on 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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

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, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, 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, 2009, 2008, and 2007 were \$1,354,235, \$1,332,273 and \$1,333,983, respectively. Contributions to the DC and Combined Plans for fiscal year 2009 were \$45,010 made by the School District and \$70,022 made by the plan members. 83 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. \$254,816 represents the unpaid contribution for fiscal year 2009, 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, 2009, 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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009*

premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling 1-888-227-7877.

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, 2009, 2008 and 2007. The School District's contributions for health care for fiscal years ended June 30, 2009, 2008 and 2007 were \$106,153, \$100,173 and \$101,121, 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' 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 under *Employers/Audit Resources*.

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14 percent contribution to the Health Care Fund. At June 30, 2009, the health care allocation was 4.16 percent, at June 30, 2008 and 2007, the health care allocation were 4.18 percent and 3.32 percent, respectively. The District's contributions for the years ended June 30, 2009, 2008 and 2007 were \$153,137, \$139,291 and \$127,585, 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 2008 (the latest information available), the minimum compensation level was established at \$35,800. For the School District during fiscal year 2009 this amounted to \$47,127.

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 2009, the actuarially required allocation was .75 percent and for fiscal year 2008 and 2007 the required allocations were .66 percent and .68 percent, respectively. The School District contributions for the fiscal years 2009, 2008 and 2007 were \$27,609, \$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, 2009

Note 14 - Long - Term Obligations

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

	Outstanding 6/30/08	Additions	Reductions	Outstanding 6/30/09	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
1988 Additions/Facilities 7.50%	\$ 1,075,000	\$ 0	\$ 330,000	\$ 745,000	\$ 360,000
2005 Refunding Bonds					
Serial Bonds \$16,320,000					
at 2.5% - 4.125%	15,595,000	0	830,000	14,765,000	860,000
Bond Premium	1,358,997	0	80,314	1,278,683	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	499,988	0	50,870	449,118	39,128
Accretion of Interest	596,745	266,786	69,130	794,401	0
2005 School Improvement Bonds					
Current Interest Bonds \$9,655,000					
at 3.71% - 3.94%	9,285,000	0	275,000	9,010,000	285,000
Bond Premium	527,144	0	16,146	510,998	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	294,990	0	0	294,990	0
Accretion of Interest	167,167	76,688	0	243,855	0
Total General Obligation Bonds	29,400,031	343,474	1,651,460	28,092,045	1,544,128
Compensated Absences	1,065,621	332,166	106,064	1,291,723	105,750
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 30,465,652</u>	<u>\$ 675,640</u>	<u>\$ 1,757,524</u>	<u>\$ 29,383,768</u>	<u>\$ 1,649,878</u>
Business-Type Activities					
Compensated Absences **	<u>\$ 21,894</u>	<u>\$ 6,275</u>	<u>\$ 2,750</u>	<u>\$ 25,419</u>	<u>\$ 0</u>

** The School District had no severance payouts in the business-type activities in fiscal year 2009 and does not anticipate any in fiscal year 2010.

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, 2009*

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, 2009 was \$16,146.

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 2009, \$76,688 was accreted for a liability of \$538,845.

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, 2009, \$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, 2009 was \$80,314. 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 2009, \$266,786 was accreted for a liability of \$1,243,519.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

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 community education enterprise funds.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2009 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
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	1,045,000	665,410	83,668	221,332	1,128,668	886,742
2015 - 2019	7,500,000	3,617,650	0	0	7,500,000	3,617,650
2020 - 2024	7,740,000	1,760,511	0	0	7,740,000	1,760,511
2025 - 2029	2,445,000	795,432	0	0	2,445,000	795,432
2030 - 2033	2,370,000	213,990	0	0	2,370,000	213,990
Total	\$ 24,520,000	\$ 9,040,172	\$ 744,108	\$ 2,080,892	\$ 25,264,108	\$ 11,121,064

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 2009. 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 2009, 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, 2009*

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, 2009.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

Note 18 - Interfund Transfers

Transfers made during fiscal year 2009 were as follows:

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

In 2009, there was a \$400,000 transfer to the permanent improvement fund to provide funds for general improvements. The remaining transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

Note 19 - Interfund Balances

Interfund balances at June 30, 2009 consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$ 24	\$ 0
Nonmajor Governmental Funds	0	24
Total	<u>\$ 24</u>	<u>\$ 24</u>

The general fund advanced monies to nonmajor governmental funds to cover expenditures until expected revenues were received. All interfund loans will be repaid in fiscal year 2010 with monies to be received from reimbursable expenditures incurred during fiscal year 2009.

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, 2009

	Capital Improvement Reserve	Textbook Instructional Materials Reserve	Total
Set-Aside Cash Balance as of June 30, 2008	\$ 76,531	\$ 204,049	\$ 280,580
Current Year Set-Aside Requirement	310,719	310,719	621,438
Qualifying Disbursements	(283,359)	(440,455)	(723,814)
Total	<u>\$ 103,891</u>	<u>\$ 74,313</u>	<u>\$ 178,204</u>
Balance Carried Forward to FY 2010	<u>\$ 103,891</u>	<u>\$ 74,313</u>	<u>\$ 178,204</u>
Amount to Restrict for Set-Asides			<u>\$ 178,204</u>
Total Restricted Assets			<u>\$ 178,204</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.

Note 21 - Contractual Commitments

As of June 30, 2009, the School District had the following contractual commitments for the high school:

	<u>Contractual Commitment</u>	<u>Expended</u>	<u>Balance 6/30/2009</u>
Unit Ventilator Replacement and Air Conditioning Modifications	<u>\$ 347,701</u>	<u>\$ 123,366</u>	<u>\$ 224,335</u>

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. 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 Grant – 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.

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.

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

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

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.

Nonmajor Capital Project Fund

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

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

Chagrin Falls Exempted Village School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 154,279	\$ 474,446	\$ 628,725
Cash and Cash Equivalents In Segregated Accounts	39,756	0	39,756
<i>Total Assets</i>	<u>\$ 194,035</u>	<u>\$ 474,446</u>	<u>\$ 668,481</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$ 9,101	\$ 16,792	\$ 25,893
Contracts Payable	0	67,095	67,095
Accrued Wages and Benefits	35,217	0	35,217
Interfund Payable	24	0	24
Intergovernmental Payable	18,937	0	18,937
<i>Total Liabilities</i>	<u>63,279</u>	<u>83,887</u>	<u>147,166</u>
Fund Balances (Deficit)			
Reserved for Encumbrances	7,384	262,460	269,844
Unreserved, Undesignated Reported in:			
Special Revenue Funds	123,372	0	123,372
Capital Projects Funds	0	128,099	128,099
<i>Total Fund Balances (Deficit)</i>	<u>130,756</u>	<u>390,559</u>	<u>521,315</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 194,035</u>	<u>\$ 474,446</u>	<u>\$ 668,481</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, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 611,090	\$ 0	\$ 611,090
Investment Income	421	2,604	3,025
Tuition and Fees	84,827	0	84,827
Extracurricular Activities	215,933	0	215,933
Rentals	0	642	642
Gifts and Donations	31,668	60,269	91,937
Miscellaneous	883	0	883
<i>Total Revenues</i>	<u>944,822</u>	<u>63,515</u>	<u>1,008,337</u>
Expenditures:			
Current:			
Instruction:			
Regular	134,390	0	134,390
Support Services:			
Pupils	91,593	0	91,593
Instructional Staff	314,999	0	314,999
Administration	5,834	0	5,834
Fiscal	1,987	0	1,987
Operation of Non-Instructional Services	170,368	0	170,368
Extracurricular Activities	228,242	0	228,242
Capital Outlay	0	831,865	831,865
<i>Total Expenditures</i>	<u>947,413</u>	<u>831,865</u>	<u>1,779,278</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,591)	(768,350)	(770,941)
Other Financing Sources (Uses):			
Transfers In	17,600	400,000	417,600
<i>Total Other Financing Sources and (Uses)</i>	<u>17,600</u>	<u>400,000</u>	<u>417,600</u>
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	15,009	(368,350)	(353,341)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>115,747</u>	<u>758,909</u>	<u>874,656</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 130,756</u>	<u>\$ 390,559</u>	<u>\$ 521,315</u>

Chagrin Falls Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2009

	Special Trust	Miscellaneous Grants	Public School Support	Athletic/ District Managed
Assets				
Equity in Pooled Cash and Cash Equivalents	\$ 48,289	\$ 0	\$ 25,461	\$ 74,546
In Segregated Accounts	39,756	0	0	0
<i>Total Assets</i>	<u>\$ 88,045</u>	<u>\$ 0</u>	<u>\$ 25,461</u>	<u>\$ 74,546</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	0	0	0	313
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	0	27	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>27</u>	<u>313</u>
Fund Balances (Deficit)				
Reserved for Encumbrances	0	0	1,214	187
Unreserved:				
Special Revenue Funds	88,045	0	24,220	74,046
<i>Total Fund Balances (Deficit)</i>	<u>88,045</u>	<u>0</u>	<u>25,434</u>	<u>74,233</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 88,045</u>	<u>\$ 0</u>	<u>\$ 25,461</u>	<u>\$ 74,546</u>

Auxiliary Services	Educational Management Information Systems	Entry Year Grant	Data Communications	SchoolNet Professional Development	Title VI-B
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 5,888
0	0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,888</u>
8,788	0	0	0	0	0
4,636	0	0	0	0	30,581
0	0	0	0	0	0
2,481	53	0	0	0	16,376
<u>15,905</u>	<u>53</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>46,957</u>
0	0	0	0	0	5,888
(15,905)	(53)	0	0	0	(46,957)
<u>(15,905)</u>	<u>(53)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(41,069)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,888</u>

(continued)

Chagrin Falls Exempted Village School District

*Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009*

	Title I	Title VI	Drug Free Schools	Preschool Handicapped
Assets:				
Equity in Pooled Cash and Cash Equivalents	\$ 0	\$ 95	\$ 0	\$ 0
Cash and Cash Equivalents In Segregated Accounts	0	0	0	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 95</u>	<u>\$ 0</u>	<u>\$ 0</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	0	0	0	0
Accrued Wages and Benefits	0	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
<i>Total Liabilities</i>	0	0	0	0
Fund Balances (Deficit):				
Reserved for Encumbrances	0	95	0	0
Unreserved, Undesignated Reported in:				
Special Revenue Funds	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	0	95	0	0
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 95</u>	<u>\$ 0</u>	<u>\$ 0</u>

Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 154,279
<u>0</u>	<u>0</u>	<u>39,756</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 194,035</u>
0	0	\$ 9,101
0	0	35,217
0	24	24
<u>0</u>	<u>0</u>	<u>18,937</u>
<u>0</u>	<u>24</u>	<u>63,279</u>
0	0	7,384
<u>0</u>	<u>(24)</u>	<u>123,372</u>
<u>0</u>	<u>(24)</u>	<u>130,756</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 194,035</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, 2009

	Special Trust	Miscellaneous Grants	Public School Support	Athletic/ District Managed
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Investment Income	310	0	0	0
Tuition and Fees	0	0	84,827	0
Extracurricular Activities	0	0	0	215,933
Gifts and Donations	17,000	0	0	14,668
Miscellaneous	0	883	0	0
Total Revenues	17,310	883	84,827	230,601
Expenditures:				
Current:				
Instruction:				
Regular	0	0	0	0
Support Services:				
Pupils	0	0	88,551	0
Instructional Staff	10,156	0	0	0
Administration	0	0	0	0
Fiscal	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Extracurricular Activities	0	0	0	228,242
Total Expenditures	10,156	0	88,551	228,242
<i>Excess of Revenues Over (Under) Expenditures</i>	7,154	883	(3,724)	2,359
Other Financing Sources (Uses):				
Transfers In	0	0	0	17,600
Total Other Financing Sources and (Uses)	0	0	0	17,600
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	7,154	883	(3,724)	19,959
<i>Fund Balance (Deficit) at Beginning of Year</i>	80,891	(883)	29,158	54,274
Fund Balance (Deficit) at End of Year	\$ 88,045	\$ 0	\$ 25,434	\$ 74,233

Auxiliary Services	Educational Management Information Systems	Entry Year	Data Communications	SchoolNet Professional Development	Title VI-B
\$ 142,869	\$ 5,840	\$ 700	\$ 12,000	\$ 2,970	\$ 319,280
111	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
142,980	5,840	700	12,000	2,970	319,280
0	0	700	12,000	2,970	0
0	0	0	0	0	0
0	0	0	0	0	304,843
0	5,834	0	0	0	0
0	0	0	0	0	0
155,839	0	0	0	0	13,558
0	0	0	0	0	0
155,839	5,834	700	12,000	2,970	318,401
(12,859)	6	0	0	0	879
0	0	0	0	0	0
0	0	0	0	0	0
(12,859)	6	0	0	0	879
(3,046)	(59)	0	0	0	(41,948)
\$ (15,905)	\$ (53)	\$ 0	\$ 0	\$ 0	\$ (41,069)

(continued)

Chagrin Falls Exempted Village School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	Title I	Title VI	Drug Free Schools	Preschool Handicapped
Revenues:				
Intergovernmental	\$ 47,732	\$ 1,489	\$ 2,939	\$ 12,546
Investment Income	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Gifts and Donations	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	47,732	1,489	2,939	12,546
Expenditures:				
Current:				
Instruction:				
Regular	47,732	1,187	0	12,546
Support Services:				
Pupils	0	0	2,939	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Fiscal	0	0	0	0
Operation of Non-Instructional Services	0	207	0	0
Extracurricular Activities	0	0	0	0
Total Expenditures	47,732	1,394	2,939	12,546
<i>Excess of Revenues Over (Under) Expenditures</i>	0	95	0	0
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Total Other Financing Sources and (Uses)</i>	0	0	0	0
<i>Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	0	95	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 95	\$ 0	\$ 0

Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 33,164	\$ 29,561	\$ 611,090
0	0	421
0	0	84,827
0	0	215,933
0	0	31,668
0	0	883
33,164	29,561	944,822
29,787	27,468	134,390
0	103	91,593
0	0	314,999
0	0	5,834
0	1,987	1,987
737	27	170,368
0	0	228,242
30,524	29,585	947,413
2,640	(24)	(2,591)
0	0	17,600
0	0	17,600
2,640	(24)	15,009
(2,640)	0	115,747
\$ 0	\$ (24)	\$ 130,756

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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, 2009

	Final	Actual	Variance Over (Under)
Revenues:			
Taxes	\$ 18,694,896	\$ 18,694,896	\$ 0
Intergovernmental	5,025,785	5,025,785	0
Investment Income	105,901	105,901	0
Tuition and Fees	229,320	229,320	0
Rentals	17,221	17,221	0
Miscellaneous	41,742	41,742	0
<i>Total Revenues</i>	<u>24,114,865</u>	<u>24,114,865</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	7,611,714	7,522,763	(88,951)
Fringe Benefits	2,194,593	2,186,526	(8,067)
Purchased Services	103,197	83,720	(19,477)
Materials and Supplies	344,465	333,318	(11,147)
Capital Outlay - New	214,062	211,606	(2,456)
Other	7,471	6,725	(746)
Total Regular	<u>10,475,502</u>	<u>10,344,658</u>	<u>(130,844)</u>
Special:			
Salaries and Wages	1,214,853	1,205,315	(9,538)
Fringe Benefits	317,350	286,661	(30,689)
Purchased Services	504,389	495,656	(8,733)
Materials and Supplies	4,768	4,768	0
Capital Outlay - New	2,500	2,480	(20)
Total Special	<u>2,043,860</u>	<u>1,994,880</u>	<u>(48,980)</u>
Vocational:			
Purchased Services	112,692	112,692	0
Total Vocational	<u>112,692</u>	<u>112,692</u>	<u>0</u>
Other:			
Purchased Services	20,131	20,131	0
Total Other	<u>20,131</u>	<u>20,131</u>	<u>0</u>
Total Instruction	<u>12,652,185</u>	<u>12,472,361</u>	<u>(179,824)</u>
Support Services:			
Pupils:			
Salaries and Wages	549,327	546,261	(3,066)
Fringe Benefits	169,613	161,493	(8,120)
Purchased Services	101,641	98,241	(3,400)
Materials and Supplies	2,939	2,303	(636)
Capital Outlay - New	753	648	(105)
Capital Outlay - Replacement	2,917	2,258	(659)
Total Pupils	<u>827,190</u>	<u>811,204</u>	<u>(15,986)</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, 2009

	Final	Actual	Variance Over (Under)
Instructional Staff:			
Salaries and Wages	481,377	476,628	(4,749)
Fringe Benefits	235,089	235,089	0
Purchased Services	240,315	240,194	(121)
Materials and Supplies	21,736	20,946	(790)
Total Instructional Staff	978,517	972,857	(5,660)
Board of Education:			
Salaries and Wages	9,280	9,280	0
Fringe Benefits	3,915	3,328	(587)
Purchased Services	40,711	31,395	(9,316)
Materials and Supplies	11,191	9,215	(1,976)
Other	33,909	33,909	0
Total Board of Education	99,006	87,127	(11,879)
Administration:			
Salaries and Wages	1,159,109	1,124,419	(34,690)
Fringe Benefits	566,068	488,658	(77,410)
Purchased Services	533,484	343,009	(190,475)
Materials and Supplies	14,865	12,286	(2,579)
Capital Outlay - New	11,030	10,216	(814)
Other	250	0	(250)
Total Administration	2,284,806	1,978,588	(306,218)
Fiscal:			
Salaries and Wages	253,710	253,710	0
Fringe Benefits	119,815	118,376	(1,439)
Purchased Services	60,755	55,711	(5,044)
Materials and Supplies	4,190	4,088	(102)
Capital Outlay - New	69	15	(54)
Other	354,804	354,804	0
Total Fiscal	793,343	786,704	(6,639)
Business:			
Purchased Services	800	400	(400)
Total Business	800	400	(400)
Operation and Maintenance of Plant:			
Salaries and Wages	988,475	969,720	(18,755)
Fringe Benefits	402,643	388,110	(14,533)
Purchased Services	931,776	920,129	(11,647)
Materials and Supplies	98,950	97,946	(1,004)
Total Operation and Maintenance of Plant	2,421,844	2,375,905	(45,939)
Pupil Transportation:			
Salaries and Wages	603,998	600,445	(3,553)
Fringe Benefits	225,956	220,760	(5,196)
Purchased Services	72,009	70,193	(1,816)
Materials and Supplies	115,911	113,893	(2,018)
Capital Outlay - Replacement	188,836	188,810	(26)
Total Pupil Transportation	1,206,710	1,194,101	(12,609)

(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, 2009

	Final	Actual	Variance Over (Under)
Central:			
Purchased Services	17,159	16,632	(527)
Total Central	<u>17,159</u>	<u>16,632</u>	<u>(527)</u>
Total Support Services	<u>8,629,375</u>	<u>8,223,518</u>	<u>(405,857)</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	5,310	5,187	(123)
Fringe Benefits	515	496	(19)
Purchased Services	1,703	231	(1,472)
Total Community Services	<u>7,528</u>	<u>5,914</u>	<u>(1,614)</u>
Total Other Operation of Non-Instructional Services	<u>7,528</u>	<u>5,914</u>	<u>(1,614)</u>
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries and Wages	480,092	480,092	0
Fringe Benefits	73,556	61,827	(11,729)
Purchased Services	9,000	8,523	(477)
Total Sports Oriented Activities	<u>562,648</u>	<u>550,442</u>	<u>(12,206)</u>
Total Extracurricular Activities	<u>562,648</u>	<u>550,442</u>	<u>(12,206)</u>
<i>Total Expenditures</i>	<u>21,851,736</u>	<u>21,252,235</u>	<u>(599,501)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,263,129</u>	<u>2,862,630</u>	<u>599,501</u>
Other Financing Sources (Uses):			
Advances Out	(4,101)	(24)	4,077
Transfers Out	(417,600)	(417,600)	0
Total Other Financing Sources (Uses)	<u>(421,701)</u>	<u>(417,624)</u>	<u>4,077</u>
<i>Net Change in Fund Balance</i>	1,841,428	2,445,006	603,578
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,755,908	1,755,908	0
Prior Year Encumbrances Appropriated	<u>108,067</u>	<u>108,067</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 3,705,403</u>	<u>\$ 4,308,981</u>	<u>\$ 603,578</u>

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, 2009*

	Final	Actual	Variance Over (Under)
Revenues:			
Investment Income	\$ 322	\$ 310	\$ (12)
Gifts and Donations	17,000	17,000	0
<i>Total Revenues</i>	<u>17,322</u>	<u>17,310</u>	<u>(12)</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	1,111	156	(955)
Other	10,000	10,000	0
Total Instructional Staff	<u>11,111</u>	<u>10,156</u>	<u>(955)</u>
Total Support Services	<u>11,111</u>	<u>10,156</u>	<u>(955)</u>
<i>Total Expenditures</i>	<u>11,111</u>	<u>10,156</u>	<u>(955)</u>
<i>Net Change in Fund Balance</i>	6,211	7,154	943
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</i>	80,891	80,891	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 87,102</u>	<u>\$ 88,045</u>	<u>\$ 943</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, 2009

	Final Budget	Actual	Variance Over (Under)
Revenues:	\$ 0	\$ 0	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,871	1,871	0
Fringe Benefits	404	404	0
Total Regular	<u>2,275</u>	<u>2,275</u>	<u>0</u>
Total Instruction	<u>2,275</u>	<u>2,275</u>	<u>0</u>
Total Expenditures	<u>2,275</u>	<u>2,275</u>	<u>0</u>
Net Change in Fund Balance	(2,275)	(2,275)	0
Fund Balance (Deficit) at Beginning of Year	2,275	2,275	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<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
Public School Support
For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Tuition and Fees	\$ 84,827	\$ 84,827	\$ 0
<i>Total Revenues</i>	<u>84,827</u>	<u>84,827</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	10,364	2,068	(8,296)
Fringe Benefits	707	338	(369)
Purchased Services	61,064	55,195	(5,869)
Materials and Supplies	31,537	28,846	(2,691)
Capital Outlay - New	4,480	3,470	(1,010)
Other	500	422	(78)
Total Pupils	<u>108,652</u>	<u>90,339</u>	<u>(18,313)</u>
Total Support Services	<u>108,652</u>	<u>90,339</u>	<u>(18,313)</u>
<i>Total Expenditures</i>	<u>108,652</u>	<u>90,339</u>	<u>(18,313)</u>
<i>Net Change in Fund Balance</i>	(23,825)	(5,512)	18,313
<i>Fund Balance (Deficit) at Beginning of Year</i>	28,692	28,692	0
Prior Year Encumbrances Appropriated	<u>1,067</u>	<u>1,067</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,934</u>	<u>\$ 24,247</u>	<u>\$ 18,313</u>

Chagrin Falls Exempted Village School District
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Athletic/District Managed
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Extracurricular Activities	\$ 215,933	\$ 215,933	\$ 0
Gifts and Donations	14,668	14,668	0
<i>Total Revenues</i>	<u>230,601</u>	<u>230,601</u>	<u>0</u>
Expenditures:			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	23,600	23,459	(141)
Materials and Supplies	25,025	24,614	(411)
Total Academic and Subject Oriented Activities	<u>48,625</u>	<u>48,073</u>	<u>(552)</u>
Sports Oriented Activities:			
Purchased Services	108,855	90,184	(18,671)
Materials and Supplies	74,757	74,519	(238)
Capital Outlay - New	70	70	0
Total Sports Oriented Activities	<u>183,682</u>	<u>164,773</u>	<u>(18,909)</u>
School and Public Service Co-Curricular Activities:			
Materials and Supplies	18,000	16,396	(1,604)
Total School and Public Service Co-Curricular Activities	<u>18,000</u>	<u>16,396</u>	<u>(1,604)</u>
Total Extracurricular Activities	<u>250,307</u>	<u>229,242</u>	<u>(21,065)</u>
<i>Total Expenditures</i>	<u>250,307</u>	<u>229,242</u>	<u>(21,065)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(19,706)</u>	<u>1,359</u>	<u>21,065</u>
Other Financing Sources (Uses):			
Transfers In	17,600	17,600	0
<i>Total Other Financing Sources (Uses)</i>	<u>17,600</u>	<u>17,600</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,106)	18,959	21,065
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</i>	54,962	54,962	0
Prior Year Encumbrances Appropriated	125	125	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 52,981</u>	<u>\$ 74,046</u>	<u>\$ 21,065</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, 2009

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 142,869	\$ 142,869	\$ 0
Investment Income	111	111	0
<i>Total Revenues</i>	<u>142,980</u>	<u>142,980</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	40,922	40,922	0
Fringe Benefits	10,665	10,665	0
Purchased Services	59,796	59,796	0
Materials and Supplies	36,592	36,592	0
Other	2,310	2,310	0
Total Community Services	<u>150,285</u>	<u>150,285</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>150,285</u>	<u>150,285</u>	<u>0</u>
<i>Total Expenditures</i>	<u>150,285</u>	<u>150,285</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(7,305)	(7,305)	0
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</i>	6,736	6,736	0
Prior Year Encumbrances Appropriated	569	569	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Educational Management Information Systems
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 5,840	\$ 5,840	\$ 0
<i>Total Revenues</i>	<u>5,840</u>	<u>5,840</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Administration:			
Salaries and Wages	4,835	4,835	0
Fringe Benefits	52	52	0
Purchased Services	953	953	0
Total Administration	<u>5,840</u>	<u>5,840</u>	<u>0</u>
Total Support Services	<u>5,840</u>	<u>5,840</u>	<u>0</u>
<i>Total Expenditures</i>	<u>5,840</u>	<u>5,840</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 Grant
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 700	\$ 700	\$ 0
<i>Total Revenues</i>	<u>700</u>	<u>700</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	700	700	0
Total Regular	<u>700</u>	<u>700</u>	<u>0</u>
Total Instruction	<u>700</u>	<u>700</u>	<u>0</u>
<i>Total Expenditures</i>	<u>700</u>	<u>700</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
 Data Communications
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 12,000	\$ 12,000	\$ 0
<i>Total Revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Expenditures:			
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>
<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><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
 SchoolNet Professional Development
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 2,970	\$ 2,970	\$ 0
<i>Total Revenues</i>	<u>2,970</u>	<u>2,970</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	2,970	2,970	0
Total Regular	<u>2,970</u>	<u>2,970</u>	<u>0</u>
Total Instruction	<u>2,970</u>	<u>2,970</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,970</u>	<u>2,970</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
 Title VI-B
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 319,280	\$ 319,280	\$ 0
<i>Total Revenues</i>	<u>319,280</u>	<u>319,280</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	224,924	224,924	0
Fringe Benefits	71,261	71,261	0
Purchased Services	<u>12,000</u>	<u>12,000</u>	<u>0</u>
Total Instructional Staff	<u>308,185</u>	<u>308,185</u>	<u>0</u>
Total Support Services	<u>308,185</u>	<u>308,185</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	5,119	5,119	0
Purchased Services	<u>5,976</u>	<u>5,976</u>	<u>0</u>
Total Community Services	<u>11,095</u>	<u>11,095</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>11,095</u>	<u>11,095</u>	<u>0</u>
<i>Total Expenditures</i>	<u>319,280</u>	<u>319,280</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
Title I
For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 47,732	\$ 47,732	\$ 0
<i>Total Revenues</i>	<u>47,732</u>	<u>47,732</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	34,217	34,217	0
Fringe Benefits	4,515	4,515	0
Capital Outlay - New	9,000	9,000	0
Total Regular	<u>47,732</u>	<u>47,732</u>	<u>0</u>
Total Instruction	<u>47,732</u>	<u>47,732</u>	<u>0</u>
<i>Total Expenditures</i>	<u>47,732</u>	<u>47,732</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*
 Title VI
 For the Fiscal Year Ended June 30, 2009

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 1,489	\$ 1,489	\$ 0
<i>Total Revenues</i>	<u>1,489</u>	<u>1,489</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,062	1,062	0
Purchased Services	220	220	0
Total Regular	<u>1,282</u>	<u>1,282</u>	<u>0</u>
Total Instruction	<u>1,282</u>	<u>1,282</u>	<u>0</u>
Operation of Non-Instructional Services:			
Food Service Operations:			
Materials and Supplies	207	207	0
Total Food Service Operations	<u>207</u>	<u>207</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>207</u>	<u>207</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,489</u>	<u>1,489</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</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
 Drug Free Schools
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 2,939	\$ 2,939	\$ 0
<i>Total Revenues</i>	<u>2,939</u>	<u>2,939</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Purchased Services	2,351	2,351	0
Capital Outlay - New	588	588	0
Total Pupils	<u>2,939</u>	<u>2,939</u>	<u>0</u>
Total Support Services	<u>2,939</u>	<u>2,939</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,939</u>	<u>2,939</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</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
 Preschool Handicapped
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 12,546	\$ 12,546	\$ 0
<i>Total Revenues</i>	<u>12,546</u>	<u>12,546</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	8,746	8,746	0
Purchased Services	1,268	1,268	0
Materials and Supplies	2,532	2,532	0
Total Regular	<u>12,546</u>	<u>12,546</u>	<u>0</u>
Total Instruction	<u>12,546</u>	<u>12,546</u>	<u>0</u>
<i>Total Expenditures</i>	<u>12,546</u>	<u>12,546</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
 Title II-A
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 33,164	\$ 33,164	\$ 0
<i>Total Revenues</i>	<u>33,164</u>	<u>33,164</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	2,065	2,065	0
Purchased Services	30,362	30,362	0
Total Regular	<u>32,427</u>	<u>32,427</u>	<u>0</u>
Total Instruction	<u>32,427</u>	<u>32,427</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	737	737	0
Total Community Services	<u>737</u>	<u>737</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>737</u>	<u>737</u>	<u>0</u>
<i>Total Expenditures</i>	<u>33,164</u>	<u>33,164</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</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
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Intergovernmental	\$ 29,561	\$ 29,561	\$ 0
<i>Total Revenues</i>	<u>29,561</u>	<u>29,561</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	24,650	24,650	0
Purchased Services	2,500	2,500	0
Materials and Supplies	318	318	0
Total Regular	<u>27,468</u>	<u>27,468</u>	<u>0</u>
Total Instruction	<u>27,468</u>	<u>27,468</u>	<u>0</u>
Support Services:			
Pupils:			
Purchased Services	103	103	0
Total Pupils	<u>103</u>	<u>103</u>	<u>0</u>
Fiscal:			
Other	1,987	1,987	0
Total Fiscal	<u>1,987</u>	<u>1,987</u>	<u>0</u>
Total Support Services	<u>2,090</u>	<u>2,090</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	27	27	0
Total Community Services	<u>27</u>	<u>27</u>	<u>0</u>
Total Other Operation of Non-Instructional Services	<u>27</u>	<u>27</u>	<u>0</u>
<i>Total Expenditures</i>	<u>29,585</u>	<u>29,585</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(24)</u>	<u>(24)</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances In	24	24	0
<i>Total Other Financing Sources (Uses)</i>	<u>24</u>	<u>24</u>	<u>24</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	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Bond Retirement
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Taxes	\$ 2,551,831	\$ 2,552,002	\$ 171
Intergovernmental	356,070	356,070	0
<i>Total Revenues</i>	<u>2,907,901</u>	<u>2,908,072</u>	<u>171</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	43,012	42,762	(250)
Total Fiscal	<u>43,012</u>	<u>42,762</u>	<u>(250)</u>
Total Support Services	<u>43,012</u>	<u>42,762</u>	<u>(250)</u>
Debt Service:			
Principal Retirement	1,555,000	1,555,000	0
Interest and Fiscal Charges	1,074,988	1,074,988	0
			0
Total Debt Service	<u>2,629,988</u>	<u>2,629,988</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,673,000</u>	<u>2,672,750</u>	<u>(250)</u>
<i>Net Change in Fund Balance</i>	234,901	235,322	421
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,304,098	2,304,098	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,538,999</u>	<u>\$ 2,539,420</u>	<u>\$ 421</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, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Investment Income	\$ 2,604	\$ 2,604	\$ 0
Rentals	642	642	0
Gifts and Donations	60,269	60,269	0
<i>Total Revenues</i>	<u>63,515</u>	<u>63,515</u>	<u>0</u>
Expenditures:			
Capital Outlay:			
Facilities Acquisitions and Construction Services:			
Building Acquisitions and Construction Services:			
Purchased Services	145,921	95,124	(50,797)
Capital Outlay - New	401,004	394,596	(6,408)
Total Building Acquisitions and Construction Services	<u>546,925</u>	<u>489,720</u>	<u>(57,205)</u>
Building Improvement Services:			
Purchased Services	59,836	59,836	0
Capital Outlay - New	633,781	633,781	0
Capital Outlay - Replacement	31,394	34,619	3,225
Total Building Improvement Services	<u>725,011</u>	<u>728,236</u>	<u>3,225</u>
Total Capital Outlay	<u>1,271,936</u>	<u>1,217,956</u>	<u>(53,980)</u>
<i>Total Expenditures</i>	<u>1,271,936</u>	<u>1,217,956</u>	<u>(53,980)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,208,421)</u>	<u>(1,154,441)</u>	<u>53,980</u>
Other Financing Sources (Uses):			
Transfers In	400,000	400,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
<i>Net Change in Fund Balance</i>	(808,421)	(754,441)	53,980
<i>Fund Balance (Deficit) at Beginning of Year (Restated, See Note 3)</i>	291,650	291,650	0
Prior Year Encumbrances Appropriated	590,890	590,890	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 74,119</u>	<u>\$ 128,099</u>	<u>\$ 53,980</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, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Sales	\$ 599,641	\$ 599,641	\$ 0
<i>Total Revenues</i>	<u>599,641</u>	<u>599,641</u>	<u>0</u>
Expenses:			
Salaries	209,115	206,667	(2,448)
Fringe Benefits	60,685	52,873	(7,812)
Purchased Services	12,700	8,980	(3,720)
Materials and Supplies	362,270	345,374	(16,896)
Capital Outlay - New	500	0	(500)
Capital Outlay - Replacement	1,000	0	(1,000)
Other	5,500	4,637	(863)
<i>Total Expenses</i>	<u>651,770</u>	<u>618,531</u>	<u>(33,239)</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(52,129)	(18,890)	33,239
Non-Operating Revenues (Expenses):			
Operating Grants	35,766	35,766	0
Interest Income	614	614	0
Total Non-Operating Revenues (Expenses)	<u>36,380</u>	<u>36,380</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(15,749)	17,490	33,239
<i>Fund Equity (Deficit) at Beginning of Year (Restated, See Note 3)</i>	32,621	32,621	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,770</u>	<u>1,770</u>	<u>0</u>
<i>Fund Equity (Deficit) at End of Year</i>	<u>\$ 18,642</u>	<u>\$ 51,881</u>	<u>\$ 33,239</u>

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, 2009*

	Final Budget	Actual	Variance Over (Under)
Sales	\$ 104,698	\$ 104,698	\$ 0
<i>Total Revenues</i>	<u>104,698</u>	<u>104,698</u>	<u>0</u>
Expenses:			
Materials and Supplies	<u>85,000</u>	<u>84,064</u>	<u>(936)</u>
<i>Total Expenses</i>	<u>85,000</u>	<u>84,064</u>	<u>(936)</u>
<i>Net Change in Fund Equity</i>	19,698	20,634	936
<i>Fund Equity (Deficit) at Beginning of Year (Restated, See Note 3)</i>	3,460	3,460	0
<i>Prior Year Encumbrances Appropriated</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Equity (Deficit) at End of Year</i>	<u>\$ 23,158</u>	<u>\$ 24,094</u>	<u>\$ 936</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenses, and
 Budget (Non-GAAP Basis) and Actual
 Community Education
 For the Fiscal Year Ended June 30, 2009*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Tuition	\$ 357,764	\$ 357,764	\$ 0
<i>Total Revenues</i>	<u>357,764</u>	<u>357,764</u>	<u>0</u>
Expenses:			
Salaries	101,000	97,596	(3,404)
Fringers Benefits	19,500	17,145	(2,355)
Purchased Services	288,542	245,602	(42,940)
Materials and Supplies	2,000	1,757	(243)
Other	6,000	5,943	(57)
<i>Total Expenses</i>	<u>417,042</u>	<u>368,043</u>	<u>(48,999)</u>
<i>Net Change in Fund Equity</i>	(59,278)	(10,279)	48,999
<i>Fund Equity (Deficit) at Beginning of Year (Restated, See Note 3)</i>	107,825	107,825	0
<i>Prior Year Encumbrances Appropriated</i>	<u>12,042</u>	<u>12,042</u>	<u>0</u>
<i>Fund Equity (Deficit) at End of Year</i>	<u>\$ 60,589</u>	<u>\$ 109,588</u>	<u>\$ 48,999</u>

AGENCY FUNDS
Combining Statements

Chagrin Falls Exempted Village School District

Combining Statements – Agency Funds

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 received 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, 2009

	<u>Rotary</u>	<u>Student Activities</u>	<u>Total Agency Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$ 5,883	\$ 54,081	\$ 59,964
<i>Total Assets</i>	<u>\$ 5,883</u>	<u>\$ 54,081</u>	<u>\$ 59,964</u>
Liabilities and Fund Balances			
Liabilities			
Due to Students	\$ 5,883	\$ 54,081	\$ 59,964
<i>Total Liabilities</i>	<u>\$ 5,883</u>	<u>\$ 54,081</u>	<u>\$ 59,964</u>

Chagrin Falls Exempted Village School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2009

	Beginning Balance 7/1/08	Additions	Deductions	Ending Balance 6/30/09
Rotary				
Assets				
Equity in Pooled Cash and Investments	\$ 12,958	\$ 219,067	\$ 226,142	\$ 5,883
Liabilities				
Undistributed Monies	\$ 12,958	\$ 219,067	\$ 226,142	\$ 5,883
Student Activities				
Assets				
Equity in Pooled Cash and Investments	\$ 59,041	\$ 112,245	\$ 117,205	\$ 54,081
Liabilities				
Due to Students	\$ 59,041	\$ 112,245	\$ 117,205	\$ 54,081
Total - All Agency Funds				
Assets				
Equity in Pooled Cash and Investments	\$ 71,999	\$ 331,312	\$ 343,347	\$ 59,964
Liabilities				
Undistributed Monies	\$ 12,958	\$ 219,067	\$ 226,142	\$ 5,883
Due to Students	59,041	112,245	117,205	54,081
<i>Total Liabilities</i>	<i>\$ 71,999</i>	<i>\$ 331,312</i>	<i>\$ 343,347</i>	<i>\$ 59,964</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>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S-2 - S-13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S-14 - S-20
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S-21 - S-25
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place	S-26 - S-27
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs	S-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 Nine Fiscal Years (1)
(Accrual Basis of Accounting)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$ 3,607,515	\$ 1,611,681	\$ 1,070,070	\$ 2,200,744
Restricted	3,143,103	4,004,857	4,770,065	1,104,831
Unrestricted	<u>2,657,943</u>	<u>1,009,120</u>	<u>(1,222,306)</u>	<u>(1,038,726)</u>
<i>Total Governmental Activities Net Assets</i>	<u>\$ 9,408,561</u>	<u>\$ 6,625,658</u>	<u>\$ 4,617,829</u>	<u>\$ 2,266,849</u>
Business-Type Activities				
Invested in Capital Assets	\$ 81,412	\$ 93,071	\$ 151,180	\$ 169,306
Unrestricted	<u>119,858</u>	<u>77,779</u>	<u>82,439</u>	<u>(3,267)</u>
<i>Total Business-Type Activities Net Assets</i>	<u>\$ 201,270</u>	<u>\$ 170,850</u>	<u>\$ 233,619</u>	<u>\$ 166,039</u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	\$ 3,688,927	\$ 1,704,752	\$ 1,221,250	\$ 2,370,050
Restricted	3,143,103	4,004,857	4,770,065	1,104,831
Unrestricted	<u>2,777,801</u>	<u>1,086,899</u>	<u>(1,139,867)</u>	<u>(1,041,993)</u>
<i>Total Primary Government Net Assets</i>	<u>\$ 9,609,831</u>	<u>\$ 6,796,508</u>	<u>\$ 4,851,448</u>	<u>\$ 2,432,888</u>

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

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
\$ 1,946,362	\$ 1,567,981	\$ 1,544,335	\$ 1,497,343	\$ 1,661,446
879,207	2,155,299	1,855,906	2,393,854	2,328,980
383,288	408,187	(87,075)	1,598,300	1,447,713
<u>\$ 3,208,857</u>	<u>\$ 4,131,467</u>	<u>\$ 3,313,166</u>	<u>\$ 5,489,497</u>	<u>\$ 5,438,139</u>
\$ 170,001	\$ 187,256	\$ 196,624	\$ 207,659	\$ 203,534
89,820	83,728	98,548	63,570	25,129
<u>\$ 259,821</u>	<u>\$ 270,984</u>	<u>\$ 295,172</u>	<u>\$ 271,229</u>	<u>\$ 228,663</u>
\$ 2,116,363	\$ 1,755,237	\$ 1,740,959	\$ 1,705,002	\$ 1,864,980
879,207	2,155,299	1,855,906	2,393,854	2,328,980
473,108	491,915	11,473	1,661,870	1,472,842
<u>\$ 3,468,678</u>	<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 Nine Fiscal Years (1)
(Accrual Basis of Accounting)

	2009	2008	2007	2006
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 11,527,572	\$ 10,211,305	\$ 9,933,444	\$ 9,893,476
Special Instruction	1,998,884	1,851,409	1,712,549	1,483,639
Vocational Instruction	112,692	108,040	162,699	123,302
Other Instruction	20,131	0	13,210	34,060
Pupil Support	899,849	962,287	995,334	1,072,115
Instructional Staff Support	1,426,196	1,343,348	1,398,338	1,489,359
Board of Education	80,176	62,223	94,466	89,991
Administration	2,015,517	1,963,707	2,069,076	1,976,027
Fiscal	828,131	707,475	1,284,233	640,702
Business	400	800	800	800
Operation and Maintenance of Plant	2,473,588	2,442,552	2,828,169	3,020,408
Pupil Transportation	1,127,451	1,157,144	1,126,296	1,215,315
Central	16,632	16,001	22,099	25,809
Operation of Non-Instructional Services	283,041	165,741	184,844	173,704
Extracurricular Activities	801,231	623,811	731,019	702,459
Capital Outlay	0	0	0	0
Interest and Fiscal Charges	1,320,426	1,333,641	1,461,470	1,442,066
Reissuance Costs	0	0	0	0
Total Governmental Activities Expenses	24,931,917	22,949,484	24,018,046	23,383,232
Business-Type Activities:				
Food Service	706,059	657,655	623,945	594,929
Uniform School Supplies	84,224	99,922	108,859	93,703
Community Education	342,088	400,043	343,265	217,837
Windsor Educational	0	0	0	0
Total Business-Type Activities Expenses	1,132,371	1,157,620	1,076,069	906,469
Total Primary Government Expenses	26,064,288	24,107,104	25,094,115	24,289,701
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 229,320	\$ 108,321	\$ 46,728	\$ 84,170
Special Instruction	0	0	0	0
Pupil Support	84,827	89,748	117,182	220,695
Fiscal	17,221	29,053	22,624	19,908
Operation and Maintenance of Plant	642	0	27,782	0
Extracurricular Activities	215,933	143,706	168,239	160,390
Operating Grants and Contributions				
Regular Instruction	137,025	75,556	78,149	73,776
Special Instruction	25,418	67,296	72,521	76,445
Pupil Support	3,042	3,940	0	53,674
Instructional Staff Support	305,995	381,111	351,980	323,026
Administration	5,840	13,322	6,563	6,611
Fiscal	1,985	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Operation of Non Instructional	157,624	151,237	164,254	144,668
Extracurricular Activities	0	0	0	0
Capital Grants and Contributions				
Regular Instruction	0	13,202	0	0
Instructional Staff Support	0	0	0	0
Operation and Maintenance of Plant	2,604	36,345	0	0
Pupil Transportation	0	0	0	0
Total Governmental Activities Program Revenues	1,187,476	1,112,837	1,056,022	1,163,363

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

	2005	2004	2003	2002	2001
\$	10,026,597	\$ 10,019,345	\$ 9,291,338	\$ 9,002,902	\$ 9,432,792
	1,636,142	1,350,026	1,189,814	1,348,927	1,155,300
	71,620	92,934	108,138	101,713	55,069
	29,720	37,335	5,912	18,144	0
	1,139,741	1,098,885	1,055,832	966,542	927,785
	1,297,374	1,159,805	986,686	1,065,858	754,176
	83,165	79,892	63,685	66,055	57,583
	1,816,179	1,610,209	1,510,595	1,349,681	1,309,319
	936,955	643,052	668,701	598,479	414,824
	800	800	800	750	0
	2,479,388	2,499,738	2,427,389	2,242,666	2,094,832
	1,120,571	1,097,121	1,063,140	946,889	827,971
	24,281	21,452	21,381	21,729	0
	160,332	198,003	209,998	129,891	185,448
	690,406	746,022	696,643	688,806	392,947
	2,548,040	1,240,118	1,283,851	1,237,510	1,358,729
	188,590	0	0	0	0
	24,249,901	21,894,737	20,583,903	19,786,542	18,966,775
	668,197	686,168	584,811	492,126	459,191
	106,213	71,642	64,589	59,940	65,405
	164,844	208,061	176,678	150,584	70,037
	0	0	68,146	0	0
	939,254	965,871	894,224	702,650	594,633
\$	25,189,155	22,860,608	\$ 21,478,127	20,489,192	\$ 19,561,408
\$	51,244	\$ 52,944	\$ 81,992	\$ 220,964	\$ 64,217
	5	0	0	0	0
	206,626	200,094	176,243	162,001	162,652
	51,352	17,456	19,715	17,859	0
	0	0	0	0	0
	148,019	140,112	143,374	141,978	155,244
	118,098	113,975	92,858	38,134	59,442
	95,065	3,776	0	0	2,650
	92,846	33,527	56,541	9,851	7,815
	233,134	207,882	104,580	105,498	166,904
	6,188	7,174	7,076	6,933	7,510
	0	0	0	0	0
	0	0	0	0	10,800
	150,036	139,144	151,189	137,152	185,448
	0	0	0	38,103	29,078
	16,905	0		14,000	45,941
		0	30,718	0	174
		0	0	0	0
		0		0	19,811
	1,169,518	916,084	864,286	892,473	917,686

(continued)

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

	2009	2008	2007	2006
Business-Type Activities				
Charges for Services:				
Food Service	599,641	600,990	529,535	527,520
Uniform School Supplies	104,698	101,299	97,554	92,293
Community Education	357,764	363,369	448,362	243,275
Windsor Educational	0	0	0	0
Operating Grants and Contributions				
Food Service	100,074	76,331	55,301	37,221
<i>Total Business-Type Activities Program Revenues</i>	<u>1,162,177</u>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>
<i>Total Primary Government Program Revenues</i>	<u>2,349,653</u>	<u>2,254,826</u>	<u>2,186,774</u>	<u>2,063,672</u>
Net (Expense) Revenue:				
Governmental Activities	(23,744,441)	(21,836,647)	(22,962,024)	(22,219,869)
Business-Type Activities	29,806	(15,631)	54,683	(6,160)
<i>Total Primary Government Net Expense</i>	<u>\$ (23,714,635)</u>	<u>\$ (21,852,278)</u>	<u>\$ (22,907,341)</u>	<u>\$ (22,226,029)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 18,443,992	\$ 17,044,074	\$ 17,540,958	\$ 14,083,975
Debt Service	2,486,452	2,267,975	2,661,472	2,147,078
Grants and Entitlements not Restricted				
to Specific Programs	5,356,437	4,815,085	4,324,197	4,255,426
Investment Earnings	105,901	232,816	506,124	505,332
Miscellaneous	134,562	127,169	291,590	168,579
<i>Total Governmental Activities</i>	<u>26,527,344</u>	<u>24,487,119</u>	<u>25,324,341</u>	<u>21,160,390</u>
Business-Type Activities:				
Investment Earnings	614	2,432	1,560	3,671
Miscellaneous	0	120	0	26,178
<i>Total Business-Type Activities</i>	<u>614</u>	<u>2,552</u>	<u>1,560</u>	<u>29,849</u>
<i>Total Primary Government</i>	<u>\$ 26,527,958</u>	<u>\$ 24,489,671</u>	<u>\$ 25,325,901</u>	<u>\$ 21,190,239</u>
Change in Net Assets				
Governmental Activities	2,782,903	2,650,472	2,362,317	(1,059,479)
Business-Type Activities	30,420	(13,079)	56,243	23,689
<i>Total Primary Government</i>	<u>\$ 2,813,323</u>	<u>\$ 2,637,393</u>	<u>\$ 2,418,560</u>	<u>\$ (1,035,790)</u>

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

2005	2004	2003	2002	2001
619,966	641,834	549,986	499,914	446,752
96,152	74,349	69,600	66,862	65,833
184,228	191,304	171,745	145,053	83,840
0	0	67,909	0	0
<u>25,531</u>	<u>33,586</u>	<u>55,464</u>	<u>30,762</u>	<u>23,922</u>
<u>925,877</u>	<u>941,073</u>	<u>914,704</u>	<u>742,591</u>	<u>620,347</u>
<u>2,095,395</u>	<u>1,857,157</u>	<u>1,778,990</u>	<u>1,635,064</u>	<u>1,538,033</u>
(23,080,383)	(20,978,653)	(19,719,617)	(18,894,069)	(18,049,089)
(13,377)	(24,798)	20,480	39,941	25,714
<u>\$ (23,093,760)</u>	<u>\$ (21,003,451)</u>	<u>\$ (19,699,137)</u>	<u>\$ (18,854,128)</u>	<u>\$ (18,023,375)</u>
\$ 15,599,444	\$ 15,342,604	\$ 11,672,680	\$ 13,315,386	\$ 11,634,491
2,065,233	2,146,903	1,839,749	1,563,514	1,920,748
4,247,210	4,203,459	3,881,296	3,820,383	3,655,753
91,320	15,472	47,382	225,968	345,430
154,566	88,516	102,179	20,176	28,824
<u>22,157,773</u>	<u>21,796,954</u>	<u>17,543,286</u>	<u>18,945,427</u>	<u>17,585,246</u>
2,214	610	3,226	2,625	2,312
0	0	0	0	0
<u>2,214</u>	<u>610</u>	<u>3,226</u>	<u>2,625</u>	<u>2,312</u>
<u>\$ 22,159,987</u>	<u>\$ 21,797,564</u>	<u>\$ 17,546,512</u>	<u>\$ 18,948,052</u>	<u>\$ 17,587,558</u>
(922,610)	818,301	(2,176,331)	51,358	(463,843)
(11,163)	(24,188)	23,706	42,566	28,026
<u>\$ (933,773)</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 Nine Fiscal Years (1)
(Accrual Basis of Accounting)

	2009	2008	2007	2006
Governmental Activities				
Regular Instruction	\$ 366,345	\$ 197,079	\$ 124,877	\$ 157,946
Special Instruction	25,418	67,296	72,521	76,445
Pupil Support	87,869	93,688	117,182	274,369
Instructional Support	305,995	381,111	351,980	323,026
Administration	5,840	13,322	6,563	6,611
Fiscal	19,206	29,053	22,624	19,908
Operation and Maintenance of Plant	3,246	36,345	27,782	0
Pupil Transportation	0	0	0	0
Operation of Non Instructional	157,624	151,237	164,254	144,668
Extracurricular Activities	215,933	143,706	168,239	160,390
<i>Total Governmental Activities</i>	<u>1,187,476</u>	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>
Business-Type Activities				
Food Service	699,715	677,321	584,836	564,741
Uniform School Supplies	104,698	101,299	97,554	92,293
Community Education	357,764	363,369	448,362	243,275
Windsor Educational	0	0	0	0
<i>Total Business-Type Activities</i>	<u>1,162,177</u>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>
<i>Total Primary Government</i>	<u>\$ 2,349,653</u>	<u>\$ 2,254,826</u>	<u>\$ 2,186,774</u>	<u>\$ 2,063,672</u>

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

	2005	2004	2003	2002	2001
\$	186,247	\$ 166,919	\$ 174,850	\$ 273,098	\$ 169,600
	95,070	3,776	0	0	2,650
	299,472	233,621	232,784	171,852	170,467
	233,134	207,882	135,298	105,498	167,078
	6,188	7,174	7,076	6,933	7,510
	51,352	17,456	19,715	17,859	10,800
	0	0	0	0	0
	0	0	0	0	19,811
	150,036	139,144	151,189	137,152	185,448
	148,019	140,112	143,374	180,081	184,322
	<u>1,169,518</u>	<u>916,084</u>	<u>864,286</u>	<u>892,473</u>	<u>917,686</u>
	645,497	675,420	605,450	530,676	470,674
	96,152	74,349	69,600	66,862	65,833
	184,228	191,304	171,745	145,053	83,840
	0	0	67,909	0	0
	<u>925,877</u>	<u>941,073</u>	<u>914,704</u>	<u>742,591</u>	<u>620,347</u>
\$	<u>2,095,395</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>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$ 3,053,283	\$ 2,879,582	\$ 2,852,743	\$ 2,233,821
Unreserved	1,424,748	0	(2,987,439)	(2,343,891)
<i>Total General Fund</i>	<u>4,478,031</u>	<u>2,879,582</u>	<u>(134,696)</u>	<u>(110,070)</u>
All Other Governmental Funds				
Reserved	674,516	408,383	1,691,974	8,125,446
Unreserved, Reported in:				
Special Revenue Funds	123,372	2,304,098	161,629	122,621
Debt Service Funds	2,539,420	172,850	2,397,617	2,082,765
Capital Projects Funds	128,099	0	724,220	626,179
Permanent Funds	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>3,465,407</u>	<u>2,885,331</u>	<u>4,975,440</u>	<u>10,957,011</u>
<i>Total Governmental Funds</i>	<u>\$ 7,943,438</u>	<u>\$ 5,764,913</u>	<u>\$ 4,840,744</u>	<u>\$ 10,846,941</u>

2005	2004	2003	2002	2001	2000
\$ 3,709,598 (2,539,529)	\$ 2,738,475 (2,125,432)	\$ 1,618,655 (1,462,800)	\$ 2,541,652 (407,207)	\$ 1,644,965 402,935	\$ 1,803,982 633,422
1,170,069	613,043	155,855	2,134,445	2,047,900	2,437,404
1,348,098	491,541	313,346	345,549	345,565	320,611
131,387	192,206	226,609	221,399	200,068	213,329
1,936,245	1,400,736	1,251,625	1,113,357	977,462	835,249
9,002,702	40,976	68,594	518,257	673,101	1,363,673
53	0	0	0	0	0
12,418,485	2,125,459	1,860,174	2,198,562	2,196,196	2,732,862
\$ 13,588,554	\$ 2,738,502	\$ 2,016,029	\$ 4,333,007	\$ 4,244,096	\$ 5,170,266

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenues:				
Taxes	\$ 21,480,808	\$ 19,398,904	\$ 19,173,424	\$ 16,139,165
Intergovernmental	5,992,945	5,517,743	4,997,664	4,933,626
Interest	108,926	272,167	506,124	505,332
Tuition and Fees	314,147	108,321	46,728	67,152
Extracurricular Activities	215,933	233,454	285,421	382,353
Rentals	17,863	29,053	27,744	19,908
Charges for Services	0	0	22,662	15,750
Contributions and Donations	91,937	92,018	263,145	154,981
Miscellaneous	42,625	35,151	28,445	13,418
<i>Total Revenues</i>	<u>28,265,184</u>	<u>25,686,811</u>	<u>25,351,357</u>	<u>22,231,685</u>
Expenditures:				
Current:				
Instruction:				
Regular	10,599,975	9,494,487	9,605,336	9,250,195
Special	1,998,852	1,842,475	1,679,725	1,476,836
Vocational	112,692	108,040	162,699	123,302
Other	20,131	0	13,210	34,060
Support Services:				
Pupils	896,199	962,350	975,776	1,104,862
Instructional Staff	1,283,972	1,251,731	1,387,321	1,357,804
Board of Education	80,176	62,223	94,356	89,883
Administration	1,980,521	2,039,699	2,045,032	1,883,737
Fiscal	835,484	723,495	1,277,306	603,709
Business	400	800	800	800
Operation and Maintenance of Plant	2,368,677	2,253,916	2,516,357	2,489,294
Pupil Transportation	1,182,167	1,124,880	1,115,895	1,143,620
Central	16,632	16,001	22,099	25,809
Operation of Non-Instructional Services	276,529	157,167	161,178	158,724
Extracurricular Activities	797,899	620,941	724,915	697,089
Capital Outlay	831,865	1,703,012	7,001,158	2,213,235
Debt Service:				
Principal Retirement	1,485,870	1,435,000	1,295,000	1,146,145
Interest and Fiscal Charges	1,144,118	1,141,325	1,271,402	1,285,623
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>25,912,159</u>	<u>24,937,542</u>	<u>31,349,565</u>	<u>25,084,727</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	2,353,025	749,269	(5,998,208)	(2,853,042)
Other Financing Sources (Uses):				
Inception of Capital Lease	0	0	0	0
Proceeds of Debt Issuance	0	0	0	0
Refunding Bonds	0	0	0	0
Payment to Refund Bond Escrow Agent	0	0	0	0
Proceeds from Sales of Capital Assets	0	400	3,348	1,205
Bond Premiums	0	0	0	0
Transfers In	417,600	313,600	313,600	430,471
Transfers Out	(417,600)	(313,600)	(324,937)	(320,247)
<i>Total Financing Sources and (Uses)</i>	<u>0</u>	<u>400</u>	<u>(7,989)</u>	<u>111,429</u>
<i>Net Change in Fund Balance</i>	<u>\$ 2,353,025</u>	<u>\$ 749,669</u>	<u>\$ (6,006,197)</u>	<u>\$ (2,741,613)</u>
Debt Service as a Percentage of Noncapital Expenditures	10.68%	11.18%	10.84%	10.58%

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

	2005	2004	2003	2002	2001	2000
\$	18,329,367	\$ 17,162,148	\$ 13,302,500	\$ 14,855,371	\$ 13,548,353	\$ 13,065,299
	4,959,482	4,708,937	4,324,258	4,189,224	4,102,753	3,896,047
	91,320	15,472	47,382	227,195	345,430	462,074
	49,999	49,061	80,678	218,409	48,658	140,660
	355,895	329,479	320,931	306,534	320,430	309,015
	51,352	17,456	19,715	17,859	14,020	15,781
	0	14,610	0	0	0	0
	113,747	87,483	80,252	0	46,478	108,254
	4,429	10,133	33,738	74,718	11,424	24,027
	<u>23,955,591</u>	<u>22,394,779</u>	<u>18,209,454</u>	<u>19,889,310</u>	<u>18,437,546</u>	<u>18,021,157</u>
	9,596,898	9,174,555	8,467,549	8,125,303	8,278,904	7,591,192
	1,646,045	1,336,903	1,175,284	1,335,649	1,162,013	935,067
	71,620	92,934	108,138	101,713	55,069	93,237
	29,720	37,335	5,912	18,144	0	0
	1,146,396	1,082,514	1,066,929	969,626	918,002	828,402
	1,204,234	1,073,138	981,533	944,988	775,947	805,682
	83,115	79,733	63,569	65,947	57,571	69,321
	1,875,080	1,573,006	1,475,971	1,383,754	1,244,528	1,449,521
	945,044	614,891	640,565	547,204	428,235	426,562
	800	800	800	750	0	17,726
	2,334,061	2,305,252	2,152,062	2,114,661	2,057,061	1,937,576
	1,130,762	1,058,296	1,066,596	988,953	762,138	942,333
	24,936	21,452	21,381	21,729	0	20,571
	151,141	181,176	193,699	131,840	223,963	142,115
	695,109	727,167	726,783	690,347	632,153	621,872
	707,912	251,793	281,643	248,154	753,847	3,742,530
	853,647	821,488	814,952	767,723	742,172	439,058
	1,174,244	1,240,118	1,283,851	1,349,265	1,361,834	1,404,466
	188,590	0	0	0	0	0
	<u>23,859,354</u>	<u>21,672,551</u>	<u>20,527,217</u>	<u>19,805,750</u>	<u>19,453,437</u>	<u>21,467,231</u>
	96,237	722,228	(2,317,763)	83,560	(1,015,891)	(3,446,074)
	0	0	0	6,636	31,426	142,726
	9,949,990	0	0	0	0	0
	16,819,988	0	0	0	0	0
	(18,082,289)	0	0	0	0	0
	0	245	785	1,465	0	8,469
	2,066,126	0	0	0	0	0
	315,750	325,450	478,409	51,992	45,578	347,485
	(315,750)	(325,450)	(478,409)	(54,742)	(45,578)	(347,485)
	<u>10,753,815</u>	<u>245</u>	<u>785</u>	<u>5,351</u>	<u>31,426</u>	<u>151,195</u>
\$	<u>10,850,052</u>	\$ <u>722,473</u>	\$ <u>(2,316,978)</u>	\$ <u>88,911</u>	\$ <u>(984,465)</u>	\$ <u>(3,294,879)</u>
	9.68%	9.68%	10.45%	10.93%	11.30%	10.15%

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>
2009	\$ 484,579,200	\$ 1,384,512,000	\$ 5,489,790	\$ 6,238,398
2008	486,429,360	1,389,798,171	5,218,290	5,929,875
2007	482,941,100	1,379,831,714	6,552,990	7,446,580
2006	452,868,880	1,293,911,086	7,173,560	8,151,772
2005	434,192,870	1,240,551,057	6,879,320	7,817,409
2004	431,105,710	1,231,730,600	6,873,410	7,810,693
2003	402,220,270	1,149,200,771	6,465,970	7,347,693
2002	387,295,710	1,106,559,171	7,051,550	8,013,125
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

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

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

Tangible Personal Property (3)		Total			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$ 1,302,500	\$ 5,663,043	\$ 491,371,490	\$ 1,396,413,441	35%	108.30
2,905,855	12,634,152	494,553,505	1,408,362,199	35%	108.30
4,045,333	17,588,404	493,539,423	1,404,866,698	35%	100.40
5,919,019	25,734,865	465,961,459	1,327,797,723	35%	100.90
7,210,137	31,348,422	448,282,327	1,279,716,888	35%	99.80
9,333,450	40,580,217	447,312,570	1,280,121,510	35%	92.20
10,781,967	43,127,874	419,468,207	1,199,676,338	35%	92.10
10,129,867	40,519,468	404,477,127	1,155,091,764	35%	92.30
9,737,879	38,951,516	400,324,069	1,141,116,073	35%	92.80
10,445,953	41,783,812	364,497,433	1,038,725,550	35%	88.00

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
2008	108.30	13.32	15.10	11.20	147.92	5.75	0.5	2.9	9.15
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

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

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

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

Source: Cuyahoga and Geauga County Auditors.

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

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

(2) Represents collection year. 2009 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, 2008 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2008		
Western Reserve Company	\$ 1,844,970	0.38%
Hamlet Retirement LLC	1,731,880	0.36%
Edmund & Laura Leopold	1,703,050	0.35%
Chagrin Falls Shopping Center	1,684,380	0.35%
Harris Realty Co.	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, LLC	836,400	0.17%
Singerman, Lawrence J.	784,500	0.16%
Totals	<u>\$ 13,438,130</u>	<u>1.00%</u>
Total Assessed Valuation	<u>\$ 484,579,200</u>	
December 31, 2003		
Emcore Retirement Partners	\$ 4,167,070	0.97%
Western Reserve Company	1,855,710	0.43%
Chagrin Falls Shopping Center	1,606,500	0.37%
Harris Realty Co.	1,562,260	0.36%
Cleveland Electric Illuminating Company	1,448,340	0.34%
Ohio Bell Telephone Company	1,038,040	0.24%
River Street Partners LLC.	884,660	0.21%
JPJ Properties LLC.	739,710	0.17%
BHC Windsor Hospital, Inc.	593,710	0.14%
Step North Equities, LTD.	540,830	0.13%
Totals	<u>\$ 14,436,830</u>	<u>3.35%</u>
Total Assessed Valuation	<u>\$ 431,105,710</u>	

Source: Cuyahoga and Geauga County Auditors for 2008 and Cuyahoga County Auditor for 2003.

(1) Assessed values are for the 2009 collection year for 2008 and the 2004 collection year for 2003.

Information prior to 2000 was not available

Chagrin Falls Exempted Village School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2008 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2008		
Time Warner NY Cable LLC	162,250	12.46%
New Par	106,120	8.15%
Alltel Ohio L.P.	93,070	7.15%
Chagrin Pet and Garden Supply	71,440	5.48%
CVS Discount Drug	65,010	4.99%
Giant Eagle, Inc.	57,580	4.42%
DeLage Landen Services LLC	45,980	3.53%
Charley Geigers	45,450	3.49%
Medtronics USA, Inc.	44,540	3.42%
Windstream	39,010	3.00%
Totals	<u>\$ 730,450</u>	<u>56.08%</u>
Total Assessed Valuation	<u>\$ 1,302,500</u>	
December 31, 2003		
Alcoa, Inc.	\$ 1,271,940	13.63%
Nalco Company	348,470	3.73%
Adelphia of the Midwest, Inc.	206,570	2.21%
Giant Eagle, Inc.	203,950	2.19%
CVS Discount Drug	198,530	2.13%
Chagrin Pet and Garden Supply	198,480	2.13%
Cuff's Clothing	171,440	1.84%
American Teleradiology	138,230	1.48%
Lyon Financial Services, Inc.	123,130	1.32%
Cleveland Plumbing Supply Co.	114,780	1.23%
Totals	<u>\$ 2,975,520</u>	<u>31.88%</u>
Total Assessed Valuation	<u>\$ 9,333,450</u>	

Source: Cuyahoga and Geauga County Auditors.

(1) Assessed values are for the 2009 collection year for 2008 and the 2004 collection year for 2003.

Information prior to 2000 was not available

Chagrin Falls Exempted Village School District
Principal Taxpayers
Public Utility Personal Property Tax
December 31, 2008 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2008		
Cleveland Electric Illuminating Company	2,684,940	48.91%
American Wireless Transmission	396,200	7.22%
Ohio Bell Telephone Company	243,250	4.43%
East Ohio Gas Company	233,370	4.25%
Totals	<u>\$ 3,557,760</u>	<u>64.81%</u>
Total Assessed Valuation	<u>\$ 5,489,790</u>	
December 31, 2003		
Cleveland Electric Illuminating Company	\$ 1,459,330	21.23%
Ohio Bell Telephone Company	847,850	12.34%
American Wireless Transmission	170,840	2.49%
Norfolk Southern Combined	153,520	2.23%
Ameritech	61,040	0.89%
Totals	<u>\$ 2,692,580</u>	<u>39.17%</u>
Total Assessed Valuation	<u>\$ 6,873,410</u>	

Source: Cuyahoga and Geauga County Auditors.

(1) Assessed values are for the 2009 collection year for 2008 and the 2004 collection year for 2003.

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, 2009*

	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District (1)	Amount Application to School District
Direct:			
Chagrin Falls Exempted Village	\$ 25,264,108	100.00%	\$ 25,264,108
Overlapping:			
Cuyahoga County	248,899,326	0.96%	2,385,699
Regional Transit Authority	172,765,000	0.96%	1,655,952
Bentleyville Village	655,000	21.43%	140,372
Chagrin Falls Village	3,000,000	58.42%	1,752,538
Moreland Hills Village	925,000	15.97%	147,686
Total Overlapping	426,244,326		6,082,247
Total	\$ 451,508,434		\$ 31,346,355

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, 2009

	2009	2008	2007	2006
Assessed Valuation	\$ 491,371,490	\$ 494,553,505	\$ 493,539,423	\$ 465,961,459
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 44,223,434	\$ 44,509,815	\$ 44,418,548	\$ 41,936,531
Outstanding debt:				
General Obligation Bonds	25,264,108	26,749,978	28,184,978	29,479,978
Less Amount Available in Debt Service	(2,944,092)	(2,709,481)	(2,706,487)	(2,445,341)
Total	22,320,016	24,040,497	25,478,491	27,034,637
Amount of Debt Subject to Debt Limit:	22,320,016	24,040,497	25,478,491	27,034,637
Overall Debt Margin	\$ 21,903,418	\$ 20,469,318	\$ 18,940,057	\$ 14,901,894
Bonded Debt Limit - .1% of Assessed Value (1)	491,371	494,554	493,539	465,961
Amount of Debt Applicable	-	-	-	-
Unvoted Debt Margin	\$ 491,371	\$ 494,554	\$ 493,539	\$ 465,961

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.

2005	2004	2003	2002	2001	2000
\$ 448,282,327	\$ 447,312,570	\$ 418,605,651	\$ 404,477,127	\$ 400,324,069	\$ 364,497,433
\$ 40,345,409	\$ 40,258,131	\$ 37,674,509	\$ 36,402,941	\$ 36,029,166	\$ 32,804,769
30,619,978 (2,447,563)	21,515,000 (1,754,657)	22,310,000 (1,432,349)	23,080,000 (1,414,155)	23,775,000 (1,167,897)	24,450,000 (1,086,369)
28,172,415	19,760,343	20,877,651	21,665,845	22,607,103	23,363,631
28,172,415	19,760,343	20,877,651	21,665,845	22,607,103	23,363,631
\$ 12,172,994	\$ 20,497,788	\$ 16,796,858	\$ 14,737,096	\$ 13,422,063	\$ 9,441,138
448,282	447,313	418,606	404,477	400,324	364,497
-	-	-	-	-	-
\$ 448,282	\$ 447,313	\$ 418,606	\$ 404,477	\$ 400,324	\$ 364,497

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

Fiscal Year	General Obligation Bonds (1)	Percentage of Personal Income (2)	Net Debt Per Capita
2009	\$ 25,264,108	0.37%	\$ 1,745
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

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

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property (2)	General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Debt Bonded Debt Per Capita
2009	14,481	\$ 1,396,413,441	\$ 25,264,108	\$ 2,944,092	\$ 22,320,016	1.60%	\$ 1,541
2008	14,481	1,408,362,199	26,749,978	2,709,481	24,040,497	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

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

Year	Cuyahoga County Population (1)	Geauga County Population (1)	Bentleyville Village Population (2)	Chagrin Falls Village Population (2)
2009	1,283,925	94,753	896	3,641
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

(1) Cleveland Plain Dealer Newspaper

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

(3) Department of Job and Family Services

Moreland Hills Village Population (2)	South Russell Township Population (2)	Per Capita Income	Personal Income	Cuyahoga County Unemployment Rate (3)	Geauga County Unemployment Rate (3)
3,064	3,913	1.6	92,991	10.2	7.9
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

Chagrin Falls Exempted Village School District
Principal Employers
Current and Previous Year

		2009		
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment (1)
Chagrin Falls Exempted Village Schools	Public Schools	252	1	N/A
Hamlet Village LLC	Healthcare Services	160	2	N/A
Village of Chagrin Falls	Government	75	3	N/A
Howard Hanna Smythe Cramer Co.	Real Estate	70	4	N/A
Game Keepers Hospitality, Inc.	Restaurant	60	5	N/A
Giant Eagle, Inc.	Grocery Store	53	6	N/A
Re/Max Traditions	Real Estate	30	7	N/A
South Russell Village	Government	26	8	N/A
			9	
		2008 (2)		
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment (1)
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.

(2) This is the most recent readily available.

Source: Chagrin Falls Village and Chagrin Falls Library

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

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

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

Source: School District Records

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

Year	General Fund Expenditures	Average Daily Student Enrollment	Cost Per Pupil
2009	\$ 21,460,131	2,033	\$ 10,556
2008	19,633,885	1,997	9,832
2007	20,788,743	1,959	10,612
2006	19,296,420	1,956	9,865
2005	24,249,901	1,901	12,756
2004	21,894,737	1,970	11,114
2003	20,583,903	1,967	10,465
2002	19,786,542	1,914	10,338
2001	15,879,362	1,919	8,275
2000	15,237,712	1,935	7,875

Source: School District Financial Records

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

Degree	2009	2008	2007	2006	2005
Bachelor's Degree	8	10	18	18	15
Bachelor + 10	4	9	7	8	6
Bachelor + 20	11	9	9	10	17
Bachelor + 30	9	12	13	14	17
Master's Degree	53	48	56	56	46
Master's + 10	34	30	27	28	29
Master's + 20	16	16	12	12	12
Master's + 30	8	9	11	9	10
Phd	1	1	1	1	1
Total	144	144	154	156	153

Source: School District Personnel Records.

2004	2003	2002	2001	2000
21	22	23	30	22
9	13	12	9	10
15	15	15	14	19
17	14	14	16	14
40	45	47	45	42
26	23	18	21	19
14	10	12	7	10
10	10	8	7	9
1	1	1	1	1
153	153	150	150	146

Chagrin Falls Exempted Village School District
Enrollment Statistics
Last Ten Fiscal Years

Year	Elementary School	Intermediate School	Middle School	High School	Total
2009	576	478	282	697	2,033
2008	592	436	322	647	1,997
2007	581	431	296	651	1,959
2006	515	422	315	651	1,903
2005	464	446	315	638	1,863
2004	462	431	314	645	1,852
2003	458	447	330	632	1,867
2002	475	447	327	597	1,846
2001	483	458	338	580	1,859
2000	490	470	338	556	1,854

Source: School District Records

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

Fiscal Year	Chagrin Falls Average	State Average
2009 (1)	N/A	N/A
2008	17.8	18.6
2007	16.3	19.6
2006	16.5	18.9
2005	17.2	18.5
2004	17.5	18.5
2003	15.5	16.6
2002	16.1	16.9
2001	17.8	18.0
2000	18.0	18.1

Source: Ohio Department of Education, EMIS Reports.

(1) Information for 2009 not readily available.

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

Fiscal Year	Chagrin Falls Attendance Rate	State Average	Chagrin Falls Graduation Rate	State Average
2009	96.0	94.3	100.0	84.6
2008	96.0	94.2	100.0	86.9
2007	95.9	94.1	98.8	86.1
2006	96.1	94.1	98.8	86.2
2005	96.0	94.3	100.0	85.9
2004	95.7	94.5	100.0	84.3
2003	95.4	94.5	96.6	83.9
2002	96.1	94.3	98.6	82.8
2001	95.6	93.9	97.1	81.2
2000	96.2	93.6	99.3	80.7

Source: Ohio Department of Education Local Report Cards

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Chagrin Falls Exempted Village School District

SAT Scores

Last Ten Fiscal Years

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Chagrin Falls Critical Reading	Ohio Critical Reading	National Critical Reading
2009	111	150	74	568	537	501
2008	128	163	79	560	534	502
2007	139	171	81	561	536	502
2006	151	168	90	554	535	503
2005	153	174	88	569	538	508
2004	142	164	87	555	538	508
2003	121	139	87	555	536	507
2002	133	144	92	547	533	504
2001	121	137	88	544	534	506
2000	124	135	92	547	533	505

Source: High School Guidance Office

Chagrin Falls Math	Ohio Math	National Math	Chagrin Falls Writing	Ohio Writing	National Writing
600	546	515	569	523	493
590	544	515	559	521	494
584	542	515	564	522	494
592	544	518	549	521	493
595	542	518	N/A	N/A	N/A
580	542	518	N/A	N/A	N/A
597	541	519	N/A	N/A	N/A
589	540	516	N/A	N/A	N/A
570	539	514	N/A	N/A	N/A
579	539	514	N/A	N/A	N/A

Chagrin Falls Exempted Village School District
ACT Composite Scores
Last Ten Fiscal Years

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Chagrin Falls Composite	Ohio Composite	National Composite
2009	108	150	72%	25.5	21.7	21.1
2008	122	163	75%	25.4	21.7	21.1
2007	123	171	72%	25.5	21.6	21.2
2006	108	168	64%	25.1	21.5	20.9
2005	131	174	75%	25.4	21.4	20.9
2004	103	164	63%	24.1	21.4	20.9
2003	95	139	68%	24.9	21.4	20.8
2002	97	144	67%	24.6	21.4	20.8
2001	101	137	74%	23.6	21.4	21.0
2000	103	135	76%	23.5	21.4	21.0

Source: High School Guidance Office

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

Function	2009	2008	2007	2006	2005
Regular Instruction					
Elementary Classroom Teachers	29.50	29.00	29.00	28.00	27.00
Intermediate Classroom Teachers	26.00	26.50	26.50	25.00	24.50
Middle School Classroom Teachers	19.00	20.00	20.00	21.50	20.50
High School Classroom Teachers	40.00	42.50	42.50	42.00	42.00
Special Instruction					
Elementary Classroom Teachers	6.00	6.00	6.00	7.00	7.50
Intermediate Classroom Teachers	4.50	4.50	4.50	5.50	5.00
Middle School Classroom Teachers	3.00	2.50	2.50	2.50	2.00
High School Classroom Teachers	3.00	3.00	3.00	2.00	2.00
Pupil Support Services					
Guidance Counselors	6.00	6.00	6.00	6.00	6.00
Librarians	4.00	4.00	2.00	2.00	2.00
Psychologists	1.00	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	2.00	3.50	3.50	2.00	2.00
Instructional Support Services					
Non-Teaching Support Staff Elementary	12.00	12.50	12.50	13.50	12.50
Non-Teaching Support Staff Intermediate	7.00	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	4.00	5.00	5.00	5.00	4.00
Non-Teaching Support Staff High	6.50	7.50	7.50	6.50	6.00
Non-Teaching Support Staff Central	2.00	3.50	3.50	3.00	3.00
Administration					
Elementary	1.00	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00	2.00
Business					
Central	2.00	2.00	2.50	2.50	2.50
Business					
Treasurer Department	4.00	4.00	4.00	4.00	4.00
Operation of Plant					
Custodian Department	19.00	19.00	19.00	19.00	19.00
Maintenance Department	4.00	4.00	4.00	4.00	5.00
Pupil Transportation					
Bus Drivers	22.00	20.50	20.50	20.00	21.00
Mechanics	1.50	1.50	1.50	1.50	1.50
Transportation Support Staff	1.50	0.50	0.50	0.50	0.50
Central					
Community Relations	1.00	1.00	1.00	1.00	1.00
Technology	2.00	2.00	3.00	3.00	3.00
Personnel	0.50	0.50	0.50	0.50	0.50
Extracurricular					
Athletic Department	2.00	2.00	2.00	2.00	2.00
Food Service Program					
Elementary	2.00	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	3.00
High School Cooks	5.00	5.00	5.00	5.00	5.00
Central	1.00	1.00	1.00	1.00	1.00
Community Service					
Community Education	1.50	1.50	1.50	1.50	1.50
Totals	255.50	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.

Source: School District Records



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 18, 2010