

**Chagrin Falls Exempted Village
School District
Cuyahoga County, Ohio**

*Reports Issued Pursuant to
Government Auditing Standards
And OMB Circular A-133*

For the Fiscal Year Ended
June 30, 2012



Dave Yost • 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, 2011 through June 30, 2012. 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.

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

Dave Yost
Auditor of State

January 18, 2013

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
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December 11, 2012

The Board of Education
Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
400 East Washington Street
Chagrin Falls, OH 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the School District) as of and for the year ended June 30, 2012, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 11, 2012. 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

Management of the School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's 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 *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio
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
Page 2

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the School District in a separate letter dated December 11, 2012.

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

Rea & Associates, Inc.

December 11, 2012

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

Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133

Compliance

We have audited the compliance of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the School District) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended June 30, 2012. The School District's major federal program is identified in the summary of auditor's results section of the accompanying *Schedule of Findings*. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the School District's management. Our responsibility is to express an opinion on the School District's compliance based on our audit.

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

In our opinion, the School District complied, in all material respects, with the compliance requirements referred to above that are could have a direct and material effect on its major federal program for the year ended June 30, 2012.

Internal Control over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School District as of and for the year ended June 30, 2012, and have issued our report thereon dated December 11, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the School District's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

Kea & Associates, Inc.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended June 30, 2012

Federal Grantor/Pass-through Grantor Program Title	CFDA Number	Program Year	Federal Receipts	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION (Passed through Ohio Department of Education)				
<i>Special Education Cluster</i>				
Special Education - Grants to States	84.027	2012	\$ 341,013	\$ 341,013
ARRA - Special Education - Grants to States	84.391	2012	72,979	157,299
Special Education - Preschool Grants	84.173	2012	9,742	9,742
<i>Total Special Education Cluster</i>			<u>423,734</u>	<u>508,054</u>
Title I - Grants to Local Educational Agencies	84.010	2012	62,840	62,840
Title II-A - Improving Teacher Quality	84.367	2012	27,397	27,397
Title II-D - Educational Technology	84.318	2012	442	442
ARRA - Race to the Top	84.395	2012	43,937	42,937
ARRA - Race to the Top - Entry Year	84.395	2012	1,400	1,400
Total Race to the Top			<u>45,337</u>	<u>44,337</u>
Education Jobs Fund	84.410	2012	99,115	99,115
Total U. S. Department of Education			<u>658,865</u>	<u>742,185</u>
U. S. DEPARTMENT OF AGRICULTURE (Passed through Ohio Department of Education)				
Child Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program	10.555	2012	20,749	20,749
Cash Assistance:				
National School Lunch Program	10.555	2012	40,775	40,775
<i>Total Child Nutrition Cluster</i>			<u>61,524</u>	<u>61,524</u>
Total US Department of Agriculture			<u>61,524</u>	<u>61,524</u>
Total Federal Financial Assistance			<u>\$ 720,389</u>	<u>\$ 803,709</u>

See accompanying notes to this schedule

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2012

Note A – Significant Accounting Policies

The accompanying schedule of expenditures of federal awards is a summary of the activity of the School District's federal award programs. The schedule has been prepared on the cash basis of accounting. Consequently, certain revenues are recognized when received rather than when earned and certain expenditures are recognized when paid rather than when the obligation is incurred.

Note B - Child Nutrition Cluster

Federal money commingled with state subsidy reimbursements. It is assumed federal moneys are expended first.

Note C – Food Donation Program

Program regulations do not require the School District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance and related expenditures are reported in this schedule at the value of the commodities received as assessed by the U.S. Department of Agriculture (entitlement value).

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Findings
OMB Circular A-133, Section .505
June 30, 2012

1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any other significant deficiency conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Was there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other significant deficiencies reported for major federal programs?	No
(d) (1) (v)	Type of Major Program's Compliance Opinion	Unqualified
(d) (1) (vi)	Are there any reportable findings under Section .510?	No
(d) (1) (vii)	Major Program (list): Special Education Cluster	CFDA #84.027, 84.173, 84.391
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	Yes

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

None noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None noted

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2012

Finding Number	Finding Summary	Fully Corrected?	Corrected, Significantly Different Corrective Action Taken or Finding No Longer Valid Explain
2011-001	Special Education Cluster, CFDA# 84.027, 84.391, 84.173, 84.392 Time and effort log not maintained for an employee	Yes	

Chagrin Falls, Ohio Exempted Village School District

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

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, 2012
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**INTRODUCTORY
SECTION**



Chagrin Falls Exempted Village Schools

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ANNE SPAND
Treasurer/CFO

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Vice President
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ROBERT H. WEBER

December 11, 2012

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, 2012. 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 2012-2013 school year) is 2,017, and enrollment projections show that enrollment will remain steady over the next ten years (no substantial growth or reductions).

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

The Reporting Entity

The School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Chagrin Falls Exempted Village School District (the primary government) and its potential component units.

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

Major Initiatives

The Chagrin Falls Exempted Village Schools have been successfully built by preserving a strong sense of tradition combined with a strong school network. Our school system and community exhibit a common strength; we work together to maintain and develop excellence in education. Our goal will be to continually challenge our students to be the best they can in every aspect of the educational process. We will strive to meet the needs of the present while constantly looking to the future so that we are setting the standard for public education. The Chagrin Falls School District is one of the top achieving districts in the state. Based on preliminary information, we will again receive the "Excellent with Distinction" rating, one of only three districts out of 609 to receive this rating all twelve years that it has been offered by the Ohio Department of Education. SAT and ACT test scores are consistently above national averages. 96.3% of last year's graduating class went on to college. They were accepted at 145 colleges and universities in 31 states and chose to attend 68 colleges in 22 states. Many of these students received college credit based on Advanced Placement (AP) scores. According to the AP official report, of the 498 AP tests taken, 90% of our students scored a 3 or better.

Tradition is also very apparent in the wide number and variety of community groups that have always supported by our schools and are a vital part of our district's ability to fund educational programs. PTO, Boosters, Music Lovers, Dad's Club, Educational Foundation, and OPEN have been there to help raise substantial funds to assist our district with everything from equipment to staff development. And, equally important, these groups as well as countless other members of the community have volunteered innumerable hours to help our schools in a wide variety of projects.

Gurney Elementary School is a very warm, welcoming environment in which a child-centered atmosphere is maintained along with a focus on academic excellence. All teachers at Gurney provide daily experiences for their students that encourage emotional, social, physical and academic growth. During the 2011-2012 school year almost 600 students in Preschool, Kindergarten, First, Second and Third Grades attended Gurney. In addition to the high caliber instruction within the academic programs, students identified with exceptional needs are supported by the assistance of intervention specialists, speech therapists, an occupational therapist, a physical therapist, reading interventionists, a math interventionist, and a guidance counselor. Weekly instruction was provided for all students in art, music, physical education, and library. Second and Third Graders also received instruction in Chinese and Spanish! Along with those specialty areas, each classroom teacher utilized the computer lab, smart boards/mimios, mobile iPod Touch lab, mobile iPad lab, digital/flip cameras and extensive science materials to supplement and extend learning experiences.

Gurney staff and students are proud of many achievements in 2011-2012. First, Gurney Elementary School received the 2012 Hall of Fame School Award from OAESA. This is an honor that Gurney received in 2004 and proudly competed in again to be recognized in Ohio for 2012. The Hall of Fame School Award thoroughly evaluates elementary schools through both written application and site visits on every component of an excellent school: Instructional System, Student Achievement, Student Development, Personnel, Administration, School Management, and Stakeholders. Next, Gurney Elementary School was named the One School, One Book Model School for 2012 by the Read to Them Organization! This is a national recognition that Gurney students, staff, and families contributed to earning. Students were introduced to the book, The Saturdays, at a surprise assembly and then all Kindergarten, First, Second, and Third Graders read a chapter each night at home. During the school days we had trivia questions based on the readings, activities tied to the themes and characters of the novel, foods in the cafeteria related to the novel, and special assemblies highlighting aspects of the novel's plot. During this time, the whole school worked together on a used book drive and collected over 4,500 books to donate to an elementary school in need and share our love of reading! Additionally, Our Third Grade Gurney Service Learning Club provided many services this year to various community groups including Geauga County Meals on Wheels, Hamlet

Senior Center, and the Leukemia/Lymphoma Society. Finally, all Gurney students enjoyed a much more kinesthetic feel in classrooms as stability balls have replaced most classroom chairs, teachers utilized Hop Sports Brain Break activities, children's yoga activities, Brain Gym activities and other movement connected to learning strategies. These special programs, activities, and accomplishments are just a sample of what made 2011-2012 such a fantastic year at Gurney!

Gurney School was recognized by the State Department of Education as Excellent once again. Kindergarteners' reading and writing skills soared through poetry and writer's workshop activities. First Graders displayed their writing and reading accomplishments at a Mothers' Day Tea and a Dads' and Doughnuts event. Second Graders demonstrated basic economics concepts by creating "mini-societies" in which they provided goods and services. Third Graders enjoyed science and social studies rotations among all of their teachers through which students were challenged with hands-on activities. In specialty areas students demonstrated great skills. Of course the Gurney Holiday Show was a fantastic musical hit. In art classes, our students worked with varied mediums to explore the strategies they learned from famous artists in history. In physical education classes our students learned dances from all over the world and the basics of many popular sports. All of these programs and more have enhanced the culture at Gurney Elementary School.

Chagrin Falls Intermediate School houses our district's fourth, fifth and sixth graders. In the 2011-2012 school year, the enrollment reached nearly 500 students. The faculty and student body work together to provide a rich foundation in learning and to develop an intentional environment for physical, social, and emotional development. The theme for last school year was "Dream Big". Students were guided to think about and plan grand or compelling accomplishments in both their education and non-academic lives. Each quarter students were guided through a structured goal-setting process that involved written academic, home or civic goals. Parents and teachers helped to monitor and empower students. The school celebrated many goals at a mid-year assembly. Students were asked to "Dream Big" with their lives and accomplish their dreams through determination and effort.

We are grateful to have such a beautiful and safe community and many students took advantage of that by walking or bike riding to school. Our grant-funded Safe Routes to School program encouraged our community to help with this as well. Events throughout the year included a Walk to School Day and Bike to School Day.

The Intermediate School staff worked on important instructional goals this year. The first goal was to implement a new language arts program in grades five and six. The second goal was to continue the development of RTI procedures (a program that supplements and extends learning during a non-core academic period.) The third goal was develop a School Schedule Task Force to examine and revise the school schedule. The school's fourth goal was to create opportunities for students to have physical activity breaks throughout the school day based on current research and in support of the "SmartKidsMove" Program.

In addition, the Intermediate School staff continued with the "One Book One School" program. We surprised our students with an opening assembly that introduced the program as well as the novel that the entire school read for the month of May: The Boy that Saved Baseball. The theme included a visit from Cleveland Indians mascot, Slider, as well as a trip by two homerooms to Progressive Field to play kickball in the outfield. This last event was the final reward for classes that raised the most funds for cancer research through the KickIt Program.

After-school activities are an important aspect to social and emotional development. In the spring, many of our fifth grade students made rockets in Rocket Club. This culminated with a huge rocket launch behind the Middle School. PAWS (People Always Willing to Serve) is a service-learning club that works on different projects to help others. They conducted a number of projects throughout the year, but a pivotal service was connecting in partnership with the elderly residents at South Franklin Circle. Destination Imagination was very successful again this year.

Our "specials" play a huge part in the education of our students. We enjoyed several outstanding music concerts this year. Our CFIS Select Choir visited WKYC, was asked to sing the National Anthem at the Lake County Captains Minor League Baseball game, and performed at a number of local venues as well. All of our students took

Chinese and Spanish as part of our specials programming. The CFIS Art Show held in May was an amazing event that showcased our school and community's appreciation for the Arts.

Chagrin Falls Middle School had a student enrollment of 328 seventh and eighth graders for the 2011-2012 academic year. This year, students were provided many educational opportunities that included two tiers of language arts instruction, accelerated courses for high school credit, several foreign language opportunities, and special classes including choir, band, art, computer, health, PE, and consumer science. Students performed exceptionally well on the Ohio Achievement Tests administered in the spring. In reading, 95.7% of all seventh graders and 96.4% of all eighth graders performed above the proficient level. In math, 95.7% of all seventh graders and 94.6% of all eighth graders performed above the proficient level. In science, 91.0% of all eighth graders performed above the proficient level. This is evidence of the strong instructional strategies used by the staff. Because of our strong academic performance, the Middle School has been recognized as a National Blue Ribbon School.

Chagrin Falls Middle School is a member of the Chagrin Valley Conference. This allows our students to participate in 12 interscholastic sports. Other extracurricular activities include student council, Principal Advisory Committee, Ski Club, Middle School select choir, yearbook, newspaper, and Power of the Pen. Several of our students participated and placed in a mathematics competition hosted by the Greater Council on Mathematics Education. Our student council raised over \$1,400 in our Pasta for Pennies campaign to raise money for the Leukemia and Lymphoma Society.

Middle school students had many opportunities to participate in educational field trips this year. Foreign language students took six field trips that extended their knowledge of their chosen language. Ten eighth graders were chosen to participate in the Chagrin Valley Leadership Conference located at Independence Middle School. The eighth graders traveled to Washington, D.C. in November. This trip extended student learning and supported state standards in all content areas.

The Middle School has a strong focus on fine arts with many of our students performing in strings, choir, and band concerts throughout the year. Twelve of our students participated in the CVC Art Forum hosted by Beachwood Middle School. All of our students had artwork displayed at the district art show at Hamlet with many of them winning awards. Participation in these kinds of activities enhances and supports academics in the classroom.

The Middle School focused on effective education by organizing Challenge Day for the entire school. The theme for Challenge Day was "Be the change..." and focused on accepting each other with the realization that we all have challenges in our lives. At the end of the year, we hosted a "Survivor Day" that involved organizing 20 teams of students. Students participated in a variety of challenges that included fine arts, academic, and physical challenges. Each team was awarded small prizes with the winners getting a rotating trophy. All these programs were student planned and led.

The Middle School staff members believe that the success of our students is dependent on our partnership with home and community. The staff will continue to strive for academic excellence by providing successful opportunities for all our students.

Chagrin Falls High School is a four-year comprehensive high school, founded over 160 years ago, that continues to be recognized as a National School of Excellence. Due to the hard work of our students supported by their parents, teachers, and community, Chagrin Falls High School was ranked as the top high school in Northeast Ohio by Newsweek (#4 in Ohio), The Washington Post (#5 in Ohio), and US News & World Report (#6 in Ohio) this past year.

We had another successful Advanced Placement testing season in which 209 students took 498 exams. We had the highest scores in our Advanced Placement program's history with 91% of our students scoring a 3 or higher on their exams.

During the 2011-12 school year, 651 students attended Chagrin Falls High School. Small class sizes, over 130 course offerings including 22 Career Technical Education Programs through the Excel TECC consortium, and 18 Advanced Placement classes provided students with the opportunity for academic and personal growth. The commitment to academic excellence was highlighted with six commended scholars in the National Merit Corporation competition.

The Fine Arts are a vital portion of the well-rounded education provided at Chagrin Falls High School. The Drama and Music Departments presented sell-out performances of 12 Angry Jurors and Fiddler on the Roof. Our music program featured marching band and concert bands, string orchestra, women's choir and mixed ensemble. Chagrin Falls High School also hosts the Academy for Performing Arts, which includes students from the nine districts that participate in the Excel TECC career technical consortium. Many of our art students received recognition at the local, state, and national levels for their work.

The school is committed to the full development of its student-athletes by offering 24 varsity sports. Football, Girls Tennis, Wrestling, Cross Country, Swimming & Diving, Girls Lacrosse, and Track were represented at the state championship level.

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 a school television station that records morning announcements.

Students also gave back to the community by participating in several service projects which included a blood drive, canned food drive, donation to various causes and charities including Adopt a Family and Meals on Wheels. Most of our graduating seniors participated in senior project, which provided them with an opportunity to gain on-the-job experience in various career settings including engineering, medicine, business, media, and education.

The collective efforts our students, parents, staff, and community made this another great year at Chagrin Falls High School.

Future Projects

The educational program serves our students, parents and community in an effort to continuously improve. This process involves assessing current programs, identifying areas to improve, developing options, selecting the best option and assessing results. Course of study revisions for the 2012 - 2013 school year are math and art. The district continues to develop and expand the use of technology in the classroom. The district continues to utilize a response to intervention model to assist at risk students. The entire teaching staff is mapping their new standards in each course and grade level. Teachers are also working on Student Learning Objectives as part of the new teacher evaluation system. The district remains committed to offering a well-rounded education that promotes international mindedness as we continue to foster international collaborative relationship with China.

From a financial viewpoint, the School District will continue to monitor and impact, where possible, the Ohio Supreme Court's decisions regarding school funding and the legislative implementation of solutions. The School District will also seek the Certificate of Excellence in Financial Reporting for the School District's 2012 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 92% of the area is residential and 8% of the area is business property. The average federal adjusted gross income levels were at \$153,907 based on the 2010 Ohio Department of Taxation records, which maintains the Chagrin Falls Exempted Village School District as fifth in the State among 614 school districts. The School District has been ranked among the top ten school districts for the past twenty-three years.

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 to 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, located in the City of Cleveland within a half-hour's drive of the School District. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority.

Within commuting distance are several public and private two-year and four-year colleges and universities, including Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Ursuline College, Notre Dame College, and the University of Akron.

The District is served by the Chagrin Falls Branch of the Cuyahoga County Library System. Within the District, there are five municipal parks totaling 8.5 acres. In addition, the South Chagrin Reservation of the Cleveland Metropolitan Park District is located nearby.

The District's close proximity to the City of Cleveland affords the District all the cultural, recreational, social and educational opportunities of this metropolitan area. Within the District itself, a summer recreation center has been operational for decades and a community theater offers entertainment opportunities. Annually on Memorial Day the community gathers for "Blossom Time," a festival including a parade, a race, hot air balloons, etc.

The District contains many unique commercial enterprises, and an industrial park that recently added a tortilla chip company. It is experiencing other economic development such as the Spillway Project (restoring a historic paper mill to include commercial entertainment, a brewery, and office and restaurant space).

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. An additional 7.9 mill operating levy was approved by voters in March, 2012.

Financial Information

Internal Accounting and Budgetary Control

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

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

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

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

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amounts set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund in the general and debt service funds and at the fund level for all other funds. All purchase order requests must be approved by the Building Principal and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible.

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

Financial Condition

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

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

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

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

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion provides an assessment of the School District's finances for 2012 and a discussion of current issues that affect the School District's outlook for the future.

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. rendered an opinion on the School District's financial statements for the fiscal year ended June 30, 2012. 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, 2011. 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. Robert W. Hunt
Superintendent



Ms. Anne Spano
Treasurer

Chagrin Falls Exempted Village School District
Principal Officials
June 30, 2012

Board of Education

Mary Kay O'Toole	President
Anne B. Thomas Ph.D.	Vice President
Harry Cashy	Member
Michael Hogan	Member
Rob Weber	Member

Treasurer/CFO

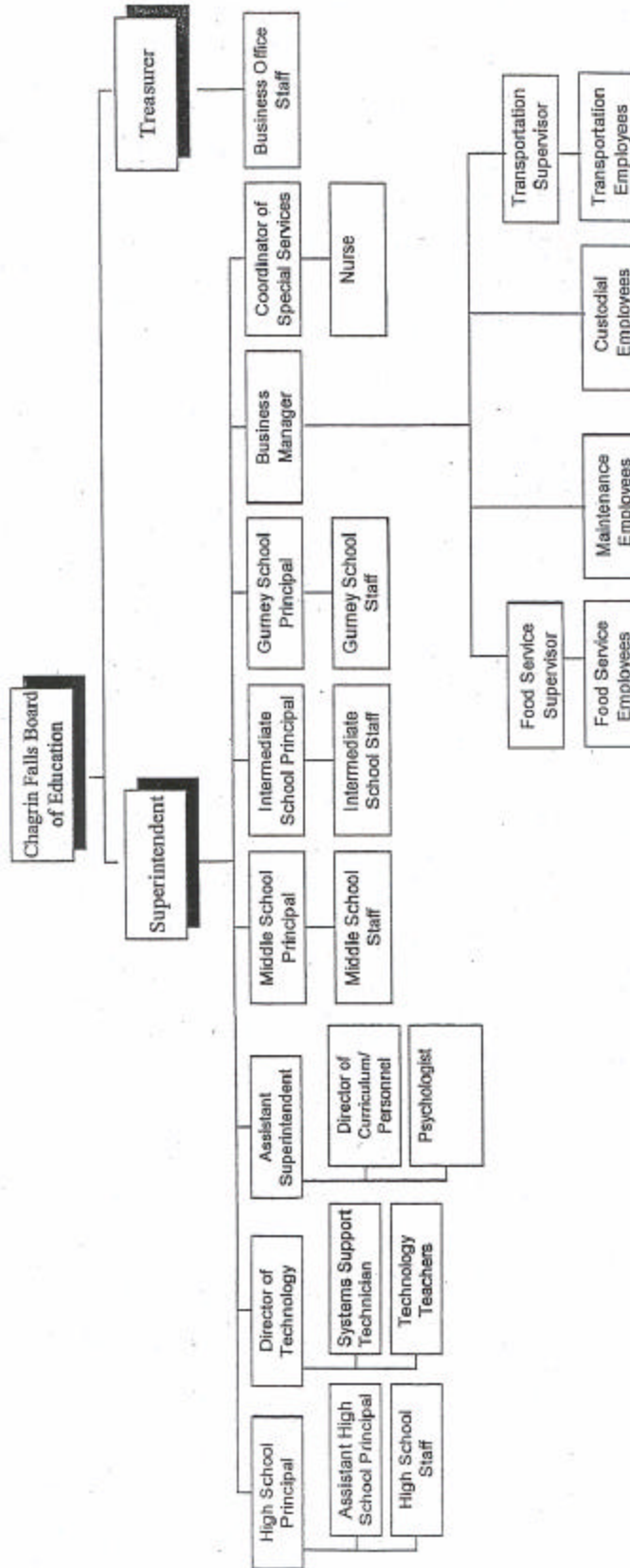
Anne Spano

Superintendent

Robert Hunt

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, 2011

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.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

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FINANCIAL SECTION

December 11, 2012

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

Independent Auditor's Report

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the School District), as of and for the year ended June 30, 2012, 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, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2012, and the respective changes in financial position and 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 11, 2012, 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Rea & Associates, Inc.

Chagrin Falls Exempted Village School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

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, 2012. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2012 are as follows:

- Net assets increased \$.4 million, which represents a 3.3 percent increase from 2011.
- Capital assets increased \$1.5 million during fiscal year 2012.
- During the year, outstanding debt decreased from \$26.8 million to \$26.5 million. The School District issued \$1.0 million in Energy Conservation bonds and made principal payments of \$.5 million.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the 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 look at 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.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2012?" 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.

Chagrin Falls Exempted Village School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

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*, Governmental Activities include the School District's programs and services, including instruction, support services, extracurricular activities, and non instructional services, i.e., food service operations.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 14. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and bond retirement fund.

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

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for some of its scholarship and foundation programs. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 19 and 20. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

Chagrin Falls Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012*

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 2012 compared to 2011:

**Table 1
Net Assets**

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Assets		
Current and Other Assets	\$ 33,520,064	\$ 32,848,988
Capital Assets	<u>30,107,583</u>	<u>28,647,106</u>
<i>Total Assets</i>	<u>63,627,647</u>	<u>61,496,094</u>
Liabilities		
Other Liabilities	22,327,768	20,341,782
Long-Term Liabilities	<u>28,060,896</u>	<u>28,341,175</u>
<i>Total Liabilities</i>	<u>50,388,664</u>	<u>48,682,957</u>
Net Assets		
Invested in Capital Assets,		
Net of Debt	3,937,653	4,722,780
Restricted	3,923,873	5,141,274
Unrestricted	<u>5,377,457</u>	<u>2,949,083</u>
<i>Total Net Assets</i>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>

At year end, capital assets represented 47.3 percent of total assets. Capital assets include land, buildings and improvements, furniture and equipment, vehicles and textbooks. Capital assets, net of related debt were \$3.9 million at June 30, 2012. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net assets, \$3.9 million or 29.6 percent, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net assets of \$5.4 million may be used to meet the government's ongoing obligations to students and creditors.

Current and other assets increased \$.7 million over fiscal year 2011. There was a \$1.1 million decrease in cash due to the timing of receipts to cover expenses which was offset by a \$1.9 million increase in property tax receivable from a new levy passed in March 2012. There was also a \$1.5 million increase in capital assets from improvements and renovations completed in fiscal year 2012. The new levy also contributed to the \$2.0 million increase in other liabilities through deferred property tax revenue. Long term liabilities showed a decrease of \$.3 million from fiscal year 2011 through principal payments exceeding net debt issued.

Chagrin Falls Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012

Table 2 shows the changes in net assets for fiscal year 2012 and 2011.

Table 2
Changes in Net Assets

	Governmental Activities	
	2012	2011
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$ 2,220,142	\$ 1,904,912
Operating Grants	896,912	1,098,640
Capital Grants	0	272,000
<i>Total Program Revenues</i>	<u>3,117,054</u>	<u>3,275,552</u>
<i>General Revenues:</i>		
Property Taxes	20,928,608	21,347,769
Grants and Entitlements Not Restricted	4,839,380	5,608,901
Other	244,053	114,848
<i>Total General Revenues</i>	<u>26,012,041</u>	<u>27,071,518</u>
<i>Total Revenues</i>	<u>29,129,095</u>	<u>30,347,070</u>
Program Expenses		
Instruction:		
Regular	12,969,392	12,815,102
Special	2,424,207	2,248,567
Vocational	657,097	519,757
Student Intervention Services	17,778	20,409
Support Services:		
Pupils	1,253,869	1,148,707
Instructional Staff	1,470,882	1,627,692
Board of Education	79,204	65,485
Administration	2,052,841	2,226,136
Fiscal	934,832	918,514
Business	400	400
Operation and Maintenance of Plant	2,463,010	2,626,552
Pupil Transportation	1,226,329	1,357,761
Central	15,564	18,801
Operation of Non-Instructional Services:		
Food Service Operations	622,261	583,757
Community Services	468,432	505,349
Extracurricular Activities	887,157	994,169
Interest and Fiscal Charges	1,159,994	1,369,563
<i>Total Expenses</i>	<u>28,703,249</u>	<u>29,046,721</u>
<i>Increase (Decrease) in Net Assets</i>	425,846	1,300,349
<i>Net Assets at Beginning of Year</i>	<u>12,813,137</u>	<u>11,512,788</u>
<i>Net Assets at End of Year</i>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>

Chagrin Falls Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012*

Charges for services increased \$.3 million over fiscal year 2011 due to an increase in athletic program revenues while operating grants decreased \$.2 million through a decrease federal grant money. The \$.3 million decrease in capital grants is due to a donation received in fiscal year 2011. Grants and entitlements decreased from fiscal year 2011 due to the expiration of the State Fiscal Stabilization grant and a substantial decrease in the tax loss reimbursement. The School District received \$.1 million in incentives for its energy conservation improvements increasing miscellaneous revenue over fiscal year 2011.

Expenses decreased \$.3 million or 1.2 percent from fiscal year 2011. Increases in salaries and benefits account for increases in regular and special instruction expenses over fiscal year 2011.

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

**Table 3
Governmental Activities**

	Total Cost of Service		Net Cost of Service	
	2012	2011 *	2012	2011 *
Instruction:				
Regular	\$ 12,969,392	\$ 12,815,102	\$ 12,274,180	\$ 12,204,589
Special	2,424,207	2,248,567	2,424,207	2,248,079
Vocational	657,097	519,757	251,771	246,354
Student Intervention Services	17,778	20,409	17,778	20,409
Support Services:				
Pupils	1,253,869	1,148,707	1,044,922	1,040,223
Instructional Staff	1,470,882	1,627,692	1,207,549	1,171,324
Board of Education	79,204	65,485	79,204	65,485
Administration	2,052,841	2,226,136	2,052,841	2,221,136
Fiscal	934,832	918,514	929,422	918,194
Business	400	400	400	400
Operation and Maintenance of Plant	2,463,010	2,626,552	2,463,010	2,626,552
Pupil Transportation	1,226,329	1,357,761	1,222,654	1,340,489
Central	15,564	18,801	15,564	18,801
Operation of Non-Instructional Services:				
Food Service Operations	622,261	583,757	(40,317)	(45,825)
Community Services	468,432	505,349	21,284	23,337
Extracurricular Activities	887,157	994,169	554,215	327,927
Debt Service:				
Interest and Fiscal Charges	1,159,994	1,369,563	1,067,511	1,343,695
Total Expenses	\$ 28,703,249	\$ 29,046,721	\$ 25,586,195	\$ 25,771,169

*Minor changes in classifications were made to the prior year amounts to be consistent with 2012 changes in account coding.

Chagrin Falls Exempted Village School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012*

The dependence upon general revenues for governmental activities is apparent. Over 89 percent of governmental activities are supported through taxes and other general revenues; such revenues are 89 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

The School District received less federal grant money in fiscal year 2012 to help offset expenses in certain programs.

Governmental Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$29.4 million and expenditures of \$31.5 million for fiscal year 2012. The net change in fund balances for the fiscal year was a decrease of \$1.1 million for all governmental funds.

The general fund's net change in fund balance for fiscal year 2012 was a decrease of less than \$50,000. A decrease in tax loss reimbursement contributed to a \$.4 million decrease in revenues. Expenditures in fiscal year 2012 increased \$.4 million over the prior year partially due to general fund paying some salaries paid by grants that expired in fiscal year 2011.

The fund balance of the bond retirement fund increased \$.2 million over fiscal year 2012 due to timing of principal and interest payments as compared to the timing of property tax collection used for debt service.

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 2012, the School District did amend its general fund budget a few times. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual and final budget basis revenue was \$24.3 million for fiscal year 2012.

Final appropriations of \$25.1 million were \$1.2 million higher than the actual expenditures of \$23.9 million. Regular instruction was estimated higher as cost savings were recognized throughout the year.

Chagrin Falls Exempted Village School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2012, the School District had \$30.1 million invested in capital assets. Table 4 shows fiscal year 2012 balances compared with 2011.

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

	Governmental Activities	
	2012	2011
Land	\$ 1,386,635	\$ 1,386,635
Buildings and Improvements	27,587,102	25,939,906
Furniture and Equipment	430,190	481,975
Vehicles	427,406	515,620
Textbooks	276,250	322,970
<i>Totals</i>	<u>\$ 30,107,583</u>	<u>\$ 28,647,106</u>

The \$1.5 million increase in capital assets was attributable to acquisitions exceeding current depreciation and disposals. See Note 8 for more information about the capital assets of the School District.

Debt

At June 30, 2012, the School District had \$26.5 million in debt outstanding. See Note 13 for additional details. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2012	2011
2005 Capital Improvement (Refunding)	\$ 13,685,000	\$ 13,795,000
Unamortized Bond Premiums	1,131,745	1,222,410
Capital Appreciation Bonds	0	181,926
Accretion on CAB	0	620,277
2005 School Improvement Bonds	8,430,000	8,430,000
Unamortized Bond Premiums	482,314	487,841
Capital Appreciation Bonds	181,228	294,990
Accretion on CAB	343,493	437,516
2011 Energy Conservation Bonds	2,199,521	1,342,983
Capital Appreciation Bonds	35,463	0
Accretion on CAB	8,629	0
Unamortized Bond Premiums	40,399	0
<i>Total</i>	<u>\$ 26,537,792</u>	<u>\$ 26,812,943</u>

Chagrin Falls Exempted Village School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2012

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 March, 2012.

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 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.

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Local property taxes made up 72% of revenues for governmental activities for the Chagrin Falls Schools in fiscal year 2012.

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

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

The Chagrin Falls Exempted Village School District has not anticipated any meaningful growth in State revenue. The concern is that, to meet the requirements of the Court, the State may require redistribution of state funding based upon each district's property wealth. This could have a significant impact on the School District.

The 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 twelve consecutive years.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Anne Spano, Treasurer/CFO of Chagrin Falls Exempted Village School District, 400 E. Washington Street, Chagrin Falls, Ohio 44022, or e-mail at Anne.Spano@ChagrinSchools.org.

Chagrin Falls Exempted Village School District

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Investments	\$ 10,719,631
Receivables:	
Accounts	6,354
Intergovernmental	32,062
Property Taxes	22,762,017
Nondepreciable Capital Assets	1,386,635
Depreciable Capital Assets (Net)	<u>28,720,948</u>
<i>Total Assets</i>	<u>63,627,647</u>
Liabilities	
Accounts Payable	96,064
Accrued Wages and Benefits	2,261,821
Intergovernmental Payable	647,086
Retainage Payable	77,999
Accrued Vacation Leave Payable	82,593
Matured Compensated Absences Payable	22,502
Accrued Interest Payable	68,388
Unearned Revenue	19,071,315
Long Term Liabilities:	
Due Within One Year	1,535,867
Due In More Than One Year	<u>26,525,029</u>
<i>Total Liabilities</i>	<u>50,388,664</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	3,937,653
Restricted For:	
Capital Outlay	130,123
Debt Service	3,510,145
Food Service	87,380
Athletics	135,066
Other Purposes	61,159
Unrestricted	<u>5,377,457</u>
<i>Total Net Assets</i>	<u>\$ 13,238,983</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, 2012

	Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest
Governmental Activities			
Instruction:			
Regular	\$ 12,969,392	\$ 464,466	\$ 230,746
Special	2,424,207	0	0
Vocational	657,097	405,326	0
Student Intervention Services	17,778	0	0
Support Services:			
Pupils	1,253,869	124,042	84,905
Instructional Staff	1,470,882	0	263,333
Board of Education	79,204	0	0
Administration	2,052,841	0	0
Fiscal	934,832	5,410	0
Business	400	0	0
Operation and Maintenance of Plant	2,463,010	0	0
Pupil Transportation	1,226,329	0	3,675
Central	15,564	0	0
Operation of Non-Instructional Services:			
Food Service Operations	622,261	603,607	58,971
Community Services	468,432	301,383	145,765
Extracurricular Activities	887,157	315,908	17,034
Interest and Fiscal Charges	1,159,994	0	92,483
 <i>Total</i>	\$ 28,703,249	\$ 2,220,142	\$ 896,912

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

\$ (12,274,180)
(2,424,207)
(251,771)
(17,778)

(1,044,922)
(1,207,549)
(79,204)
(2,052,841)
(929,422)
(400)
(2,463,010)
(1,222,654)
(15,564)

40,317
(21,284)
(554,215)
(1,067,511)

(25,586,195)

18,742,949
2,185,659
4,839,380
67,385
176,668

26,012,041

425,846

12,813,137

\$ 13,238,983

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District

Balance Sheet

Governmental Funds

June 30, 2012

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 7,054,726	\$ 3,127,978	\$ 536,927	\$ 10,719,631
Receivables:				
Accounts	4,522	0	1,832	6,354
Intergovernmental	0	0	32,062	32,062
Property Taxes	20,511,912	2,250,105	0	22,762,017
<i>Total Assets</i>	<u>\$ 27,571,160</u>	<u>\$ 5,378,083</u>	<u>\$ 570,821</u>	<u>\$ 33,520,064</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 79,703	\$ 0	\$ 16,361	\$ 96,064
Accrued Wages and Benefits	2,230,891	0	30,930	2,261,821
Intergovernmental Payable	634,832	0	12,254	647,086
Retainage Payable	0	0	77,999	77,999
Matured Compensated Absences Payable	18,433	0	4,069	22,502
Deferred Revenue	17,965,787	1,951,491	32,062	19,949,340
<i>Total Liabilities</i>	<u>20,929,646</u>	<u>1,951,491</u>	<u>173,675</u>	<u>23,054,812</u>
Fund Balances				
Restricted	0	3,426,592	397,146	3,823,738
Assigned	2,068,948	0	0	2,068,948
Unassigned	4,572,566	0	0	4,572,566
<i>Total Fund Balances</i>	<u>6,641,514</u>	<u>3,426,592</u>	<u>397,146</u>	<u>10,465,252</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 27,571,160</u>	<u>\$ 5,378,083</u>	<u>\$ 570,821</u>	<u>\$ 33,520,064</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012*

Total Governmental Fund Balances		\$ 10,465,252
 <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.		30,107,583
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	\$ 845,963	
Intergovernmental	<u>32,062</u>	878,025
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported.		(68,388)
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	24,314,521	
Capital Appreciation Bonds	216,691	
Bond Premium	1,654,458	
Accretion of Interest - Capital Appreciation Bonds	352,122	
Capital Leases	65,760	
Vacation Benefits	82,593	
Compensated Absences	<u>1,457,344</u>	<u>(28,143,489)</u>
 <i>Net Assets of Governmental Activities</i>		 <u><u>\$ 13,238,983</u></u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and Other Local Taxes	\$ 18,784,829	\$ 2,197,571	\$ 0	\$ 20,982,400
Intergovernmental	4,623,422	308,442	827,453	5,759,317
Investment Income	67,385	0	1,034	68,419
Tuition and Fees	1,082,797	0	0	1,082,797
Extracurricular Activities	195,471	0	332,668	528,139
Rentals	5,410	0	0	5,410
Charges for Services	0	0	626,027	626,027
Contributions and Donations	1,655	0	126,997	128,652
Miscellaneous	168,275	0	8,392	176,667
<i>Total Revenues</i>	<u>24,929,244</u>	<u>2,506,013</u>	<u>1,922,571</u>	<u>29,357,828</u>
Expenditures:				
Current:				
Instruction:				
Regular	11,596,149	0	253,828	11,849,977
Special	2,406,039	0	0	2,406,039
Vocational	657,097	0	0	657,097
Student Intervention Services	17,778	0	0	17,778
Support Services:				
Pupils	1,045,124	0	195,404	1,240,528
Instructional Staff	1,093,403	0	327,691	1,421,094
Board of Education	79,204	0	0	79,204
Administration	2,053,193	0	0	2,053,193
Fiscal	922,187	13,907	0	936,094
Business	400	0	0	400
Operation and Maintenance of Plant	2,395,654	0	0	2,395,654
Pupil Transportation	1,132,491	0	4,077	1,136,568
Central	15,564	0	0	15,564
Extracurricular Activities	567,532	0	319,625	887,157
Operation of Non-Instructional Services:				
Food Service Operations	0	0	628,225	628,225
Community Services	329,566	0	117,963	447,529
Capital Outlay	0	0	2,807,005	2,807,005
Debt Service:				
Principal Retirement	100,286	405,688	0	505,974
Interest and Fiscal Charges	72,068	1,851,792	41,165	1,965,025
<i>Total Expenditures</i>	<u>24,483,735</u>	<u>2,271,387</u>	<u>4,694,983</u>	<u>31,450,105</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>445,509</u>	<u>234,626</u>	<u>(2,772,412)</u>	<u>(2,092,277)</u>
Other Financing Sources (Uses):				
Debt Issuance	0	0	974,984	974,984
Premium on Debt Issuance	0	0	43,507	43,507
Transfers In	0	0	495,100	495,100
Transfers Out	(495,100)	0	0	(495,100)
<i>Total Other Financing Sources (Uses)</i>	<u>(495,100)</u>	<u>0</u>	<u>1,513,591</u>	<u>1,018,491</u>
<i>Net Change in Fund Balance</i>	(49,591)	234,626	(1,258,821)	(1,073,786)
<i>Fund Balances Beginning of Year</i>	6,691,105	3,191,966	1,655,967	11,539,038
<i>Fund Balances End of Year</i>	<u>\$ 6,641,514</u>	<u>\$ 3,426,592</u>	<u>\$ 397,146</u>	<u>\$ 10,465,252</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2012*

Net Change in Fund Balances - Total Governmental Funds \$ (1,073,786)

*Amounts reported for governmental activities in the
statement of activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital Asset Additions	\$ 2,848,225	
Current Year Depreciation	<u>(1,387,748)</u>	1,460,477

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property Taxes	(53,792)	
Intergovernmental	<u>(174,941)</u>	(228,733)

Repayment of principal and accreted interest on capital appreciation bonds is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

General Obligation Bonds	192,983	
Capital Appreciation Bonds	295,688	
Accretion on Capital Appreciation Bonds	909,312	
Capital Lease	<u>17,303</u>	1,415,286

Debt proceeds issued in the governmental funds that increase long-term in the statement of net assets are not reported as revenues.

General Obligation Bonds	(974,984)	
Bond Premium	<u>(43,507)</u>	(1,018,491)

In the statement of activities, interest is accrued on outstanding bonds, and bond premium are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.

Accrued Interest Payable	60	
Amortization of Bond Premium	<u>99,300</u>	99,360

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(12,175)	
Vacation Benefits Payable	<u>(12,451)</u>	(24,626)

Accretion on capital appreciation bonds is an expenditure in the governmental funds, but is allocated as an expense over the life of the bonds.

(203,641)

Change in Net Assets of Governmental Activities

\$ 425,846

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, 2012*

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property and Other Local Taxes	\$ 18,491,273	\$ 18,744,910	\$ 18,744,910	\$ 0
Intergovernmental	4,653,346	4,623,422	4,623,422	0
Investment Income	66,473	67,385	67,385	0
Tuition and Fees	664,746	673,864	673,864	0
Extracurricular Activities	62,583	63,441	63,441	0
Rentals	5,337	5,410	5,410	0
Miscellaneous	165,998	168,275	168,275	0
<i>Total Revenues</i>	<u>24,109,756</u>	<u>24,346,707</u>	<u>24,346,707</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular	13,926,127	12,354,573	11,485,475	869,098
Special	2,476,683	2,384,793	2,373,096	11,697
Vocational	605,460	649,733	649,653	80
Student Intervention Services	20,309	18,000	17,778	222
Support Services:				
Pupils	362,174	968,060	947,264	20,796
Instructional Staff	1,120,912	1,098,718	1,082,298	16,420
Board of Education	72,612	121,953	78,792	43,161
Administration	2,171,068	2,125,249	2,068,244	57,005
Fiscal	529,653	950,682	918,732	31,950
Business	1,097	1,000	400	600
Operation and Maintenance of Plant	1,980,470	2,503,911	2,390,457	113,454
Pupil Transportation	1,069,966	1,160,253	1,153,159	7,094
Central	25,827	22,425	17,727	4,698
Extracurricular Activities	585,556	571,090	551,963	19,127
Operation of Non-Instructional Services:				
Community Services	2,603	11,477	8,676	2,801
Debt Service:				
Principal Retirement	100,286	100,286	100,286	0
Interest and Fiscal Charges	72,068	72,068	72,068	0
<i>Total Expenditures</i>	<u>25,122,871</u>	<u>25,114,271</u>	<u>23,916,068</u>	<u>1,198,203</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,013,115)</u>	<u>(767,564)</u>	<u>430,639</u>	<u>1,198,203</u>
Other Financing Sources (Uses)				
Advances In	72,979	72,979	72,979	0
Transfers Out	(495,100)	(495,100)	(495,100)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(422,121)</u>	<u>(422,121)</u>	<u>(422,121)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,435,236)	(1,189,685)	8,518	1,198,203
<i>Fund Balance Beginning of Year</i>	6,716,674	6,716,674	6,716,674	0
Prior Year Encumbrances Appropriated	34,750	34,750	34,750	0
<i>Fund Balance End of Year</i>	<u>\$ 5,316,188</u>	<u>\$ 5,561,739</u>	<u>\$ 6,759,942</u>	<u>\$ 1,198,203</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District

Statement of Fiduciary Net Assets

Fiduciary Funds

June 30, 2012

	Private Purpose Trust	Agency
	<u> </u>	<u> </u>
Assets		
Equity in Pooled Cash and Investments	<u>\$ 107,251</u>	<u>\$ 32,526</u>
Liabilities		
Due to Students	<u>0</u>	<u>\$ 32,526</u>
<i>Total Liabilities</i>	<u>0</u>	<u>\$ 32,526</u>
Net Assets		
Held in Trust for Scholarships	<u>\$ 107,251</u>	

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2012

	Private Purpose Trust
Additions	
Gifts and Contributions	\$ 17,250
Investment Earnings	86
<i>Total Additions</i>	17,336
 Deductions	
Payments in Accordance with Trust Agreements	10,396
<i>Change in Net Assets</i>	6,940
<i>Net Assets Beginning of Year</i>	100,311
<i>Net Assets End of Year</i>	\$ 107,251

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, 2012*

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.

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 insurance purchasing 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 9, 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 applies generally accepted accounting principles that were issued prior to November 30, 1989 by the Financial Accounting Standards Board ("FASB") to its governmental funds provided they do not conflict with or contradict GASB pronouncements. The

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification.

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

A. Basis of Presentation

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

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

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

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental 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 two categories of funds: governmental and fiduciary.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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

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

Bond Retirement Fund The bond retirement 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 to which the School District is bound to observe constraints imposed upon the use of the resources.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's fiduciary funds are private purpose trust and agency funds. The School District's agency fund accounts for student advance placement testing and student activities and the private purpose trusts disburse scholarships to students.

C. Measurement Focus

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

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. 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 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

Grants and entitlements received before the eligibility requirements are met are recorded as unearned/deferred revenue. Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as deferred revenue on the balance sheet. This amount is reported as unearned revenue on the statement of net assets, however excludes delinquent amounts earned as of year-end.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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

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

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

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education 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 2012.

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

F. Cash and Investments

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

During fiscal year 2012, investments were limited to Fifth Third Money Market, Freddie Mac, Federal National Mortgage Association, Federal Home Loan Bank Notes, Federal Home Loan Mortgage, US Treasury Notes and STAR Ohio, (the State Treasurer's Investment Pool).

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2012. Certificates of deposit 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 2012 amounted to \$67,385, which includes \$26,114 assigned from other School District funds.

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

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets may include amounts required by statute to be set-aside for the acquisition and construction of capital improvements. See Note 19 for additional information regarding set asides for the acquisition or construction of capital improvements.

H. Capital Assets

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

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

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

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

I. 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 "accrued vacation leave payable" in the basic financial statements.

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

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

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

J. Accrued Liabilities and Long-term Obligations

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

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

K. 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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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 and operation and maintenance of plant.

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

L. Fund Balance

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

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

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

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

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

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

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

M. Interfund Activity

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

N. Estimates

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

Note 3 – Fund Balance

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

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total
Restricted for:				
Debt Service	\$ 0	\$ 3,426,592	\$ 0	\$ 3,426,592
Capital Outlay	0	0	130,123	130,123
Extracurricular	0	0	135,066	135,066
Food Service	0	0	102,860	102,860
Other Purposes	0	0	29,097	29,097
Total Restricted	<u>0</u>	<u>3,426,592</u>	<u>397,146</u>	<u>3,823,738</u>
Assigned for:				
Public School Support	36,052	0	0	36,052
Encumbrances:				
Instruction	56,562	0	0	56,562
Support Services	14,334	0	0	14,334
Subsequent Year Appropriations	1,962,000	0	0	1,962,000
Total Assigned	<u>2,068,948</u>	<u>0</u>	<u>0</u>	<u>2,068,948</u>
Unassigned	<u>4,572,566</u>	<u>0</u>	<u>0</u>	<u>4,572,566</u>
Total Fund Balance	<u>\$ 6,641,514</u>	<u>\$ 3,426,592</u>	<u>\$ 397,146</u>	<u>\$ 10,465,252</u>

Note 4 - Budgetary Basis of Accounting

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

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

4. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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

Net Change in Fund Balance

	General Fund **
GAAP Basis	\$ (49,591)
Net Adjustment for Revenue Accruals	(44,441)
Advance In	72,979
Net Adjustment for Expenditure Accruals	134,882
Funds Budgeted Elsewhere **	(4,452)
Adjustment for Encumbrances	<u>(100,859)</u>
Budget Basis	<u>\$ 8,518</u>

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

Note 5 - Deposits and Investments

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

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

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

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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

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

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

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

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

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

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

Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$2,409,983 and the bank balance was \$2,778,183. Of the bank balance:

1. \$2,731,244 of the bank balance was covered by depository insurance; and
2. \$46,939 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, 2012, the School District had the following investments:

Standard & Poors Rating		Fair Value	Investment Maturities (in months)				% Total Investments
			0 - 12	13 - 24	25 - 36	37 - 60	
AA-	Fifth Third US Treasury Money Market	\$ 407,381	\$ 407,381	\$ 0	\$ 0	\$ 0	4.82%
AAA	STAR Ohio	4,793,040	4,793,040	0	0	0	56.73%
AA+	US Treasury Notes	210,454	0	0	0	210,454	2.49%
AAA	Federal National Mortgage Association	1,730,778	0	0	200,338	1,530,440	20.49%
AAA	Freddie Mac	767,377	0	0	0	767,377	9.08%
AAA	Federal Home Loan Mortgage	206,662	0	0	0	206,662	2.45%
AAA	Federal Home Loan Bank	332,733	0	0	0	332,733	3.94%
Totals		\$ 8,448,425	\$ 5,200,421	\$ 0	\$ 200,338	\$ 3,047,666	100.00%

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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

STAROhio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAROhio as of June 30, 2012, is 53 days and carries a rating of AAAm by Standard and Poor's.

Credit Risk: The School District's investments at June 30, 2012 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

Concentration of Credit Risk: The School District places no limit on the amount the School District may invest in any one issuer. More than 50 percent of the School District's investments are in STAR Ohio as listed above. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

Note 6 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2012 represents collections of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed value listed as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien December 31, 2010, were levied after April 1, 2011 and are collected in 2012 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements are being phased out. On June 30, 2011, House Bill No. 153 was signed into law, which further reduced the amounts of these reimbursements.

The School District receives property taxes from Cuyahoga and Geauga Counties. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2012, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed personal property tax and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2012 was \$2,546,125 in the general fund and \$298,614 in the bond retirement fund. The amount available as an advance at June 30, 2011, was \$2,506,206 in the general fund and \$305,315 in the bond retirement fund.

The assessed values upon which the fiscal year 2012 taxes were collected are:

	2011 Second Half Collections		2012 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 482,312,310	98.78%	\$480,591,290	98.72%
Public Utility Personal Property	5,968,250	1.22%	6,209,130	1.28%
	\$ 488,280,560	100.00%	\$ 486,800,420	100.00%
 Tax rate per \$1,000 assessed valuation	 \$ 107.70		 \$ 107.70	

Note 7 - Receivables

Receivables at June 30, 2012, consisted of accounts (student fees), taxes and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Intergovernmental receivables consisted of \$32,062 in grants receivable in special revenue funds.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	Balance 6/30/11	Additions	Reductions	Balance 6/30/12
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
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	38,864,132	2,733,513	0	41,597,645
Furniture and Equipment	1,780,993	12,881	(6,775)	1,787,099
Vehicles	1,715,493	7,014	0	1,722,507
Textbooks	688,683	94,817	(75,803)	707,697
	<u>43,049,301</u>	<u>2,848,225</u>	<u>(82,578)</u>	<u>45,814,948</u>
Total Capital Assets, being depreciated	43,049,301	2,848,225	(82,578)	45,814,948
 Less Accumulated Depreciation:				
Buildings and Improvements	(12,924,226)	(1,086,317)	0	(14,010,543)
Furniture and Equipment	(1,299,018)	(64,666)	6,775	(1,356,909)
Vehicles	(1,199,873)	(95,228)	0	(1,295,101)
Textbooks	(365,713)	(141,537)	75,803	(431,447)
	<u>(15,788,830)</u>	<u>(1,387,748)</u>	<u>82,578</u>	<u>(17,094,000)</u>
Total Accumulated Depreciation	(15,788,830)	(1,387,748)	82,578	(17,094,000)
Total Capital Assets being depreciated, net	<u>27,260,471</u>	<u>1,460,477</u>	<u>0</u>	<u>28,720,948</u>
 Governmental Activities Capital				
Assets, Net	<u>\$ 28,647,106</u>	<u>\$ 1,460,477</u>	<u>\$ 0</u>	<u>\$ 30,107,583</u>

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 1,103,082
Special	13,847
Support Services:	
Pupil	15,200
Instructional Staff	47,446
Administration	1,553
Operation and Maintenance of Plant	93,842
Pupil Transportaion	92,401
Operation of Non-Instructional Services:	
Food Service Operations	9,731
Community Services	<u>10,646</u>
 Total Depreciation	 <u><u>\$ 1,387,748</u></u>

Note 9 - Risk Management

A. Property and Liability

The School District insures its buildings and their contents through insurance having a \$1,000 deductible and providing replacement costs for such items. An inventory of all loose equipment is conducted annually.

Appropriate liability insurance is maintained in the amount of \$1,000,000 for each occurrence and \$2,000,000 aggregate. The School District also has an excess policy in the amount of \$5,000,000. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

A bond of \$100,000 is maintained on the Treasurer. Bonds are also provided for the School Board President, Business Manager and Superintendent in the amount of \$100,000 each.

By State statute, bond is provided by all contractors in amounts sufficient to cover the entire bid amount awarded to the contractor.

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

Note 10 - 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 Assurant Life, in the amount of \$75,000 for all certified and union exempt employees, and all administrators; \$30,000 for non-certified employees; and one times the annual salary for the superintendent and treasurer.

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

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

Note 11 - Pension Plans

A. School Employees Retirement System

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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.

Funding Policy - 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 rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2012, 12.65 percent and .05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2012, 2011 and 2010 were \$526,043, \$443,307 and \$523,059, respectively; 71 percent has been contributed for fiscal year 2012 and 100 percent for the fiscal years 2011 and 2010. \$267,843 represents the unpaid contribution for fiscal year 2012, and is recorded as a liability within the respective funds.

B. State Teachers Retirement System

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

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

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.

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

Funding Policy - For fiscal year 2012, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2012, 2011 and 2010 were \$1,510,278, \$1,465,362 and \$1,408,710, respectively; 84 percent has been contributed for fiscal year 2012 and 100 percent for the fiscal years 2011 and 2010. Contributions to the DC and Combined Plans for fiscal year 2012 were \$108,549 made by the School District and \$77,535 made by the plan members. \$263,764 represents the unpaid contribution for fiscal year 2012, 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, 2012, certain members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

Note 12 - Postemployment Benefits

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing, multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug plan is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2012 was \$99.90 for most participants, but could be as high as \$319.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

Code Section 105(e). For 2012, .55 percent of covered payroll was allocated to health care. 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 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2012, 2011, and 2010 were \$73,781, \$53,677, and \$18,827, respectively; 54 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. The liability for the unpaid contribution has been recorded within the respective funds.

The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2012, the actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$31,066, \$28,528, and \$31,105, respectively; 54 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. The liability for the unpaid contribution has been recorded within the respective funds.

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$117,054, \$117,289, and \$109,320, respectively; 84 percent has been contributed for fiscal year 2012 and 100 percent for fiscal years 2011 and 2010. The liability for the unpaid contribution has been recorded within the respective funds.

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

Note 13 - Long - Term Obligations

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

	Outstanding 6/30/11	Additions	Reductions	Outstanding 6/30/12	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
2005 Refunding Bonds					
Serial Bonds \$16,320,000					
at 2.5% - 4.125%	\$13,795,000	\$ 0	\$ 110,000	\$13,685,000	\$ 1,015,000
Bond Premium	1,222,410	0	90,665	1,131,745	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	181,926	0	181,926	0	0
Accretion of Interest	620,277	97,797	718,074	0	0
2005 School Improvement Bonds					
Current Interest Bonds \$9,655,000					
at 3.71% - 3.94%	8,430,000	0	0	8,430,000	0
Bond Premium	487,841	0	5,527	482,314	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	294,990	0	113,762	181,228	97,560
Accretion of Interest	437,516	97,215	191,238	343,493	184,903
2011 Series A Energy Conservation Bonds					
Serial Bonds \$1,342,983					
at 5.75%	1,342,983	0	82,983	1,260,000	85,000
2011 Series B Energy Conservation Bonds					
Tax Exempt Serial Bonds \$430,463					
at 2.00% - 4.80%	0	395,000	0	395,000	70,000
Bond Premium	0	43,507	3,108	40,399	0
Capital Appreciation Bond					
at 1.65%	0	35,463	0	35,463	0
Accretion of Interest	0	8,629	0	8,629	0
Qualified School Construction Bonds					
Term Bonds \$544,521 at 4.85%	0	544,521	0	544,521	0
Total General Obligation Bonds	26,812,943	1,222,132	1,497,283	26,537,792	1,452,463
Capital Lease	83,063	0	17,303	65,760	19,136
Compensated Absences	1,445,169	41,938	29,763	1,457,344	64,268
Total Governmental Activities					
Long-Term Liabilities	<u>\$28,341,175</u>	<u>\$ 1,264,070</u>	<u>\$ 1,544,349</u>	<u>\$28,060,896</u>	<u>\$ 1,535,867</u>

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

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, 2012 was \$5,527.

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

One capital appreciation bond matured on December 1, 2011 and the remaining bonds mature December 1, 2012 and December 1, 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 remaining bonds is \$610,000. For fiscal year 2012, \$97,215 was accreted for a liability of \$534,731.

2005 School Improvement Refunding Bonds

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

These refunding bonds were issued with a premium of \$1,502,441, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. The amortization for June 30, 2012 was \$90,665. 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 matured December 1, 2011. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bonds was \$900,000. For fiscal year 2012, \$97,797 was accreted.

2011 Series A Energy Conservation Improvement Bonds

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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

2011 Series B-1 Energy Conservation Improvement Bonds

On January 24, 2011, the School District issued \$430,463 in tax exempt bonds for the purpose of energy conservation improvements to School District buildings. The bonds mature on December 1, 2017.

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

The capital appreciation bond matures on December 1, 2013. This bond was 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 bond is \$75,000. For fiscal year 2012, \$8,629 was accreted for a liability of \$44,092.

2011 Series B-2 Energy Conservation Improvement Bonds

On January 24, 2011, the School District issued \$544,521 in Qualified School Construction Bonds for the purpose of energy conservation improvements to School District buildings.

The Direct Payment Qualified School Construction Bonds were issued as term bonds and are subject to mandatory redemption. The School District will make seven annual payments to be deposited into an escrow account beginning December 1, 2018 and a final payment to be made on December 1, 2025.

General obligation bonds will be paid from the general fund and bond retirement fund and the capital lease will be paid from the general fund. Compensated absences will be paid from the general fund and the food service fund.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2012 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Term Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
2013	\$ 1,170,000	\$ 793,059	\$ 0	\$ 26,410	\$ 97,560	\$ 207,440	\$ 1,267,560	\$ 1,026,909
2014	1,130,000	737,529	0	26,410	119,131	260,869	1,249,131	1,024,808
2015	1,580,000	910,217	0	26,410	0	0	1,580,000	936,627
2016	1,600,000	850,118	0	26,410	0	0	1,600,000	876,528
2017	1,685,000	784,725	0	26,410	0	0	1,685,000	811,135
2018 - 2022	9,050,000	2,694,125	264,521	106,786	0	0	9,314,521	2,800,911
2023 - 2027	4,145,000	1,072,715	280,000	27,157	0	0	4,425,000	1,099,872
2028 - 2032	2,780,000	454,285	0	0	0	0	2,780,000	454,285
2033	630,000	13,860	0	0	0	0	630,000	13,860
Total	\$23,770,000	\$ 8,310,633	\$ 544,521	\$ 265,993	\$ 216,691	\$ 468,309	\$24,531,212	\$ 9,044,935

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

Note 14 – Capitalized Leases

Capital lease obligations relate to copier equipment which is leased under a long-term agreement. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standard No. 13 "Accounting for Leases". Capital lease payments in the governmental funds have been reclassified and are reflected as debt service in the basic financial statements for the general fund. These expenditures are reflected as program/function expenditures on a budgetary basis. The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2012.

Year	Amount
2013	\$ 24,912
2014	24,912
2015	24,912
2015	<u>2,076</u>
Total Minimum Lease Payments	76,812
Less Amount Representing Interest	<u>11,052</u>
 Present Value of Minimum Lease Payments	 <u><u>\$ 65,760</u></u>

The assets being acquired have been capitalized in the general fund in the amount of \$97,465, which is the present value of the minimum lease payments at the inception of each lease.

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 twenty 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 \$115,048 to LGCA during fiscal year 2012. 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

Chagrin Falls Exempted Village School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

representation on the Board. In fiscal year 2011, the School District paid \$1,467 to the Council. Financial information can be obtained by contacting Dave Cottroll, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio, 44131.

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

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

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

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

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

Note 16 - Insurance Purchasing Pool

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

Note 17 – Contingencies

A. Review of Statewide Attendance Data

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

B. Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State’s ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

C. Litigation

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

Note 18 - Interfund Transfers

Transfers made during fiscal year 2012 were as follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 0	\$ 495,100
Nonmajor Governmental Funds	495,100	0
Total	<u>\$ 495,100</u>	<u>\$ 495,100</u>

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

Note 19 - Set-Asides

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

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

Chagrin Falls Exempted Village School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012*

	<u>Capital Improvement Reserve</u>
Set Aside Restricted Balance June 30, 2011	\$ 0
Current Year Set-Aside Requirement	333,013
Current Year Offsets	<u>(470,000)</u>
Total	<u>\$ (136,987)</u>
Balance Carried Forward to Fiscal Year 2013	<u>\$ 0</u>
Set Aside Balance June 30, 2012	<u>\$ 0</u>

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

Note 20 – Contractual Commitment

The School District had a contractual commitment for a House Bill 264 project in the amount of \$974,984. Payments to date on the project total \$896,985 leaving a commitment at June 30, 2012 of \$77,999.

Note 21 – Subsequent Event

On November 27, 2012, the School District issued bonds of \$10,540,000 (federally taxable) and \$8,125,000 for the purpose of refunding school improvement bonds to shorten the life of the District's existing long-term debt and to provide economic savings to the School District's taxpayers. The total net present value savings on both issuances is \$1,756,620.

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

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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. With the implementation of GASB No. 54, the public school support, uniform school supplies and adult education special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

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

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

Auxiliary Services Fund – This fund accounts for funds which provide services and materials to pupils attending non-public schools within the School District.

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

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

Education Jobs Fund – This fund accounts for Federal monies to be used to provide compensation and benefits and support services necessary to retain existing employees, recall or rehire former employees and to hire new employees in order to provide early childhood, elementary or secondary educational and related services.

Race to the Top Fund – This fund accounts for Federal monies to establish new or expand existing programs to support initiatives in the following areas: Standard and Assessments; Using Data to Improve Instruction; Great Teachers and Leaders; and Turning Around the Lowest Achieving Schools.

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

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

Nonmajor Capital Project Fund

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

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

Chagrin Falls Exempted Village School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 328,473	\$ 208,454	\$ 536,927
Receivables:			
Accounts	1,832	0	1,832
Intergovernmental	32,062	0	32,062
<i>Total Assets</i>	<u>\$ 362,367</u>	<u>\$ 208,454</u>	<u>\$ 570,821</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 16,029	\$ 332	\$ 16,361
Accrued Wages and Benefits	30,930	0	30,930
Intergovernmental Payable	12,254	0	12,254
Retainage Payable	0	77,999	77,999
Matured Compensated Absences Payable	4,069	0	4,069
Deferred Revenue	32,062	0	32,062
<i>Total Liabilities</i>	<u>95,344</u>	<u>78,331</u>	<u>173,675</u>
Fund Balances:			
Restricted	<u>267,023</u>	<u>130,123</u>	<u>397,146</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 362,367</u>	<u>\$ 208,454</u>	<u>\$ 570,821</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, 2012

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 827,453	\$ 0	\$ 827,453
Investment Income	593	441	1,034
Extracurricular Activities	332,668	0	332,668
Charges for Services	626,027	0	626,027
Contributions and Donations	119,997	7,000	126,997
Miscellaneous	8,392	0	8,392
<i>Total Revenues</i>	<u>1,915,130</u>	<u>7,441</u>	<u>1,922,571</u>
Expenditures:			
Current:			
Instruction:			
Regular	253,828	0	253,828
Support Services:			
Pupils	195,404	0	195,404
Instructional Staff	327,691	0	327,691
Pupil Transportation	4,077	0	4,077
Extracurricular Activities	319,625	0	319,625
Operation of Non-Instructional Services:			
Food Service Operations	628,225	0	628,225
Community Services	117,963	0	117,963
Capital Outlay	3,132	2,803,873	2,807,005
Debt Service:			
Interest and Fiscal Charges	0	41,165	41,165
<i>Total Expenditures</i>	<u>1,849,945</u>	<u>2,845,038</u>	<u>4,694,983</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	65,185	(2,837,597)	(2,772,412)
Other Financing Sources (Uses):			
Debt Issuance	0	974,984	974,984
Premium on Debt Issuance	0	43,507	43,507
Transfers In	25,100	470,000	495,100
<i>Total Other Financing Sources and (Uses)</i>	<u>25,100</u>	<u>1,488,491</u>	<u>1,513,591</u>
<i>Net Change in Fund Balance</i>	90,285	(1,349,106)	(1,258,821)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>176,738</u>	<u>1,479,229</u>	<u>1,655,967</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 267,023</u>	<u>\$ 130,123</u>	<u>\$ 397,146</u>

Chagrin Falls Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Educational Management Information Systems Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 5,624	\$ 135,609	\$ 42,694	\$ 0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	0	0
<i>Total Assets</i>	<u>\$ 5,624</u>	<u>\$ 135,609</u>	<u>\$ 42,694</u>	<u>\$ 0</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 507	\$ 543	\$ 13,604	\$ 0
Accrued Wages and Benefits	0	0	4,671	0
Intergovernmental Payable	0	0	439	0
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>507</u>	<u>543</u>	<u>18,714</u>	<u>0</u>
Fund Balances:				
Restricted	<u>5,117</u>	<u>135,066</u>	<u>23,980</u>	<u>0</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 5,624</u>	<u>\$ 135,609</u>	<u>\$ 42,694</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

	Data Communications Fund	Education Jobs Fund	Race to the Top Fund	Title VI-B Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 0	\$ 0	\$ 0	\$ 0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	0	0	32,062	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,062</u>	<u>\$ 0</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	0	0	32,062	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>32,062</u>	<u>0</u>
Fund Balances:				
Restricted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 32,062</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

	Fiscal Stabilization Fund	Title II-D Fund	Title I Fund	Preschool Handicapped Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Equity in Pooled Cash and Investments	\$ 0	\$ 0	\$ 0	\$ 0
Receivables:				
Accounts	0	0	0	0
Intergovernmental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balances:				
Restricted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

(continued)

Chagrin Falls Exempted Village School District

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2012

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 0	\$ 144,546	\$ 328,473
Receivables:			
Accounts	0	1,832	1,832
Intergovernmental	0	0	32,062
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 146,378</u>	<u>\$ 362,367</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 0	\$ 1,375	\$ 16,029
Accrued Wages and Benefits	0	26,259	30,930
Intergovernmental Payable	0	11,815	12,254
Matured Compensated Absences Payable	0	4,069	4,069
Deferred Revenue	0	0	32,062
<i>Total Liabilities</i>	<u>0</u>	<u>43,518</u>	<u>95,344</u>
Fund Balances:			
Restricted	0	102,860	267,023
<i>Total Liabilities and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 146,378</u>	<u>\$ 362,367</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, 2012

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Educational Management Information Systems Fund
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 126,341	\$ 0
Investment Income	0	0	85	0
Extracurricular Activities	0	332,668	0	0
Charges for Services	0	0	0	0
Contributions and Donations	39,594	80,403	0	0
Miscellaneous	4,077	0	0	25
<i>Total Revenues</i>	<u>43,671</u>	<u>413,071</u>	<u>126,426</u>	<u>25</u>
Expenditures:				
Current:				
Instruction:				
Regular	24,071	0	0	0
Support Services:				
Pupils	0	95,844	0	0
Instructional Staff	0	0	0	0
Pupil Transportation	4,077	0	0	0
Extracurricular Activities	8,000	311,625	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	4,650	0	94,444	0
Capital Outlay	3,132	0	0	0
<i>Total Expenditures</i>	<u>43,930</u>	<u>407,469</u>	<u>94,444</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(259)	5,602	31,982	25
Other Financing Sources (Uses):				
Transfers In	0	25,100	0	0
<i>Net Change in Fund Balance</i>	(259)	30,702	31,982	25
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>5,376</u>	<u>104,364</u>	<u>(8,002)</u>	<u>(25)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 5,117</u>	<u>\$ 135,066</u>	<u>\$ 23,980</u>	<u>\$ 0</u>

(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, 2012

	Data Communications Fund	Education Jobs Fund	Race to the Top Fund	Title VI-B Fund
Revenues:				
Intergovernmental	\$ 7,200	\$ 99,115	\$ 44,337	\$ 413,992
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>7,200</u>	<u>99,115</u>	<u>44,337</u>	<u>413,992</u>
Expenditures:				
Current:				
Instruction:				
Regular	7,200	0	42,937	80,191
Support Services:				
Pupils	0	99,115	0	0
Instructional Staff	0	0	1,400	326,291
Pupil Transportation	0	0	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	0	0	18,319
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>7,200</u>	<u>99,115</u>	<u>44,337</u>	<u>424,801</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	0	0	(10,809)
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	(10,809)
<i>Fund Balances (Deficit) Beginning of Year</i>	0	0	0	10,809
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(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, 2012

	Fiscal Stabilization Fund	Title II-D Fund	Title I Fund	Preschool Handicapped Fund
Revenues:				
Intergovernmental	\$ 0	\$ 445	\$ 62,840	\$ 9,742
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	4,290	0	0	0
<i>Total Revenues</i>	<u>4,290</u>	<u>445</u>	<u>62,840</u>	<u>9,742</u>
Expenditures:				
Current:				
Instruction:				
Regular	0	0	62,840	9,742
Support Services:				
Pupils	0	445	0	0
Instructional Staff	0	0	0	0
Pupil Transportation	0	0	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>445</u>	<u>62,840</u>	<u>9,742</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	4,290	0	0	0
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	4,290	0	0	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(4,290)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(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, 2012

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Revenues:			
Intergovernmental	\$ 27,397	\$ 36,044	\$ 827,453
Investment Income	0	508	593
Extracurricular Activities	0	0	332,668
Charges for Services	0	626,027	626,027
Contributions and Donations	0	0	119,997
Miscellaneous	0	0	8,392
<i>Total Revenues</i>	<u>27,397</u>	<u>662,579</u>	<u>1,915,130</u>
Expenditures:			
Current:			
Instruction:			
Regular	26,847	0	253,828
Support Services:			
Pupils	0	0	195,404
Instructional Staff	0	0	327,691
Pupil Transportation	0	0	4,077
Extracurricular Activities	0	0	319,625
Operation of Non-Instructional Services:			
Food Service Operations	0	628,225	628,225
Community Services	550	0	117,963
Capital Outlay	0	0	3,132
<i>Total Expenditures</i>	<u>27,397</u>	<u>628,225</u>	<u>1,849,945</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	34,354	65,185
Other Financing Sources (Uses):			
Transfers In	0	0	25,100
<i>Net Change in Fund Balance</i>	0	34,354	90,285
<i>Fund Balances (Deficit) Beginning of Year</i>	0	68,506	176,738
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ 102,860</u>	<u>\$ 267,023</u>

GOVERNMENTAL FUNDS

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

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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, 2012*

	Final	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 18,744,910	\$ 18,744,910	\$ 0
Intergovernmental	4,623,422	4,623,422	0
Investment Income	67,385	67,385	0
Tuition and Fees	673,864	673,864	0
Extracurricular Activities	63,441	63,441	0
Rentals	5,410	5,410	0
Miscellaneous	168,275	168,275	0
<i>Total Revenues</i>	<u>24,346,707</u>	<u>24,346,707</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	9,165,044	8,311,405	853,639
Fringe Benefits	2,650,400	2,637,504	12,896
Purchased Services	127,144	127,111	33
Materials and Supplies	311,340	310,422	918
Capital Outlay	90,149	88,987	1,162
Other	10,496	10,046	450
Total Regular	<u>12,354,573</u>	<u>11,485,475</u>	<u>869,098</u>
Special:			
Salaries and Wages	1,344,406	1,338,601	5,805
Fringe Benefits	379,879	376,969	2,910
Purchased Services	648,313	645,354	2,959
Materials and Supplies	12,195	12,172	23
Total Special	<u>2,384,793</u>	<u>2,373,096</u>	<u>11,697</u>
Vocational:			
Purchased Services	597,967	597,887	80
Materials and Supplies	51,766	51,766	0
Total Vocational	<u>649,733</u>	<u>649,653</u>	<u>80</u>
Student Intervention Services:			
Purchased Services	18,000	17,778	222
Total Instruction	<u>15,407,099</u>	<u>14,526,002</u>	<u>881,097</u>
Support Services:			
Pupils:			
Salaries and Wages	673,939	665,040	8,899
Fringe Benefits	193,091	189,207	3,884
Purchased Services	85,650	85,231	419
Materials and Supplies	14,030	6,786	7,244
Capital Outlay	1,350	1,000	350
Total Pupils	<u>968,060</u>	<u>947,264</u>	<u>20,796</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, 2012*

	Final	Actual	Variance
Instructional Staff:			
Salaries and Wages	606,420	601,029	5,391
Fringe Benefits	214,535	210,618	3,917
Purchased Services	254,116	249,405	4,711
Materials and Supplies	23,647	21,246	2,401
Total Instructional Staff	1,098,718	1,082,298	16,420
Board of Education:			
Salaries and Wages	11,120	11,120	0
Fringe Benefits	5,818	4,425	1,393
Purchased Services	54,465	24,899	29,566
Materials and Supplies	18,150	6,879	11,271
Other	32,400	31,469	931
Total Board of Education	121,953	78,792	43,161
Administration:			
Salaries and Wages	1,190,209	1,186,146	4,063
Fringe Benefits	481,532	474,506	7,026
Purchased Services	427,759	395,336	32,423
Materials and Supplies	25,749	12,256	13,493
Total Administration	2,125,249	2,068,244	57,005
Fiscal:			
Salaries and Wages	245,883	245,820	63
Fringe Benefits	148,108	147,050	1,058
Purchased Services	84,050	78,459	5,591
Materials and Supplies	4,000	2,375	1,625
Other	468,641	445,028	23,613
Total Fiscal	950,682	918,732	31,950
Business:			
Purchased Services	1,000	400	600
Operation and Maintenance of Plant:			
Salaries and Wages	1,110,919	1,087,670	23,249
Fringe Benefits	463,731	462,771	960
Purchased Services	715,602	642,848	72,754
Materials and Supplies	193,659	177,168	16,491
Capital Outlay	20,000	20,000	0
Total Operation and Maintenance of Plant	2,503,911	2,390,457	113,454
Pupil Transportation:			
Salaries and Wages	685,468	682,064	3,404
Fringe Benefits	234,840	234,118	722
Purchased Services	67,420	66,177	1,243
Materials and Supplies	167,100	165,916	1,184
Capital Outlay	5,425	4,884	541
Total Pupil Transportation	1,160,253	1,153,159	7,094

(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, 2012*

	Final	Actual	Variance
Central:			
Purchased Services	22,425	17,727	4,698
Total Support Services	8,952,251	8,657,073	295,178
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	5,600	5,595	5
Fringe Benefits	808	786	22
Purchased Services	5,069	2,295	2,774
Total Community Services	11,477	8,676	2,801
Total Other Operation of Non-Instructional Services	11,477	8,676	2,801
Extracurricular Activities:			
Sport Oriented Activities:			
Salaries and Wages	466,340	465,780	560
Fringe Benefits	76,350	61,368	14,982
Purchased Services	28,400	24,815	3,585
Total Sports Oriented Activities	571,090	551,963	19,127
Total Extracurricular Activities	571,090	551,963	19,127
Debt Service			
Principal Payments	100,286	100,286	0
Interest	72,068	72,068	0
Total Debt Service	172,354	172,354	0
<i>Total Expenditures</i>	25,114,271	23,916,068	1,198,203
<i>Excess of Revenues Over (Under) Expenditures</i>	(767,564)	430,639	1,198,203
Other Financing Sources (Uses):			
Advances In	72,979	72,979	0
Transfers Out	(495,100)	(495,100)	0
<i>Total Other Financing Sources (Uses)</i>	(422,121)	(422,121)	0
<i>Net Change in Fund Balance</i>	(1,189,685)	8,518	1,198,203
<i>Fund Balance (Deficit) at Beginning of Year,</i>	6,716,674	6,716,674	0
Prior Year Encumbrances Appropriated	34,750	34,750	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 5,561,739</u>	<u>\$ 6,759,942</u>	<u>\$ 1,198,203</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Miscellaneous Grants Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 39,594	\$ 39,594	\$ 0
Miscellaneous	4,077	4,077	0
<i>Total Revenues</i>	<u>43,671</u>	<u>43,671</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	1,285	1,285	0
Materials and Supplies	9,362	9,362	0
Capital Outlay	13,336	13,336	0
Total Instruction	<u>23,983</u>	<u>23,983</u>	<u>0</u>
Support Services:			
Pupil Transportation:			
Purchased Services	2,125	2,125	0
Materials and Supplies	1,952	1,952	0
Total Support Services	<u>4,077</u>	<u>4,077</u>	<u>0</u>
Operation of Non-Instructional Services:			
Food Service Operations:			
Capital Outlay	4,650	4,650	0
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	4,583	2,348	2,235
Materials and Supplies	5,652	5,652	0
Total Academic and Subject Oriented Activities	<u>10,235</u>	<u>8,000</u>	<u>2,235</u>
Capital Outlay:			
Building Improvement Services:			
Purchased Services	3,132	3,132	0
<i>Total Expenditures</i>	<u>46,077</u>	<u>43,842</u>	<u>2,235</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,406)</u>	<u>(171)</u>	<u>2,235</u>
<i>Net Change in Fund Balance</i>	(2,406)	(171)	2,235
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>5,376</u>	<u>5,376</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,970</u>	<u>\$ 5,205</u>	<u>\$ 2,235</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Athletic/District Managed Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 332,668	\$ 332,668	\$ 0
Gifts and Donations	80,403	80,403	0
<i>Total Revenues</i>	413,071	413,071	0
Expenditures:			
Current:			
Support Services:			
Pupils:			
Purchased Services	96,000	95,844	156
Total Support Services	96,000	95,844	156
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	14,337	14,251	86
Materials and Supplies	41,914	41,290	624
Total Academic and Subject Oriented Activities	56,251	55,541	710
Sports Oriented Activities:			
Purchased Services	160,900	158,919	1,981
Materials and Supplies	87,100	85,458	1,642
Capital Outlay	1,300	1,221	79
Total Sports Oriented Activities	249,300	245,598	3,702
School and Public Service Co-Curricular Activities:			
Materials and Supplies	16,900	16,802	98
Total Extracurricular Activities	322,451	317,941	4,510
<i>Total Expenditures</i>	418,451	413,785	4,666
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,380)	(714)	4,666
Other Financing Sources (Uses):			
Transfers In	25,100	25,100	0
<i>Net Change in Fund Balance</i>	19,720	24,386	4,666
<i>Fund Balance (Deficit) at Beginning of Year,</i>	102,562	102,562	0
Prior Year Encumbrances Appropriated	1,937	1,937	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 124,219	\$ 128,885	\$ 4,666

Chagrin Falls Exempted Village School District
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 126,341	\$ 126,341	\$ 0
Investment Income	85	85	0
<i>Total Revenues</i>	<u>126,426</u>	<u>126,426</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	34,153	22,709	11,444
Fringe Benefits	5,786	5,573	213
Purchased Services	43,164	42,943	221
Materials and Supplies	36,818	31,072	5,746
Capital Outlay	5,100	5,073	27
Other	300	265	35
<i>Total Expenditures</i>	<u>125,321</u>	<u>107,635</u>	<u>17,686</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,105</u>	<u>18,791</u>	<u>17,686</u>
<i>Fund Balance (Deficit) at Beginning of Year,</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>6,247</u>	<u>6,247</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 7,352</u>	<u>\$ 25,038</u>	<u>\$ 17,686</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Data Communications Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 7,200	\$ 7,200	\$ 0
<i>Total Revenues</i>	<u>7,200</u>	<u>7,200</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	7,200	7,200	0
<i>Total Expenditures</i>	<u>7,200</u>	<u>7,200</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Education Jobs Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 99,115	\$ 99,115	\$ 0
<i>Total Revenues</i>	<u>99,115</u>	<u>99,115</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	99,115	99,115	0
<i>Total Expenditures</i>	<u>99,115</u>	<u>99,115</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Race to the Top Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 44,337	\$ 44,337	\$ 0
<i>Total Revenues</i>	<u>44,337</u>	<u>44,337</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	788	788	0
Purchased Services	17,289	17,289	0
Materials and Supplies	24,860	24,860	0
Total Instruction	<u>42,937</u>	<u>42,937</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	1,400	1,400	0
Total Support Services	<u>1,400</u>	<u>1,400</u>	<u>0</u>
<i>Total Expenditures</i>	<u>44,337</u>	<u>44,337</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 413,992	\$ 413,992	\$ 0
<i>Total Revenues</i>	<u>413,992</u>	<u>413,992</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Capital Outlay	80,722	80,722	0
Total Instruction	<u>80,722</u>	<u>80,722</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	221,325	221,325	0
Fringe Benefits	89,370	89,370	0
Purchased Services	3,596	3,596	0
Materials and Supplies	12,000	12,000	0
Total Support Services	<u>326,291</u>	<u>326,291</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	12,343	12,343	0
Purchased Services	5,977	5,977	0
Total Other Operation of Non-Instructional Services	<u>18,320</u>	<u>18,320</u>	<u>0</u>
<i>Total Expenditures</i>	<u>425,333</u>	<u>425,333</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,341)</u>	<u>(11,341)</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances Out	(72,979)	(72,979)	0
<i>Net Change in Fund Balance</i>	(84,320)	(84,320)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	84,320	84,320	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Title II-D Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 445	\$ 445	\$ 0
<i>Total Revenues</i>	<u>445</u>	<u>445</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Purchased Services	445	445	0
<i>Total Expenditures</i>	<u>445</u>	<u>445</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Chagrin Falls Exempted Village School District
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 62,840	\$ 62,840	\$ 0
<i>Total Revenues</i>	<u>62,840</u>	<u>62,840</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	45,934	45,934	0
Fringe Benefits	16,906	16,906	0
<i>Total Expenditures</i>	<u>62,840</u>	<u>62,840</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Preschool Handicapped Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 9,742	\$ 9,742	\$ 0
<i>Total Revenues</i>	<u>9,742</u>	<u>9,742</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	8,742	8,742	0
Purchased Services	<u>1,000</u>	<u>1,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>9,742</u>	<u>9,742</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Chagrin Falls Exempted Village School District
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Title II-A Fund
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 27,397	\$ 27,397	\$ 0
<i>Total Revenues</i>	<u>27,397</u>	<u>27,397</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	4,200	4,200	0
Purchased Services	18,647	18,647	0
Materials and Supplies	4,000	4,000	0
Total Instruction	<u>26,847</u>	<u>26,847</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	550	550	0
Total Expenditures	<u>27,397</u>	<u>27,397</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenses, and
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 41,334	\$ 41,334	\$ 0
Investment Income	508	508	0
Charges for Services	624,195	624,195	0
<i>Total Revenues</i>	<u>666,037</u>	<u>666,037</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries and Wages	231,679	212,055	19,624
Fringe Benefits	81,850	81,636	214
Purchased Services	9,575	9,507	68
Materials and Supplies	324,540	324,494	46
Capital Outlay	3,350	3,327	23
Other	1,130	1,128	2
<i>Total Expenditures</i>	<u>652,124</u>	<u>632,147</u>	<u>19,977</u>
<i>Net Change in Fund Balance</i>	13,913	33,890	19,977
<i>Fund Balance (Deficit) at Beginning of Year</i>	110,506	110,506	0
Prior Year Encumbrances Appropriated	150	150	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 124,569</u>	<u>\$ 144,546</u>	<u>\$ 19,977</u>

Chagrin Falls Exempted Village School District
Schedule of Revenues, Expenditures, and
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 107,096	\$ 107,096	\$ 0
Contributions and Donations	1,655	1,655	0
<i>Total Revenues</i>	<u>108,751</u>	<u>108,751</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	1,600	1,600	0
Fringe Benefits	79	79	0
Purchased Services	44,317	43,635	682
Materials and Supplies	70,414	60,378	10,036
Other	400	328	72
<i>Total Expenditures</i>	<u>116,810</u>	<u>106,020</u>	<u>10,790</u>
<i>Net Change in Fund Balance</i>	(8,059)	2,731	10,790
<i>Fund Balance (Deficit) at Beginning of Year</i>	31,544	31,544	0
Prior Year Encumbrances Appropriated	1,809	1,809	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 25,294</u>	<u>\$ 36,084</u>	<u>\$ 10,790</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenses, and
 Budget (Non-GAAP Basis) and Actual
 Uniform School Supplies Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 103,028	\$ 103,028	\$ 0
<i>Total Revenues</i>	<u>103,028</u>	<u>103,028</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	100,646	99,311	1,335
<i>Total Expenditures</i>	<u>100,646</u>	<u>99,311</u>	<u>1,335</u>
<i>Net Change in Fund Balance</i>	2,382	3,717	1,335
<i>Fund Balance (Deficit) at Beginning of Year</i>	4,966	4,966	0
Prior Year Encumbrances Appropriated	646	646	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 7,994</u>	<u>\$ 9,329</u>	<u>\$ 1,335</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenses, and
 Budget (Non-GAAP Basis) and Actual
 Community Education Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 301,383	\$ 301,383	\$ 0
Extracurricular Activities	24,934	24,934	0
<i>Total Revenues</i>	<u>326,317</u>	<u>326,317</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	8,800	8,780	20
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	139,375	118,233	21,142
Fringe Benefits	20,225	19,107	1,118
Purchased Services	196,378	195,574	804
Total Operation of Non-Instructional Services	<u>355,978</u>	<u>332,914</u>	<u>23,064</u>
<i>Total Expenditures</i>	<u>364,778</u>	<u>341,694</u>	<u>23,084</u>
<i>Net Change in Fund Balance</i>	(38,461)	(15,377)	23,084
<i>Fund Balance (Deficit) at Beginning of Year</i>	121,004	121,004	0
Prior Year Encumbrances Appropriated	20,100	20,100	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 102,643</u>	<u>\$ 125,727</u>	<u>\$ 23,084</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Bond Retirement Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 2,202,272	\$ 2,202,272	\$ 0
Intergovernmental	308,442	308,442	0
<i>Total Revenues</i>	<u>2,510,714</u>	<u>2,510,714</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	34,520	13,907	20,613
Total Support Services	34,520	13,907	20,613
Debt Service:			
Principal Payments	513,688	405,688	108,000
Interest	1,851,792	1,851,792	0
Total Debt Service	<u>2,365,480</u>	<u>2,257,480</u>	<u>108,000</u>
<i>Total Expenditures</i>	<u>2,400,000</u>	<u>2,271,387</u>	<u>128,613</u>
<i>Net Change in Fund Balance</i>	110,714	239,327	128,613
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>2,888,651</u>	<u>2,888,651</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 2,999,365</u>	<u>\$ 3,127,978</u>	<u>\$ 128,613</u>

Chagrin Falls Exempted Village School District
*Schedule of Revenues, Expenditures, and
 Budget (Non-GAAP Basis) and Actual
 Permanent Improvement Projects Fund
 For the Fiscal Year Ended June 30, 2012*

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Investment Income	\$ 441	\$ 441	\$ 0
Gifts and Donations	7,000	7,000	0
<i>Total Revenues</i>	<u>7,441</u>	<u>7,441</u>	<u>0</u>
Expenditures:			
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	12,809	12,809	0
Building Acquisitions and Construction Services:			
Purchased Services	50,293	50,107	186
Capital Outlay	732,550	732,550	0
Total Building Acquisitions and Construction Services	<u>782,843</u>	<u>782,657</u>	<u>186</u>
Building Improvement Services:			
Purchased Services	1,913,057	1,913,057	0
Capital Outlay	259,191	258,982	209
Total Building Improvement Services	<u>2,172,248</u>	<u>2,172,039</u>	<u>209</u>
Total Capital Outlay	<u>2,967,900</u>	<u>2,967,505</u>	<u>395</u>
Debt Service:			
Interest and Fiscal Charges	9,000	9,000	0
Bond Issuance Costs	32,165	32,165	0
			0
<i>Total Expenditures</i>	<u>3,009,065</u>	<u>3,008,670</u>	<u>395</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,001,624)</u>	<u>(3,001,229)</u>	<u>395</u>
Other Financing Sources (Uses):			
Debt Issuance	974,984	974,984	0
Premium on Debt Issuance	43,507	43,507	0
Transfers In	470,000	470,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,488,491</u>	<u>1,488,491</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,513,133)	(1,512,738)	395
<i>Fund Balance (Deficit) at Beginning of Year</i>	390,890	390,890	0
Prior Year Encumbrances Appropriated	1,248,517	1,248,517	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 126,274</u>	<u>\$ 126,669</u>	<u>\$ 395</u>

AGENCY FUNDS
Combining Statements

Chagrin Falls Exempted Village School District

Combining Statements – Agency Fund

Agency Fund

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

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

Chagrin Falls Exempted Village School District
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2012

	Beginning Balance 7/1/11	Additions	Deductions	Ending Balance 6/30/12
Student Activities				
Assets				
Equity in Pooled Cash and Investments	\$ 52,770	\$ 79,446	\$ 99,690	\$ 32,526
Liabilities				
Due to Students	\$ 52,770	\$ 79,446	\$ 99,690	\$ 32,526

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**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-19
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S-20 - S-24
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-25 - S-27
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S-28 - S-40

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

NOTE:

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

Chagrin Falls Exempted Village School District

Net Assets by Component

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	<u>2012</u>	<u>2011</u>	<u>Restated 2010</u>	<u>2009</u>
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$ 3,937,653	\$ 4,722,780	\$ 4,490,753	\$ 3,607,515
Restricted	3,923,873	5,141,274	3,843,429	3,143,103
Unrestricted	<u>5,377,457</u>	<u>2,949,083</u>	<u>3,178,606</u>	<u>2,657,943</u>
<i>Total Governmental Activities Net Assets</i>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,408,561</u>
Business-Type Activities:				
Invested in Capital Assets	N/A	N/A	N/A	\$ 81,412
Restricted	N/A	N/A	N/A	0
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>119,858</u>
<i>Total Business-Type Activities Net Assets</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 201,270</u>
Primary Government:				
Invested in Capital Assets, Net of Related Debt	\$ 3,937,653	\$ 4,722,780	\$ 4,490,753	\$ 3,688,927
Restricted	3,923,873	5,141,274	3,843,429	3,143,103
Unrestricted	<u>5,377,457</u>	<u>2,949,083</u>	<u>3,178,606</u>	<u>2,777,801</u>
<i>Total Primary Government Net Assets</i>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,609,831</u>

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,611,681	\$ 1,070,070	\$ 2,200,744	\$ 1,946,362	\$ 1,567,981	\$ 1,544,335
4,004,857	4,770,065	1,104,831	879,207	2,155,299	1,855,906
1,009,120	(1,222,306)	(1,038,726)	383,288	408,187	(87,075)
<u>\$ 6,625,658</u>	<u>\$ 4,617,829</u>	<u>\$ 2,266,849</u>	<u>\$ 3,208,857</u>	<u>\$ 4,131,467</u>	<u>\$ 3,313,166</u>
\$ 93,071	\$ 151,180	\$ 169,306	\$ 170,001	\$ 187,256	\$ 196,624
0	0	0	0	0	0
77,779	82,439	(3,267)	89,820	83,728	98,548
<u>\$ 170,850</u>	<u>\$ 233,619</u>	<u>\$ 166,039</u>	<u>\$ 259,821</u>	<u>\$ 270,984</u>	<u>\$ 295,172</u>
\$ 1,704,752	\$ 1,221,250	\$ 2,370,050	\$ 2,116,363	\$ 1,755,237	\$ 1,740,959
4,004,857	4,770,065	1,104,831	879,207	2,155,299	1,855,906
1,086,899	(1,139,867)	(1,041,993)	473,108	491,915	11,473
<u>\$ 6,796,508</u>	<u>\$ 4,851,448</u>	<u>\$ 2,432,888</u>	<u>\$ 3,468,678</u>	<u>\$ 4,402,451</u>	<u>\$ 3,608,338</u>

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

	2012	2011	Restated 2010	2009
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 12,969,392	\$ 12,815,102	\$ 12,856,519	\$ 11,527,572
Special Instruction	2,424,207	2,248,567	1,903,964	1,998,884
Vocational Instruction	657,097	519,757	438,535	112,692
Student Intervention	17,778	20,409	23,103	20,131
Pupil Support	1,253,869	1,148,707	1,174,071	899,849
Instructional Staff Support	1,470,882	1,627,692	1,328,776	1,426,196
Board of Education	79,204	65,485	75,274	80,176
Administration	2,052,841	2,226,136	2,050,077	2,015,517
Fiscal	934,832	918,514	885,475	828,131
Business	400	400	300	400
Operation and Maintenance of Plant	2,463,010	2,626,552	1,990,526	2,473,588
Pupil Transportation	1,226,329	1,357,761	1,264,395	1,127,451
Central	15,564	18,801	12,933	16,632
Operation of Non-Instructional Services:				
Community Services	468,432	505,349	160,455	283,041
Food Service Operations	622,261	583,757	669,562	0
Extracurricular Activities	887,157	994,169	844,500	801,231
Interest and Fiscal Charges	1,159,994	1,369,563	1,360,443	1,320,426
Issuance Costs	0	0	0	0
<i>Total Governmental Activities Expenses</i>	<u>28,703,249</u>	<u>29,046,721</u>	<u>27,038,908</u>	<u>24,931,917</u>
Business-Type Activities:				
Food Service	N/A	N/A	N/A	706,059
Uniform School Supplies	N/A	N/A	N/A	84,224
Community Education	N/A	N/A	N/A	342,088
Windsor Educational	N/A	N/A	N/A	0
<i>Total Business-Type Activities Expenses</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>1,132,371</u>
<i>Total Primary Government Expenses</i>	<u>\$ 28,703,249</u>	<u>\$ 29,046,721</u>	<u>\$ 27,038,908</u>	<u>\$ 26,064,288</u>
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 464,466	\$ 321,113	\$ 416,414	\$ 229,320
Special Instruction	0	0	0	0
Vocational Instruction	405,326	273,403	371,189	0
Pupil Support	124,042	107,675	100,370	84,827
Fiscal	5,410	320	3,988	17,221
Operation and Maintenance of Plant	0	0	0	642
Community Services	301,383	297,223	0	0
Food Service Operations	603,607	568,535	616,442	0
Extracurricular Activities	315,908	336,643	236,417	215,933
Operating Grants and Contributions:				
Regular Instruction	230,746	289,400	104,258	137,025
Special Instruction	0	488	2,010	25,418
Pupil Support	84,905	809	3,764	3,042
Instructional Staff Support	263,333	456,368	512,006	305,995
Administration	0	5,000	5,000	5,840
Fiscal	0	0	0	1,985
Pupil Transportation	3,675	17,272	0	0
Community Services	145,765	184,789	138,989	157,624
Food Service Operations	58,971	61,047	60,804	0
Extracurricular Activities	17,034	57,599	0	0
Interest and Fiscal Charges	92,483	25,868	0	0
Capital Grants and Contributions:				
Regular Instruction	0	0	0	0
Instructional Staff Support	0	0	0	0
Operation and Maintenance of Plant	0	0	0	2,604
Extracurricular Activities	0	272,000	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>3,117,054</u>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>

	2008	2007	2006	2005	2004	2003
\$	10,211,305	\$ 9,933,444	\$ 9,893,476	\$ 10,026,597	\$ 10,019,345	\$ 9,291,338
	1,851,409	1,712,549	1,483,639	1,636,142	1,350,026	1,189,814
	108,040	162,699	123,302	71,620	92,934	108,138
	0	13,210	34,060	29,720	37,335	5,912
	962,287	995,334	1,072,115	1,139,741	1,098,885	1,055,832
	1,343,348	1,398,338	1,489,359	1,297,374	1,159,805	986,686
	62,223	94,466	89,991	83,165	79,892	63,685
	1,963,707	2,069,076	1,976,027	1,816,179	1,610,209	1,510,595
	707,475	1,284,233	640,702	936,955	643,052	668,701
	800	800	800	800	800	800
	2,442,552	2,828,169	3,020,408	2,479,388	2,499,738	2,427,389
	1,157,144	1,126,296	1,215,315	1,120,571	1,097,121	1,063,140
	16,001	22,099	25,809	24,281	21,452	21,381
	165,741	184,844	173,704	160,332	198,003	209,998
	0	0	0	0	0	0
	623,811	731,019	702,459	690,406	746,022	696,643
	1,333,641	1,461,470	1,442,066	2,548,040	1,240,118	1,283,851
	0	0	0	188,590	0	0
	<u>22,949,484</u>	<u>24,018,046</u>	<u>23,383,232</u>	<u>24,249,901</u>	<u>21,894,737</u>	<u>20,583,903</u>
	657,655	623,945	594,929	668,197	686,168	584,811
	99,922	108,859	93,703	106,213	71,642	64,589
	400,043	343,265	217,837	164,844	208,061	176,678
	0	0	0	0	0	68,146
	<u>1,157,620</u>	<u>1,076,069</u>	<u>906,469</u>	<u>939,254</u>	<u>965,871</u>	<u>894,224</u>
\$	<u>24,107,104</u>	<u>25,094,115</u>	<u>24,289,701</u>	<u>25,189,155</u>	<u>22,860,608</u>	<u>21,478,127</u>
\$	108,321	\$ 46,728	\$ 84,170	\$ 51,244	\$ 52,944	\$ 81,992
	0	0	0	5	0	0
	0	0	0	0	0	0
	89,748	117,182	220,695	206,626	200,094	176,243
	29,053	22,624	19,908	51,352	17,456	19,715
	0	27,782	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	143,706	168,239	160,390	148,019	140,112	143,374
	75,556	78,149	73,776	118,098	113,975	92,858
	67,296	72,521	76,445	95,065	3,776	0
	3,940	0	53,674	92,846	33,527	56,541
	381,111	351,980	323,026	233,134	207,882	104,580
	13,322	6,563	6,611	6,188	7,174	7,076
	0	0	0	0	0	0
	0	0	0	0	0	0
	151,237	164,254	144,668	150,036	139,144	151,189
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	13,202	0	0	16,905	0	0
	0	0	0	0	0	30,718
	36,345	0	0	0	0	0
	0	0	0	0	0	0
	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>	<u>916,084</u>	<u>864,286</u>

(continued)

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

	2012	2011	Restated 2010	2009
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	\$ 599,641
Uniform School Supplies	N/A	N/A	N/A	104,698
Community Education	N/A	N/A	N/A	357,764
Windsor Educational	N/A	N/A	N/A	0
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	100,074
<i>Total Business-Type Activities Program Revenues</i>	N/A	N/A	N/A	1,162,177
<i>Total Primary Government Program Revenues</i>	3,117,054	3,275,552	2,571,651	2,349,653
Net (Expense) Revenue:				
Governmental Activities	(25,586,195)	(25,771,169)	(24,467,257)	(23,744,441)
Business-Type Activities	N/A	N/A	N/A	29,806
<i>Total Primary Government Net Expense</i>	<u>\$ (25,586,195)</u>	<u>\$ (25,771,169)</u>	<u>\$ (24,467,257)</u>	<u>\$ (23,714,635)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 18,742,949	\$ 18,950,590	\$ 18,124,570	\$ 18,443,992
Debt Service	2,185,659	2,397,179	2,478,184	2,486,452
Grants and Entitlements not Restricted to Specific Programs				
Investment Earnings	4,839,380	5,608,901	5,493,978	5,356,437
Miscellaneous	67,385	71,014	60,186	105,901
Miscellaneous	176,668	43,834	201,566	134,562
<i>Total Governmental Activities</i>	26,012,041	27,071,518	26,358,484	26,527,344
Business-Type Activities:				
Investment Earnings	N/A	N/A	N/A	614
Miscellaneous	N/A	N/A	N/A	0
<i>Total Business-Type Activities</i>	N/A	N/A	N/A	614
<i>Total Primary Government</i>	<u>\$ 26,012,041</u>	<u>\$ 27,071,518</u>	<u>\$ 26,358,484</u>	<u>\$ 26,527,958</u>
Change in Net Assets				
Governmental Activities	\$ 425,846	\$ 1,300,349	\$ 1,891,227	\$ 2,782,903
Business-Type Activities	N/A	N/A	N/A	30,420
<i>Total Primary Government</i>	<u>\$ 425,846</u>	<u>\$ 1,300,349</u>	<u>\$ 1,891,227</u>	<u>\$ 2,813,323</u>

2008	2007	2006	2005	2004	2003
\$ 600,990	\$ 529,535	\$ 527,520	\$ 619,966	\$ 641,834	\$ 549,986
101,299	97,554	92,293	96,152	74,349	69,600
363,369	448,362	243,275	184,228	191,304	171,745
0	0	0	0	0	67,909
76,331	55,301	37,221	25,531	33,586	55,464
1,141,989	1,130,752	900,309	925,877	941,073	914,704
2,254,826	2,186,774	2,063,672	2,095,395	1,857,157	1,778,990
(21,836,647)	(22,962,024)	(22,219,869)	(23,080,383)	(20,978,653)	(19,719,617)
(15,631)	54,683	(6,160)	(13,377)	(24,798)	20,480
\$ (21,852,278)	\$ (22,907,341)	\$ (22,226,029)	\$ (23,093,760)	\$ (21,003,451)	\$ (19,699,137)
\$ 17,044,074	\$ 17,540,958	\$ 14,083,975	\$ 15,599,444	\$ 15,342,604	\$ 11,672,680
2,267,975	2,661,472	2,147,078	2,065,233	2,146,903	1,839,749
4,815,085	4,324,197	4,255,426	4,247,210	4,203,459	3,881,296
232,816	506,124	505,332	91,320	15,472	47,382
127,169	291,590	168,579	154,566	88,516	102,179
24,487,119	25,324,341	21,160,390	22,157,773	21,796,954	17,543,286
2,432	1,560	3,671	2,214	610	3,226
120	0	26,178	0	0	0
2,552	1,560	29,849	2,214	610	3,226
\$ 24,489,671	\$ 25,325,901	\$ 21,190,239	\$ 22,159,987	\$ 21,797,564	\$ 17,546,512
\$ 2,650,472	\$ 2,362,317	\$ (1,059,479)	\$ (922,610)	\$ 818,301	\$ (2,176,331)
(13,079)	56,243	23,689	(11,163)	(24,188)	23,706
\$ 2,637,393	\$ 2,418,560	\$ (1,035,790)	\$ (933,773)	\$ 794,113	\$ (2,152,625)

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

	2012	2011	Restated 2010	2009
Governmental Activities				
Regular Instruction	\$ 695,212	\$ 610,513	\$ 520,672	\$ 366,345
Special Instruction	0	488	2,010	25,418
Vocational Instruction	405,326	273,403	371,189	0
Pupil Support	208,947	108,484	104,134	87,869
Instructional Support	263,333	456,368	512,006	305,995
Administration	0	5,000	5,000	5,840
Fiscal	5,410	320	3,988	19,206
Operation and Maintenance of Plant	0	0	0	3,246
Pupil Transportation	3,675	17,272	0	0
Operation of Non-Instructional Services:				
Community Services	447,148	482,012	138,989	157,624
Food Service Operations	662,578	629,582	677,246	0
Extracurricular Activities	332,942	666,242	236,417	215,933
Interest and Fiscal Charges	92,483	25,868	0	0
<i>Total Governmental Activities</i>	<u>3,117,054</u>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>
Business-Type Activities				
Food Service	N/A	N/A	N/A	699,715
Uniform School Supplies	N/A	N/A	N/A	104,698
Community Education	N/A	N/A	N/A	357,764
Windsor Educational	N/A	N/A	N/A	0
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>1,162,177</u>
<i>Total Primary Government</i>	<u>\$ 3,117,054</u>	<u>\$ 3,275,552</u>	<u>\$ 2,571,651</u>	<u>\$ 2,349,653</u>

	2008	2007	2006	2005	2004	2003
\$	197,079	\$ 124,877	\$ 157,946	\$ 186,247	\$ 166,919	\$ 174,850
	67,296	72,521	76,445	95,070	3,776	0
	0	0	0	0	0	0
	93,688	117,182	274,369	299,472	233,621	232,784
	381,111	351,980	323,026	233,134	207,882	135,298
	13,322	6,563	6,611	6,188	7,174	7,076
	29,053	22,624	19,908	51,352	17,456	19,715
	36,345	27,782	0	0	0	0
	0	0	0	0	0	0
	151,237	164,254	144,668	150,036	139,144	151,189
	0	0	0	0	0	0
	143,706	168,239	160,390	148,019	140,112	143,374
	0	0	0	0	0	0
	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>	<u>916,084</u>	<u>864,286</u>
	677,321	584,836	564,741	645,497	675,420	605,450
	101,299	97,554	92,293	96,152	74,349	69,600
	363,369	448,362	243,275	184,228	191,304	171,745
	0	0	0	0	0	67,909
	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>	<u>941,073</u>	<u>914,704</u>
\$	<u>2,254,826</u>	<u>\$ 2,186,774</u>	<u>\$ 2,063,672</u>	<u>\$ 2,095,395</u>	<u>\$ 1,857,157</u>	<u>\$ 1,778,990</u>

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

	2012	2011	Restated 2010	2009
General Fund				
Reserved	N/A	N/A	N/A	\$ 3,053,283
Unreserved	N/A	N/A	N/A	1,424,748
Restricted	\$ 0	\$ 0	\$ 0	N/A
Assigned	2,068,948	53,895	113,178	N/A
Unassigned	4,572,566	6,637,210	5,702,466	N/A
<i>Total General Fund</i>	<u>6,641,514</u>	<u>6,691,105</u>	<u>5,815,644</u>	<u>4,478,031</u>
All Other Governmental Funds				
Reserved	N/A	N/A	N/A	674,516
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	123,372
Debt Service Funds	N/A	N/A	N/A	2,539,420
Capital Projects Funds	N/A	N/A	N/A	128,099
Permanent Funds	N/A	N/A	N/A	0
Nonspendable	0	0	0	N/A
Restricted	3,823,738	4,860,250	3,563,784	N/A
Committed	0	0	0	N/A
Assigned	0	0	0	N/A
Unassigned	0	(12,317)	(69,232)	N/A
<i>Total All Other Governmental Funds</i>	<u>3,823,738</u>	<u>4,847,933</u>	<u>3,494,552</u>	<u>3,465,407</u>
<i>Total Governmental Funds</i>	<u>\$ 10,465,252</u>	<u>\$ 11,539,038</u>	<u>\$ 9,310,196</u>	<u>\$ 7,943,438</u>

	2008	2007	2006	2005	2004	2003
\$	2,879,582	\$ 2,852,743	\$ 2,233,821	\$ 3,709,598	\$ 2,738,475	\$ 1,618,655
	0	(2,987,439)	(2,343,891)	(2,539,529)	(2,125,432)	(1,462,800)
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	<u>2,879,582</u>	<u>(134,696)</u>	<u>(110,070)</u>	<u>1,170,069</u>	<u>613,043</u>	<u>155,855</u>
	408,383	1,691,974	8,125,446	1,348,098	491,541	313,346
	2,304,098	161,629	122,621	131,387	192,206	226,609
	172,850	2,397,617	2,082,765	1,936,245	1,400,736	1,251,625
	0	724,220	626,179	9,002,702	40,976	68,594
	0	0	0	53	0	0
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A
	<u>2,885,331</u>	<u>4,975,440</u>	<u>10,957,011</u>	<u>12,418,485</u>	<u>2,125,459</u>	<u>1,860,174</u>
\$	<u>5,764,913</u>	<u>4,840,744</u>	<u>10,846,941</u>	<u>13,588,554</u>	<u>2,738,502</u>	<u>2,016,029</u>

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

	2012	2011	Restated 2010	2009
Revenues:				
Taxes	\$ 20,982,400	\$ 21,425,142	\$ 20,524,509	\$ 21,480,808
Intergovernmental	5,759,317	6,583,553	6,126,192	5,992,945
Interest	68,419	72,134	60,844	108,926
Tuition and Fees	1,082,797	846,097	831,786	314,147
Extracurricular Activities	528,139	510,660	336,787	215,933
Rentals	5,410	320	3,988	17,863
Charges for Services	626,027	569,369	616,442	0
Contributions and Donations	128,652	380,991	145,181	91,937
Miscellaneous	176,667	43,833	56,385	42,625
<i>Total Revenues</i>	<u>29,357,828</u>	<u>30,432,099</u>	<u>28,702,114</u>	<u>28,265,184</u>
Expenditures:				
Current:				
Instruction:				
Regular	11,849,977	11,484,844	11,413,091	10,599,975
Special	2,406,039	2,218,241	1,859,174	1,998,852
Vocational	657,097	519,757	438,535	112,692
Other	17,778	20,409	23,103	20,131
Support Services:				
Pupils	1,240,528	1,132,241	1,142,194	896,199
Instructional Staff	1,421,094	1,580,327	1,257,778	1,283,972
Board of Education	79,204	65,485	75,274	80,176
Administration	2,053,193	2,283,321	2,036,099	1,980,521
Fiscal	936,094	914,816	882,859	835,484
Business	400	400	300	400
Operation and Maintenance of Plant	2,395,654	2,483,910	2,236,090	2,368,677
Pupil Transportation	1,136,568	1,257,667	1,304,983	1,182,167
Central	15,564	18,801	12,933	16,632
Operation of Non-Instructional Services:				
Community Services	447,529	460,736	133,465	276,529
Food Service Operations	628,225	586,949	669,562	0
Extracurricular Activities	887,157	994,169	844,243	797,899
Capital Outlay	2,807,005	895,156	481,724	831,865
Debt Service:				
Principal Retirement	505,974	1,032,466	1,544,128	1,485,870
Interest and Fiscal Charges	1,965,025	1,694,010	1,092,272	1,144,118
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>31,450,105</u>	<u>29,643,705</u>	<u>27,447,807</u>	<u>25,912,159</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	(2,092,277)	788,394	1,254,307	2,353,025
Other Financing Sources (Uses):				
Inception of Capital Lease	0	97,465	0	0
Debt Issuance	974,984	1,342,983	0	0
Refunding Bonds	0	0	0	0
Payment to Refund Bond Escrow Agent	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	5,782	0
Premiums on Debt Issuance	43,507	0	0	0
Transfers In	495,100	417,600	417,600	417,600
Transfers Out	(495,100)	(417,600)	(417,600)	(417,600)
<i>Total Financing Sources and (Uses)</i>	<u>1,018,491</u>	<u>1,440,448</u>	<u>5,782</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>\$ (1,073,786)</u>	<u>\$ 2,228,842</u>	<u>\$ 1,260,089</u>	<u>\$ 2,353,025</u>
Debt Service as a Percentage of				
Noncapital Expenditures	8.64%	9.37%	9.81%	10.68%

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

	2008	2007	2006	2005	2004	2003
\$	19,398,904	\$ 19,173,424	\$ 16,139,165	\$ 18,329,367	\$ 17,162,148	\$ 13,302,500
	5,517,743	4,997,664	4,933,626	4,959,482	4,708,937	4,324,258
	272,167	506,124	505,332	91,320	15,472	47,382
	108,321	46,728	67,152	49,999	49,061	80,678
	233,454	285,421	382,353	355,895	329,479	320,931
	29,053	27,744	19,908	51,352	17,456	19,715
	0	22,662	15,750	0	14,610	0
	92,018	263,145	154,981	113,747	87,483	80,252
	35,151	28,445	13,418	4,429	10,133	33,738
	25,686,811	25,351,357	22,231,685	23,955,591	22,394,779	18,209,454
	9,494,487	9,605,336	9,250,195	9,596,898	9,174,555	8,467,549
	1,842,475	1,679,725	1,476,836	1,646,045	1,336,903	1,175,284
	108,040	162,699	123,302	71,620	92,934	108,138
	0	13,210	34,060	29,720	37,335	5,912
	962,350	975,776	1,104,862	1,146,396	1,082,514	1,066,929
	1,251,731	1,387,321	1,357,804	1,204,234	1,073,138	981,533
	62,223	94,356	89,883	83,115	79,733	63,569
	2,039,699	2,045,032	1,883,737	1,875,080	1,573,006	1,475,971
	723,495	1,277,306	603,709	945,044	614,891	640,565
	800	800	800	800	800	800
	2,253,916	2,516,357	2,489,294	2,334,061	2,305,252	2,152,062
	1,124,880	1,115,895	1,143,620	1,130,762	1,058,296	1,066,596
	16,001	22,099	25,809	24,936	21,452	21,381
	157,167	161,178	158,724	151,141	181,176	193,699
	0	0	0	0	0	0
	620,941	724,915	697,089	695,109	727,167	726,783
	1,703,012	7,001,158	2,213,235	707,912	251,793	281,643
	1,435,000	1,295,000	1,146,145	853,647	821,488	814,952
	1,141,325	1,271,402	1,285,623	1,174,244	1,240,118	1,283,851
	0	0	0	188,590	0	0
	24,937,542	31,349,565	25,084,727	23,859,354	21,672,551	20,527,217
	749,269	(5,998,208)	(2,853,042)	96,237	722,228	(2,317,763)
	0	0	0	0	0	0
	0	0	0	9,949,990	0	0
	0	0	0	16,819,988	0	0
	0	0	0	(18,082,289)	0	0
	400	3,348	1,205	0	245	785
	0	0	0	2,066,126	0	0
	313,600	313,600	430,471	315,750	325,450	478,409
	(313,600)	(324,937)	(320,247)	(315,750)	(325,450)	(478,409)
	400	(7,989)	111,429	10,753,815	245	785
\$	749,669	\$ (6,006,197)	\$ (2,741,613)	\$ 10,850,052	\$ 722,473	\$ (2,316,978)
	11.18%	10.84%	10.58%	9.68%	9.68%	10.45%

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>
2012	\$ 480,591,290	\$ 1,373,117,971	\$ 6,209,130	\$ 7,055,830
2011	482,312,310	1,378,035,171	5,968,250	6,782,102
2010	479,878,670	1,371,081,914	5,849,490	6,647,148
2009	484,579,200	1,384,512,000	5,489,790	6,238,398
2008	486,429,360	1,389,798,171	5,218,290	5,929,875
2007	482,941,100	1,379,831,714	6,552,990	7,446,580
2006	452,868,880	1,293,911,086	7,173,560	8,151,772
2005	434,192,870	1,240,551,057	6,879,320	7,817,409
2004	431,105,710	1,231,730,600	6,873,410	7,810,693
2003	402,220,270	1,149,200,771	6,465,970	7,347,693

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

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

<u>Tangible Personal Property (3)</u>		<u>Total</u>			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$ 0	\$ 0	\$ 486,800,420	\$ 1,380,173,801	35%	107.70
0	0	488,280,560	1,384,817,273	35%	107.70
0	0	485,728,160	1,377,729,062	35%	108.60
1,302,500	5,663,043	491,371,490	1,396,413,441	35%	108.30
2,905,855	12,634,152	494,553,505	1,408,362,199	35%	108.30
4,045,333	17,588,404	493,539,423	1,404,866,698	35%	100.40
5,919,019	25,734,865	465,961,459	1,327,797,723	35%	100.90
7,210,137	31,348,422	448,282,327	1,279,716,888	35%	99.80
9,333,450	40,580,217	447,312,570	1,280,121,510	35%	92.20
10,781,967	43,127,874	419,468,207	1,199,676,338	35%	92.10

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

Calendar Year	School Levy (1)	Cuyahoga County Levy	Geauga County Levy	Other (2)	City Levy	Total Levy	Debt Service Included in Total Levy			
							School	County	City	Total
2011	107.70	13.22	15.10	7.58	8.90	152.50	5.15	0.17	1.2	6.52
2010	107.70	13.32	15.10	7.98	11.20	155.30	5.15	0.27	2.9	8.32
2009	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.55	2.9	9.50
2008	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.50	2.9	9.45
2007	108.30	13.42	15.10	7.18	11.20	155.20	5.75	0.74	2.9	9.39
2006	100.40	13.42	15.10	7.18	11.20	147.30	5.75	0.74	2.9	9.39
2005	100.90	20.30	15.10	N/A	11.50	147.80	6.25	0.50	3.20	9.95
2004	99.80	19.40	15.10	N/A	10.40	144.70	5.15	0.91	3.20	9.26
2003	92.20	17.60	14.60	N/A	10.40	134.80	5.45	0.91	2.10	8.46
2002	92.10	17.60	14.40	N/A	10.40	134.50	5.35	0.86	2.10	8.31

(1)

	Current	Debt Service	Total
2011	102.55	5.15	107.70
2010	102.55	5.15	107.70
2009	102.55	6.05	108.60
2008	102.55	6.05	108.60
2007	102.55	5.75	108.30
2006	94.65	5.75	100.40
2005	N/A	N/A	100.90
2004	N/A	N/A	99.80
2003	N/A	N/A	92.20
2002	N/A	N/A	92.10

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

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

N/A This information is not readily available.

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

Year (2)	Total Tax Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Percent of Total Tax Collections to Tax Levy
2011	\$ 23,687,638	\$ 22,887,139	96.62%	\$ 732,076	\$ 23,619,215	99.71%
2010	24,056,310	23,295,361	96.84%	740,353	24,035,714	99.91%
2009	24,110,035	23,262,773	96.49%	681,891	23,944,664	99.31%
2008	24,111,227	23,187,605	96.17%	829,265	24,016,870	99.61%
2007	21,912,082	19,583,534	89.37%	979,469	20,563,003	93.84%
2006	13,736,651	12,083,719	87.97%	314,553	12,398,272	90.26%
2005	21,047,815	18,951,580	90.04%	818,133	19,769,713	93.93%
2004	20,789,650	19,109,806	91.92%	522,175	19,631,981	94.43%
2003	17,181,312	15,408,518	89.68%	566,722	15,975,240	92.98%
2002	16,715,910	15,247,743	91.22%	469,969	15,717,712	94.03%

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. 2012 information cannot be presented because all collections have not been made by June 30.

Note: Cuyahoga and Geauga County collect property taxes on a calendar year basis, therefore, the above data has been presented on a calendar year basis. The County does not identify delinquent collections by the year for which the tax was levied.

Chagrin Falls Exempted Village School District
Principal Taxpayers
Real Estate Tax
December 31, 2011 and December 31, 2003

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2011		
Edmund A. Leopold	1,671,330	0.35%
Hamlet Atrium, LLC	1,241,490	0.26%
Chagrin Falls Shopping Center	1,232,880	0.26%
Western Reserve Company	1,080,310	0.22%
Harris Realty Co.	920,150	0.19%
HCR Manorcare Properties LLC	812,390	0.17%
Hamlet Manor LLC	755,620	0.16%
Tallisman, Alan G. Trustee	725,210	0.15%
River Street Partners LLC	714,070	0.15%
Hamlet Retirement LLC	695,520	0.14%
Totals	<u>\$ 9,848,970</u>	<u>2.05%</u>
Total Assessed Valuation	<u>\$ 480,591,290</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 Company	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%
JBJ 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 2011 and Cuyahoga County Auditor for 2003.

(1) Assessed values are for the 2012 collection year for 2011 and the 2004 collection year for 2003.

Chagrin Falls Exempted Village School District
Principal Taxpayers
Public Utility
December 31, 2011 and December 31, 2003

<u>Name of Taxpayer</u>	<u>Assessed Value (1)</u>	<u>Percent of Real Assessed Value</u>
December 31, 2011		
Cleveland Electric Illuminating Company	3,011,070	48.49%
American Wireless Transmission	326,060	5.25%
East Ohio Gas	310,580	5.00%
Ohio Bell Telephone Company	153,440	2.47%
Totals	<u>\$ 3,801,150</u>	<u>61.22%</u>
Total Assessed Valuation	<u>\$ 6,209,130</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 for 2011 and Cuyahoga County Auditor for 2003.

(1) Assessed values are for the 2012 collection year for 2011 and the 2004 collection year for 2003.

Chagrin Falls Exempted Village School District
Computation of Legal Debt Margin
 June 30, 2012

	2012	2011	2010	2009
Assessed Valuation	\$ 480,591,290	\$ 488,280,560	\$ 485,728,160	\$ 491,371,490
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 43,253,216	\$ 43,945,250	\$ 43,715,534	\$ 44,223,434
Outstanding debt:				
General Obligation Bonds	24,531,212	24,044,899	23,719,980	25,264,108
Less Amount Available in Debt Service	(3,426,592)	(3,196,966)	(3,118,852)	(2,944,092)
Total	21,104,620	20,847,933	20,601,128	22,320,016
Amount of Debt Subject to Debt Limit:	21,104,620	20,847,933	20,601,128	22,320,016
Overall Debt Margin	\$ 22,148,596	\$ 23,097,317	\$ 23,114,406	\$ 21,903,418
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 480,591	\$ 488,281	\$ 485,728	\$ 491,371
Amount of Debt Applicable	-	-	-	-
Unvoted Debt Margin	\$ 480,591	\$ 488,281	\$ 485,728	\$ 491,371

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.

(2) Effective fiscal year 2012, the change due to HB530 was implemented using assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

2008	2007	2006	2005	2004	2003
\$ 494,553,505	\$ 493,539,423	\$ 465,961,459	\$ 448,282,327	\$ 447,312,570	\$ 418,605,651
\$ 44,509,815	\$ 44,418,548	\$ 41,936,531	\$ 40,345,409	\$ 40,258,131	\$ 37,674,509
26,749,978 (2,709,481)	28,184,978 (2,706,487)	29,479,978 (2,445,341)	30,619,978 (2,447,563)	21,515,000 (1,754,657)	22,310,000 (1,432,349)
24,040,497	25,478,491	27,034,637	28,172,415	19,760,343	20,877,651
24,040,497	25,478,491	27,034,637	28,172,415	19,760,343	20,877,651
\$ 20,469,318	\$ 18,940,057	\$ 14,901,894	\$ 12,172,994	\$ 20,497,788	\$ 16,796,858
\$ 494,554	\$ 493,539	\$ 465,961	\$ 448,282	\$ 447,313	\$ 418,606
-	-	-	-	-	-
\$ 494,554	\$ 493,539	\$ 465,961	\$ 448,282	\$ 447,313	\$ 418,606

Chagrin Falls Exempted Village School District
*Computation of Direct & Overlapping General Obligation Bonded Debt
as of June 30, 2012*

	<u>Outstanding Debt Obligations</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Application to School District</u>
Direct:			
Chagrin Falls Exempted Village	\$ 24,596,972	100.00%	\$ 24,596,972
Overlapping:			
Cuyahoga County	210,713,843	1.01%	2,128,210
Geauga County	5,292,264	6.21%	328,650
Chagrin Falls Village	1,595,000	100.00%	1,595,000
Moreland Hills Village	600,006	19.63%	117,781
Russell Township	1,939,999	4.62%	89,628
Trumbull Jt. Solid Waste Management	<u>550,000</u>	2.97%	<u>16,335</u>
Total Overlapping	<u>220,691,112</u>		<u>4,275,604</u>
Total	<u>\$ 245,288,084</u>		<u>\$ 28,872,576</u>

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

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2011 collection year.

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

Fiscal Year	Outstanding Debt Obligations (1)	Percentage of Personal Income (2)	Net Debt Per Capita
2012	\$ 24,596,972	0.38%	\$ 2,032
2011	24,044,899	0.39%	1,986
2010	23,719,980	0.39%	2,042
2009	25,264,108	0.37%	2,194
2008	26,749,978	0.35%	2,303
2007	28,184,978	0.33%	1,946
2006	29,479,978	0.32%	2,036
2005	30,619,978	N/A	2,114
2004	21,515,000	N/A	1,486
2003	22,310,000	N/A	1,541

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
2012	12,107	\$ 1,380,173,801	\$ 24,596,972	\$ 3,426,592	\$ 21,170,380	1.53%	\$ 1,749
2011	12,107	1,384,817,274	24,044,899	3,196,966	20,847,933	1.51%	1,722
2010	11,617	1,377,729,062	23,719,980	3,118,852	20,601,128	1.50%	1,773
2009	11,514	1,396,413,441	25,264,108	2,944,092	22,320,016	1.60%	1,939
2008	11,614	1,408,362,199	26,749,978	2,709,481	24,040,497	1.71%	2,070
2007	14,481	1,404,866,698	28,184,978	2,706,487	25,478,491	1.81%	1,759
2006	14,481	1,327,797,723	29,479,978	2,445,341	27,034,637	2.04%	1,867
2005	14,481	1,280,121,510	30,619,978	2,447,563	28,172,415	2.20%	1,945
2004	14,481	1,199,676,338	21,515,000	1,754,657	19,760,343	1.65%	1,365
2003	14,481	1,155,091,764	22,310,000	1,432,349	20,877,651	1.81%	1,442

Source:

(1) U.S. Census of Population

(2) Cuyahoga and Geauga County Auditors

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

		2011		
Employer	Nature of Business	Employees	Rank	Percentage of Total Employment (1)
Chagrin Falls Exempted Village Schools	Public Schools	269	1	N/A
Hamlet Village LLC	Healthcare Services	150	2	N/A
Game Keepers Hospitality, Inc.	Restaurant	80	3	N/A
Village of Chagrin Falls	Government	60	4	N/A
Giant Eagle Inc. (Riser Foods Company)	Grocery Store	39	5	N/A
Cleveland Clinic Foundation	Healthcare Services	35	6	N/A
Live Nation Worldwide Inc.	Media Representatives	23	7	N/A
Personnel Research & Development	Human Resource Consultants	19	8	N/A
Merrill, Lynch, Fenner & Smith, Inc.	Investments	14	9	N/A
Wells Fargo Advisors LLC	Investments	11	10	N/A
		2006 (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
Game Keepers Hospitality, Inc.	Restaurant	120	4	N/A
Windsor Hospital	Healthcare Services	104	5	N/A
Village of Chagrin Falls	Government	67	6	N/A
Smith Barney	Financial Services	55	7	N/A
Gleeson Construction	Property Manager	55	8	N/A
First Union Securities	Financial Services	39	9	N/A

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

(2) This is the most recent readily available.

Source: Chagrin Falls Village, Chagrin Falls Library and RITA

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

Year	Cuyahoga County Population (1)	Geauga County Population (1)	Bentleyville Village Population (2)	Chagrin Falls Village Population (2)	Moreland Hills Village Population (2)
2012	1,270,294	93,228	864	4,113	3,320
2011	1,280,122	93,389	864	4,113	3,320
2010	1,275,709	99,060	894	3,620	3,041
2009	1,283,925	98,817	896	3,641	3,064
2008	1,341,241	95,676	905	3,678	3,093
2007	1,386,096	90,895	900	4,652	3,400
2006	1,386,096	90,895	900	4,652	3,400
2005	1,386,096	90,895	900	4,652	3,400
2004	1,386,096	90,895	900	4,652	3,400
2003	1,386,096	90,895	900	4,652	3,400

(1) U.S. Census Bureau, Census.gov

(2) Department of Job and Family Services

(3) U.S. Census Bureau, 2010 Census

(4) Estimated based on 2010 Census information

South Russell Village Population (2)	Personal Income Per Capita (3)	Total Personal Income (4)	Cuyahoga County Unemployment Rate (2)	Geauga County Unemployment Rate (2)
3,810	\$ 45,186	\$ 547,066,902	6.9	5.7
3,810	45,186	547,066,902	8.8	6.5
4,062	42,885	498,195,045	9.7	7.3
3,913	42,885	493,777,890	10.2	7.9
3,938	42,885	498,066,390	8.1	6.3
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.8	3.2
5,560	42,885	622,347,120	4.8	3.2
5,560	42,885	622,347,120	4.8	3.2

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

	2012	2011	2010	2009
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	571	577	580	580
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	480	478	453	453
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	328	312	313	313
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	651	650	627	627
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

2008	2007	2006
66,472	66,472	66,472
PreK-3	PreK-3	PreK-3
592	581	584
39	39	39
29	29	29
9	9	9
71,243	71,243	71,243
4-6	4-6	4-6
436	431	436
28	28	28
27	27	27
6	6	6
103,537	103,537	103,537
7-8	7-8	7-8
322	296	292
24	24	24
22	22	22
3	3	3
116,404	116,404	116,404
9-12	9-12	9-12
647	651	649
44	44	44
46	46	46
2	2	2

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

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Average Daily Student Enrollment</u>	<u>Cost Per Pupil</u>
2012	\$ 24,483,735	2,030	\$ 12,061
2011	24,106,803	2,018	11,946
2010	22,036,369	2,016	10,931
2009	21,460,131	2,033	10,556
2008	19,633,885	1,997	9,832
2007	20,788,743	1,959	10,612
2006	19,296,420	1,956	9,865
2005	24,249,901	1,901	12,756
2004	21,894,737	1,970	11,114
2003	20,583,903	1,967	10,465

Source: School District Financial Records

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

Year	Elementary School	Intermediate School	Middle School	High School	Total
2012	571	480	328	651	2,030
2011	577	478	312	651	2,018
2010	574	478	282	682	2,016
2009	576	478	282	697	2,033
2008	592	436	322	647	1,997
2007	581	431	296	651	1,959
2006	515	422	315	651	1,903
2005	464	446	315	638	1,863
2004	462	431	314	645	1,852
2003	458	447	330	632	1,867

Source: School District Records

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

Degree	2012	2011	2010	2009	2008	2007
Bachelor's Degree	12	6	6	8	10	18
Bachelor + 10	1	4	4	4	9	7
Bachelor + 20	2	5	5	11	9	9
Bachelor + 30	7	7	7	9	12	13
Master's Degree	45	53	54	53	48	56
Master's + 10	35	34	32	34	30	27
Master's + 20	20	21	21	16	16	12
Master's + 30	18	15	16	8	9	11
Phd	1	1	1	1	1	1
Total	141	146	146	144	144	154

Source: School District Personnel Records.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
18	15	21	22
8	6	9	13
10	17	15	15
14	17	17	14
56	46	40	45
28	29	26	23
12	12	14	10
9	10	10	10
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>156</u>	<u>153</u>	<u>153</u>	<u>153</u>

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

Fiscal Year	Chagrin Falls Average	State Average
2012 (1)	N/A	N/A
2011 (1)	N/A	N/A
2010 (1)	N/A	N/A
2009 (1)	N/A	N/A
2008	17.8	18.6
2007	16.3	19.6
2006	16.5	18.9
2005	17.2	18.5
2004	17.5	18.5
2003	15.5	16.6

Source: Ohio Department of Education, EMIS Reports.

(1) Information not readily available.

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

Fiscal Year	Chagrin Falls Attendance Rate	State Average	Chagrin Falls Graduation Rate	State Average
2012	95.9	N/A	98.7	N/A
2011	95.8	94.5	100.0	84.3
2010	95.6	94.3	99.3	83.0
2009	96.0	94.3	100.0	84.6
2008	96.0	94.2	100.0	86.9
2007	95.9	94.1	98.8	86.1
2006	96.1	94.1	98.8	86.2
2005	96.0	94.3	100.0	85.9
2004	95.7	94.5	100.0	84.3
2003	95.4	94.5	96.6	83.9

Source: Ohio Department of Education Local Report Cards

N/A - Local Report Cards not currently available.

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
2012	97	135	72%	565	543	496
2011	117	151	77%	584	539	497
2010	124	166	75%	576	538	501
2009	111	150	74%	568	537	501
2008	128	163	79%	560	534	502
2007	139	171	81%	561	536	502
2006	151	168	90%	554	535	503
2005	153	174	88%	569	538	508
2004	142	164	87%	555	538	508
2003	121	139	87%	555	536	507

Source: High School Guidance Office

Chagrin Falls Math	Ohio Math	National Math	Chagrin Falls Writing	Ohio Writing	National Writing
574	552	514	562	525	488
600	545	514	570	522	489
605	548	516	572	522	492
600	546	515	569	523	493
590	544	515	559	521	494
584	542	515	564	522	494
592	544	518	549	521	493
595	542	518	N/A	N/A	N/A
580	542	518	N/A	N/A	N/A
597	541	519	N/A	N/A	N/A

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
2012	115	135	85%	25.5	21.8	21.1
2011	125	151	83%	26.2	21.8	21.1
2010	131	166	79%	25.8	21.8	21.0
2009	108	150	72%	25.5	21.7	21.1
2008	122	163	75%	25.4	21.7	21.1
2007	123	171	72%	25.5	21.6	21.2
2006	108	168	64%	25.1	21.5	20.9
2005	131	174	75%	25.4	21.4	20.9
2004	103	164	63%	24.1	21.4	20.9
2003	95	139	68%	24.9	21.4	20.8

Source: High School Guidance Office

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

Function	2012	2011	2010	2009
Regular Instruction				
Elementary Classroom Teachers	29.50	29.50	29.50	29.50
Intermediate Classroom Teachers	26.00	26.00	26.00	26.00
Middle School Classroom Teachers	19.00	19.00	19.00	19.00
High School Classroom Teachers	40.00	40.00	40.00	40.00
Special Instruction				
Elementary Classroom Teachers	6.00	6.00	6.00	6.00
Intermediate Classroom Teachers	4.50	4.50	4.50	4.50
Middle School Classroom Teachers	3.00	3.00	3.00	3.00
High School Classroom Teachers	3.00	3.00	3.00	3.00
Pupil Support Services				
Guidance Counselors	6.00	6.00	6.00	6.00
Librarians	4.00	4.00	4.00	4.00
Psychologists	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00
Instructional Support Services				
Non-Teaching Support Staff Elementary	12.00	12.00	12.00	12.00
Non-Teaching Support Staff Intermediate	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	4.00	4.00	4.00	4.00
Non-Teaching Support Staff High	6.50	6.50	6.50	6.50
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00
Administration				
Elementary	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00
Business				
Central	2.00	2.00	2.00	2.00
Business				
Treasurer Department	4.00	4.00	4.00	4.00
Operation of Plant				
Custodian Department	19.00	19.00	19.00	19.00
Maintenance Department	4.00	4.00	4.00	4.00
Pupil Transportation				
Bus Drivers	22.00	22.00	22.00	22.00
Mechanics	1.50	1.50	1.50	1.50
Transportation Support Staff	1.50	1.50	1.50	1.50
Central				
Community Relations	1.00	1.00	1.00	1.00
Technology	2.00	2.00	2.00	2.00
Personnel	0.50	0.50	0.50	0.50
Extracurricular				
Athletic Department	2.00	2.00	2.00	2.00
Food Service Program				
Elementary	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00
High School Cooks	5.00	5.00	5.00	5.00
Central	1.00	1.00	1.00	1.00
Community Service				
Community Education	1.50	1.50	1.50	1.50
Totals	255.50	255.50	255.50	255.50

(continued)

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

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

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

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

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

Source: School District Records



Dave Yost • Auditor of State

CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 31 2013**