

Mary Taylor, CPA
Auditor of State



Dave Yost • Auditor of State

January 11, 2011

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 10, 2011. Thus, I am certifying this audit report for release under the signature of my predecessor.

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DAVE YOST
Auditor of State

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2010**

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Grantor Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
School Breakfast Program	N/A	10.553	\$ 12,354		\$ 12,354	
National School Lunch Program	N/A	10.555	120,509	\$ 11,167	120,509	\$ 11,167
Cash Assistance Total			132,863	11,167	132,863	11,167
Total Child Nutrition Cluster			132,863	11,167	132,863	11,167
Total U.S. Department of Agriculture			132,863	11,167	132,863	11,167
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Title I, Part A Cluster:						
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2009	N/A	84.010	24,865		22,976	
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2010	N/A	84.010	200,678		210,749	
ARRA - Title I Grants to Local Educational Agencies, Recovery Act - 2010	N/A	84.389	2,145		2,175	
Total Title I, Part A Cluster			227,688	-	235,900	-
Special Education Cluster (IDEA):						
Special Education - Grants to States (IDEA, Part B) - 2009	N/A	84.027	(7,181)		10,610	
Special Education - Grants to States (IDEA, Part B) - 2010	N/A	84.027	421,893		406,485	
ARRA - Special Education - Grants to States (IDEA, Part B) - 2010	N/A	84.391	281,617		286,336	
Total Special Education - Grants to States (IDEA, Part B)			696,329	-	703,431	-
Special Education - Preschool Grants (IDEA Preschool) - 2009	N/A	84.173	10,283		-	
Special Education - Preschool Grants (IDEA Preschool) - 2010	N/A	84.173	16,788		16,000	
ARRA - Special Education - Preschool Grants (IDEA Preschool) - 2010	N/A	84.392	1,395		1,414	
Total Special Education - Preschool Grants (IDEA Preschool)			28,466	-	17,414	-
Total Special Education Cluster (IDEA)			724,795	-	720,845	-
Safe and Drug-Free Schools and Communities - State Grants - 2009	N/A	84.186	1,682		-	
Safe and Drug-Free Schools and Communities - State Grants - 2010	N/A	84.186	5,385		5,211	
Total Safe and Drug-Free Schools and Communities - State Grants			7,067	-	5,211	-
State Grants for Innovative Programs - 2009	N/A	84.298	873		-	
Education Technology State Grants - 2009	N/A	84.318	1,281		543	
Education Technology State Grants - 2010	N/A	84.318	191		1,777	
Total Education Technology State Grants			1,472	-	2,320	-
English Language Acquisition Grants - 2009	N/A	84.365	1,840		3,407	
English Language Acquisition Grants - 2010	N/A	84.365	15,863		14,800	
Total English Language Acquisition Grants			17,703	-	18,207	-
Improving Teacher Quality State Grants - 2009	N/A	84.367	16,071		12,523	
Improving Teacher Quality State Grants - 2010	N/A	84.367	63,911		62,848	
Total Improving Teacher Quality State Grants			79,982	-	75,371	-
ARRA - State Fiscal Stabilization Fund (SFSF) - Education State Grants, Recovery Act	N/A	84.394	130,469		130,469	
Total U.S. Department of Education			1,190,049	-	1,188,323	-
Total Federal Financial Assistance			\$ 1,322,912	\$ 11,167	\$ 1,321,186	\$ 11,167

The accompanying notes are an integral part of this schedule.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FISCAL YEAR ENDED JUNE 30, 2010**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) reports the Fairview Park City School District's (the District) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C – FOOD DONATION PROGRAM

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

NOTE D - TRANSFERS BETWEEN PROGRAM YEARS

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. These transfers resulted in the Schedule reporting negative receipts. The District transferred the following amounts from 2009 to 2010 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Transferred from 2009 to 2010</u>
Special Education - Grants to States (IDEA, Part B)	84.027	\$7,181

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.



Mary Taylor, CPA

Auditor of State

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

Fairview Park City School District
Cuyahoga County
21620 Mastick Road
Fairview Park, Ohio 44126

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2010, wherein we noted the District is undergoing an investigation for possible accounting irregularities with student activity funds under the former high principal's control. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2010-01 to be a significant deficiency. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

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

We did note certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 22, 2010.

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

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



Mary Taylor, CPA
Auditor of State

December 22, 2010



Mary Taylor, CPA

Auditor of State

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

Fairview Park City School District
Cuyahoga County
21620 Mastick Road
Fairview Park, Ohio 44126

To the Board of Education:

Compliance

We have audited the compliance of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Fairview Park City School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the Fairview Park City School District, Cuyahoga County, Ohio, complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

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

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Internal Control Over Compliance (Continued)

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

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

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the District's management in a separate letter dated December 22, 2010.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 22, 2010, wherein we noted the District is undergoing an investigation for possible accounting irregularities with student activity funds under the former high principal's control. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying federal awards receipts and expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Fairview Park City School District
Cuyahoga County
Independent Accountants' Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over
Compliance Required By OMB Circular A-133, and the Federal
Awards Receipts and Expenditures Schedule
Page 3

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 22, 2010

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010
(Continued)**

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

FINDING 2010-01 – SIGNIFICANT DEFICIENCY

Student Activity / Extracurricular Receipts

In our management letters for our audits of the District's financial statements for the years ended June 30, 2009 and 2008, we noted the District had not fully implemented controls over student activity and extracurricular activity cash receipts. This weakness could allow employees or students to divert cash. The Auditor of State has issued *Guidelines for Developing Policies for Student Activity Programs*, which describes controls Districts should implement.

Student activity and extracurricular activity guidelines help students and instructors follow the necessary steps required to function as a club under the Ohio Revised Code. The steps include completing a Student Activity Budget Form which includes a Policy and Purpose Statement, Sales Project Potential Form, completing and submitting Pay-In Orders on a timely basis, completing a Sales Project Completion Form, and completing a Cash Fund Ledger Sheet. Extracurricular activities, including organized sports activities, also require a detailed method of procedures to allow for sufficient accounting over the activity. All accounting records should be completed and returned to the sponsor (instructor) or athletic director at the end of the school year or sooner and maintained for audit purposes.

Receipts from various student activity fund raisers or extracurricular activities, held district-wide, were not supported through the student activity/extracurricular process, as outlined above. For Student Activities, detailed supporting documentation to provide the quantity and amount ordered, the amounts charged for items sold, and remaining unsold inventory did not exist or was not provided. Failure to accurately complete and maintain the prescribed student activity forms and detailed support over monies received for each student activity does not afford the CFO/Treasurer's Office the ability to reconcile amounts collected with amounts that should be collected.

In September 2009, the District implemented a corrective action plan by developing and adopting a Student Activities Handbook. This Handbook requires Student Advisors to submit an annual "Activity Purpose Statement" form for fundraising activities. In addition, the Student Advisor must submit, per fundraiser, an "Activities Fundraising Request" form, a "Fundraising Sales Completion" form, and if tickets are sold, an "Activities Ticket Accountability Form" is required. Because Student Advisors had questions regarding these policy revisions, the District was unable to fully implement the Handbooks' controls until after an April, 2010 meeting with the Advisors.

On October 5, 2010, the District's High School Principal resigned from his position. The resignation came after the Fairview Park City School District identified possible accounting irregularities with student activity funds under the High School Principal's control. Note 19 to the Basic Financial Statements describe in more detail the investigation over the student activity funds.

In accordance with the Auditor of State Guidelines for student activity programs, sponsors are responsible for all money generated by and all expenses incurred by their student activity clubs. In order to meet this responsibility, instructors must complete and retain all documents defined in the Student Club Activity Guidelines. If confusion persists in the preparation of the forms, the District should conduct a workshop to train sponsors and others responsible for student activities, in the proper administration of those activities.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010
(Continued)**

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

FINDING 2010-01 – SIGNIFICANT DEFICIENCY (Continued)

Student Activity / Extracurricular Receipts (Continued)

Officials' Response:

On October 5, 2010, the Fairview Park City School District's High School Principal resigned from his position. The resignation came after the Fairview Park City School District identified accounting irregularities with student activity funds under the high school principal's control.

The District's implementation of the District's student activity handbook in September of 2009 ultimately led to these accounting irregularities being discovered. The student activity handbook includes required policies, procedures and documentation that all school employees involved in fundraising and other cash handling activities are required to follow.

A preliminary audit performed by an independent consultant concluded that there are indications of shortages of funds in student activity accounts. The Fairview Park City School District took immediate and aggressive action with this matter and notified the appropriate authorities.

The Board of Education and the Administration are cooperating fully in the investigation with the Office of the Ohio Auditor and law enforcement authorities.

Since this issues noted above occurred the district has taken additional steps to ensure the highest level of accountability with building level and fundraising cash handling.

1. All student activity advisors, coaches and ticket takers have been provided with additional training.
2. Cash counting machines have been purchased for all district buildings and cash collecting locations. These machines identify the denomination of all cash counted and print a receipt that is included with deposit slip. An additional receipt is printed and given to the advisor submitting the cash, as well as, a pre-numbered receipt.
3. Deposit capture machines have been purchased for all district buildings, resulting in cash only deposits to the district's designated banks.
4. All tickets used for athletic and other student events charging a fee are ordered, received and stored in the Treasurer's Office. The athletic director or student activity advisor must request a roll of tickets prior to the events and submit ticket reconciliation sheets when the tickets and gate revenue are returned. Furthermore, two staff members are required to count and sign off on all ticket reconciliation reports.

The District administration feels strongly that the implementation of student activity policies and procedures in 2009 led to the discovery of the High School Principal's accounting irregularities and the additional procedures implemented after this discovery will assist in deterring and/or identifying any potentially fraudulent activity in the future.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2010
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

None.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
FAIRVIEW PARK, OHIO**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2010



Learning to Believe & Achieve

**BRION DEITSCH, SUPERINTENDENT
RYAN GHIZZONI, TREASURER/CFO**

21620 Mastick Road #A

Fairview Park, Ohio 44126

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

FAIRVIEW PARK CITY SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2010



Learning to Believe & Achieve

**PREPARED BY
TREASURER'S DEPARTMENT
RYAN GHIZZONI, TREASURER/CFO**

21620 Mastick Road #A

Fairview Park, Ohio 44126

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION



Learning to Believe & Achieve

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Learning to Believe & Achieve

Fairview Park City School District

Brion Deitsch, Superintendent
Ryan Ghizzoni, Treasurer

21620 Mastick Rd. #A
Fairview Park, OH 44126
440.331.5500
f: 440.356.3546
www.fairviewparkschools.org

December 22, 2010

Board of Education Members and
Residents of the Fairview Park City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Fairview Park City School District (the "District") for the fiscal year ended June 30, 2010. This CAFR includes an opinion from the State of Ohio Auditor and conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the Fairview Park City School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs.

The Reporting Entity

The District has reviewed its reporting entity definition in order to insure conformance with Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Fairview Park City School District (the primary government) and its potential component units. The District has no component units.

The District is associated with one insurance purchasing pool and three jointly governed organizations. The Southwestern Ohio Educational Purchasing Council Group rating plan is an insurance purchasing pool. The Lake Erie Educational Computer Association, the Ohio Schools' Council Association and the Polaris Career Center are jointly governed organizations. The District's relationships with these organizations is described in Note 1 to the basic financial statements. A complete discussion of the District's reporting entity is provided in Note 1 to the basic financial statements.

Profile and Organizational Structure

The District covers approximately 4.77 square miles and is located approximately 10 miles west of downtown Cleveland, Ohio. The District is one of 905 public school districts and community schools in the State of Ohio. The District provides education to 1,763 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District's enrollment has remained relatively flat over the last several years and is projected to slightly increase in the foreseeable future.

Statutorily, the District operates under the standard 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 prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer (CEO), and the Treasurer, who serves as the Chief Financial Officer (CFO).

Local Economy and Relevant Financial Policies

In the past year, the following new businesses have opened in the City of Fairview Park:

Tan RX	Livengoof Health and Wellness
The Finishing Touch	Fairview Clark Station
Fusions Salon	Mr. Hero
Five Below	The Kitchen Collection
Little Ceasars	Aces Café
Fairview Financial Group, LLC	America's Best Contacts and Eyeglasses
Cyclone Pitas	Sprint
Indian's Team Shop	

While economic development is good for the community as a whole, including the District, the benefits to the local District are not as great as one might imagine. The City of Fairview Park has a tax abatement program for which applicants can receive tax exemptions up to 100 percent on any remodeling or new construction for up to seven (7) years. The school districts are not involved in the decision making of the abatement process. The school districts do receive additional revenue when the land value increases, but not on the land improvements (i.e. new buildings) until the abatement period expires. Tax revenues from business equipment and inventory are diminishing due to tax relief legislation passed by the state legislature.

Annually, the District prepares a five-year financial forecast. The financial forecast is the foundation for the District's operations and is used as a financial planning tool to assist the District in determining its ability to meet certain financial obligations and plan future funding needs. The forecast shows revenue and expenditures for the general operating fund for the past three fiscal years and projects revenue and expenditures for the ensuing five-year period. Through a collaborative process, the administration assists the Board of Education in determining and prioritizing the needs of the District. In accordance with State law, the Board of Education approves the financial forecast and submits it to the Ohio Department of Education prior to October 31 and reviews it again prior to May 31.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920, which mandates that any reappraised property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

H.B. 1, which provides the state education funding structure for fiscal year 10 and 11, dramatically affected the ways in which school funding is calculated. In previous years, school districts were funded primarily on a per pupil basis and each year the funding amount per pupil would be adjusted. H.B. 1 replaced the previous funding model with the newly enacted Ohio Evidence Based Model (OEBM) which funds school districts based on the creation of new components that are funded at different levels.

One major component that determines the District's funding level is the computation of Organizational Units based on the District's Average Daily Membership (ADM) within a range of grade levels. Furthermore, the OEBM established the Educational Challenge Factor, which is based on the District's population of graduates, wealth per pupil, and concentration of poverty. After each component in the OEBM is calculated, the Educational Challenge Factor is applied to the calculation of the different components to determine the exact funding the District will receive for each component. The District's "charge off" or the calculation of what 22 mills times the District's total taxable valuation (for fiscal year 10 and fiscal year 11) is computed to determine the portion of the OEBM that the local community is responsible for to "adequately" fund the District. The difference is the State's portion of the adequacy amount. H.B. 1 provides for funding if the District's State share of the adequacy amount is less than 99% (fiscal year 10) of the previous year's basic state formula aid. For fiscal year 11, this guarantee will drop to 98%. Based on documentation from various state organizations, it is likely that one area of the OEBM formula that will be reduced in subsequent biennial budgets is the transitional aid guarantee.

State funding of schools, specifically for general operations, remains unclear for future years due to changes in state elected offices. Additionally, the real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or reappraisal. Consequently, the primary means of increasing revenue for the District is through additional operating levies or through the passage of a School District Income Tax. Historically, the District has been forced to go back to the taxpayers, on average, once every three years for new money. With careful, fiscal planning and management's ability to offset increases in cost with cost saving initiatives, the Board of Education has pledged to expand the cycle to a minimum of five years.

Major Initiatives

The District continues to be committed to providing "superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship" as stated in the mission statement. The District's goals for 2009-2010 were as follows:

- Provide first class facilities, which entail the best possible learning environments to the students and residents of the Fairview Park City School District. This includes the second phase of remodeling at the Parkview Early Education Center and renovations of the High School science rooms.
- Implementation of the first phase of the one to one laptop initiative for all incoming freshman.
- Examine the potential for development and implementation of alternative programs for high school students who are unable or unwilling to conform to the District's high academic and conduct standards.
- Improve the method of delivery of information to the students, parents, staff and stakeholders of the District.
- Implementation of a cost saving initiative plan that will prolong the financial stability of the School District. This plan will be implemented in over a two year period and is designed to reduce the District's General Fund budget by 2.5% annually, once complete.
- Continue to develop the Professional Learning Communities model as a vehicle for building-based professional development initiatives
- Provide support for transfer students to ensure that they will be able to pursue academic work at the highest level of which they are capable. To that end, the District will give individual attention to the placement and instruction of each transfer student.

Long-Term Financial Planning

As part of the District's long-term planning, the Treasurer/CFO prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expense over the next five years and is accompanied by financial assumption notes. The Board of Education reviews this document on a quarterly basis for changes that might impact their financial decisions.

During the 2010 fiscal year, the District continued the practice of closely monitoring the student population and student needs and adjusting the staffing to the fluctuations accordingly. These comparisons allow the District to keep a streamlined organization. As a result of these monitoring efforts, the District has been able to maintain a relatively low increase in operating expenditures and a balanced budget.

Financial Information

Internal Accounting and Budgetary Control

In developing the 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 District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual audit of each voucher prior to payment, ensures 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 measure is first adopted, the 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 the first three months 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 measure, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all funds. All purchase order requests must be approved by either the Superintendent or the Assistant Superintendent and certified by the CFO/Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished with monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by Fairview Park City School District are fully described in Note 2 of the basic financial statements. Additional information on the District's budgetary accounting can also be found in Note 2.

Financial Presentation

The District's basic financial statements consist of the following:

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 those activities of the District that are governmental in nature.

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 a 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.

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Accountants' Report, providing an assessment of the District's finances for fiscal year 2010 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

Independent Audit

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Mary Taylor, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2010. 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 school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

Awards

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairview Park City School District for its CAFR for the fiscal year ended June 30, 2009. 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 CAFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

The 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.

Acknowledgments

The publication of this report is a significant step toward professionalizing the District's financial reporting. It enhances the District's accountability to the residents of the Fairview Park City School District.

The preparation of this report would not have been possible without the assistance and support of the staff of the CFO/Treasurer's office, various administrators and staff members of the District. Special appreciation is expressed to the accounting firm of Julian & Grube, Inc. for assistance in designing and reviewing this financial report.

Finally, sincere appreciation is extended to the Board of Education for their support on this project.

Respectfully Submitted.



Ryan Ghizzoni, CFO/Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fairview Park City
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



A stylized, handwritten signature in black ink, appearing to be "J.R. Emer".

President

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

Executive Director

**FAIRVIEW PARK CITY SCHOOL DISTRICT
PRINCIPAL OFFICIALS
JUNE 30, 2010**

Board of Education

Brad Lamb – President – Term (1/1/2008 – 12/31/2011)

Marcy Starks – Vice President - Term (1/1/2008 – 12/31/2011)

Dennis Rehor- Term (1/1/2010 – 12/31/2014)

Joe Shucofsky- Term (1/1/2008 – 12/31/2011)

Mark St. John - Term (1/1/2010– 12/31/2014)

Superintendent

Brion Deitsch

Treasurer/CFO

Ryan Ghizzoni

Department Administrative Staff

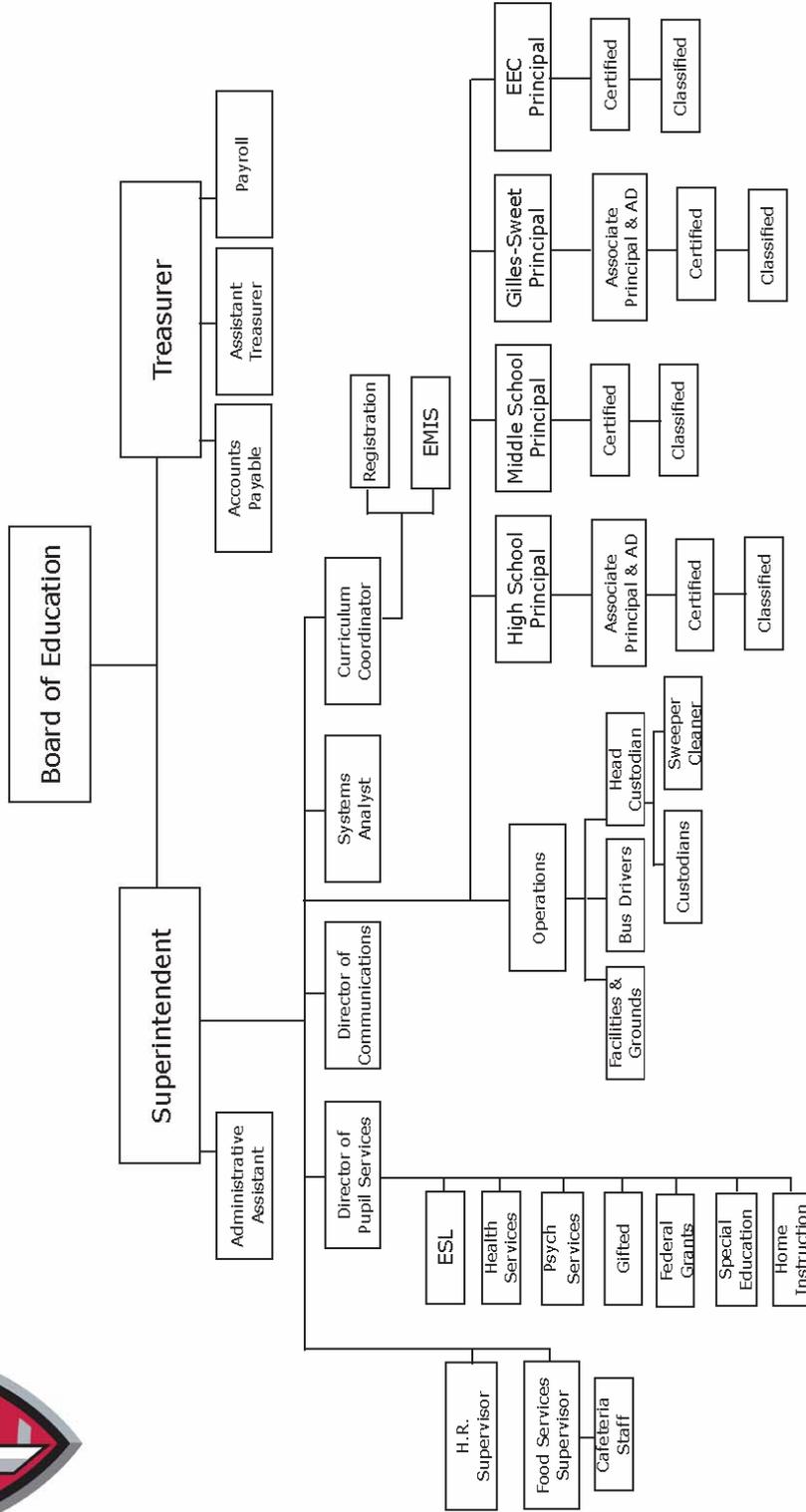
Director of Communication	-	Elizabeth Haas
Director of Pupil Services	-	Constance Preisel
Athletic Director/Transportation Supervisor	-	John Carter
Curriculum Coordinator	-	Michelle Kocar
Assistant to the Treasurer	-	Teresa Miner
Human Resource Supervisor	-	Denise Devine
Food Service Supervisor	-	Laura D’Aiuto
System Analyst	-	Edward Sobczynski

Building Level Administrative Staff

Interim High School/Middle School Campus Principal	-	Tom Russ
High School Building Principal	-	Chris Vicha
Middle School Building Principal	-	Ray Mohr
Gilles Sweet Elementary Principal	-	Barb Brady
Gilles Sweet Associate Principal	-	Patricia Moran
Early Education Center Principal	-	Jeffery Hicks



Fairview Park City School District Organizational Chart



FINANCIAL SECTION



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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Fairview Park City School District
Cuyahoga County
21620 Mastick Road
Fairview Park, Ohio 44126

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, as of June 30, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 19 to the financial statements, the District is undergoing an investigation for possible accounting irregularities with student activity funds under the former high principal's control.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Mary Taylor, CPA
Auditor of State

December 22, 2010

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

The management's discussion and analysis of Fairview Park City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2010 are as follows:

- In total, net assets increased \$1,629,805. Net assets of governmental activities increased \$1,755,016, which represents an 8.85% increase from 2009.
- General revenues accounted for \$23,400,737 in revenue or 91.04% of governmental activities revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$2,302,227 or 8.96% of governmental activities revenues.
- Total revenues for fiscal year 2010 were \$26,718,035. Of this total, \$25,702,964 was reported in the governmental activities and \$1,015,071 in the business-type activities.
- The District had \$23,947,948 in expenses related to governmental activities; only \$2,302,227 of these expenses were offset by program specific charges for services, operating grants or contributions resulting in a net cost of \$21,645,721 for the District. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$23,400,737 were adequate to provide for these programs.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an 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 District, presenting both an aggregate view of the 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 District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund, bond retirement fund and building fund are by far the most significant funds, and the only governmental funds reported as major funds.

Reporting the District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2010?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

These two statements report the District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position of the 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 District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net assets and the statement of activities, the District is divided into two distinct kinds of activities:

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

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's food service and day care services are reported as business activities.

The District's statement of net assets and statement of activities can be found on pages 15-16 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 10 and the analysis of the District's nonmajor enterprise fund begins on page 10. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement fund and the building fund.

Governmental Funds

Most of the 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 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. The basic governmental fund financial statements can be found on pages 17-21 of this report.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. The basic proprietary fund financial statements can be found on pages 22-24 of this report.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The 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 District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages 25 and 26. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 27-58 of this report.

The District as a Whole

The statement of net assets provides the perspective of the District as a whole.

The table below provides a summary of the District's net assets for 2010 and 2009.

	Net Assets					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<u>Assets</u>						
Current and other assets	\$ 34,385,889	\$ 35,757,672	\$ (195,177)	\$ (122,388)	\$ 34,190,712	\$ 35,635,284
Capital assets, net	35,300,873	35,103,386	11,878	14,988	35,312,751	35,118,374
Total assets	<u>69,686,762</u>	<u>70,861,058</u>	<u>(183,299)</u>	<u>(107,400)</u>	<u>69,503,463</u>	<u>70,753,658</u>
<u>Liabilities</u>						
Current liabilities	17,000,651	18,749,692	52,984	49,583	17,053,635	18,799,275
Long-term liabilities	<u>31,110,972</u>	<u>32,291,243</u>	<u>63,305</u>	<u>17,394</u>	<u>31,174,277</u>	<u>32,308,637</u>
Total liabilities	<u>48,111,623</u>	<u>51,040,935</u>	<u>116,289</u>	<u>66,977</u>	<u>48,227,912</u>	<u>51,107,912</u>
<u>Net assets</u>						
Invested in capital assets, net of related debt	6,393,963	4,067,939	11,878	14,988	6,405,841	4,082,927
Restricted	4,385,781	4,828,181	-	-	4,385,781	4,828,181
Unrestricted (deficit)	<u>10,795,395</u>	<u>10,924,003</u>	<u>(311,466)</u>	<u>(189,365)</u>	<u>10,483,929</u>	<u>10,734,638</u>
Total net assets	<u>\$ 21,575,139</u>	<u>\$ 19,820,123</u>	<u>\$ (299,588)</u>	<u>\$ (174,377)</u>	<u>\$ 21,275,551</u>	<u>\$ 19,645,746</u>

Current and other assets of governmental activities decreased by \$1,371,783, this is due primarily to the payment of invoices on the District's building project which decreased equity in pooled cash and investments as well as repayment of the District's Energy Conservation Improvement Notes (principal amount of \$1.368 million) which were retired in fiscal 2010. Long-term liabilities of governmental activities decreased by \$1,180,271 primarily due to the payment of principal on general obligation bonds. Current liabilities of governmental activities decreased primarily due to the payment of the Energy Conservation Improvement notes.

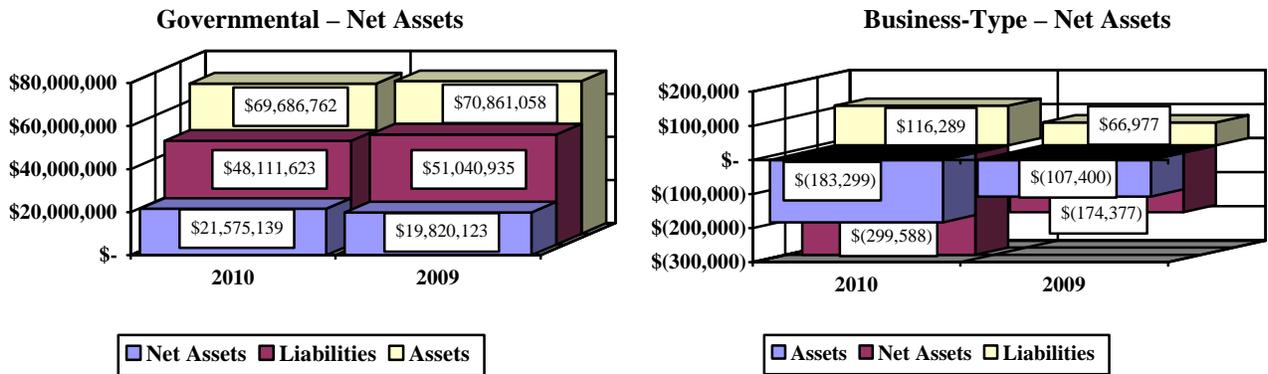
**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2010, the District's assets exceeded liabilities by \$21,275,551. Of this total, \$10,791,622 is restricted in use.

At year-end, capital assets represented 50.81% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. Capital assets, net of related debt to acquire the assets at June 30, 2010, were \$6,405,841. These capital assets are used to provide services to the students and are not available for future spending. Although the 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 District's net assets, \$4,385,781, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets is \$10,483,929. The graphs below show the assets, liabilities and net assets of the governmental activities and business-type activities at June 30, 2010 and 2009.



The negative asset balances for the business-type activities are the result of internal balances due to interfund loans made from the governmental activities to the business-type activities to support operations.

The table below shows the changes in net assets for fiscal year 2010 and 2009.

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues						
Program revenues:						
Charges for services and sales	\$ 601,190	\$ 590,185	\$ 831,511	\$ 899,821	\$ 1,432,701	\$ 1,490,006
Operating grants and contributions	1,701,037	1,280,548	145,805	125,262	1,846,842	1,405,810
General revenues:						
Property taxes	17,890,545	18,231,813	-	-	17,890,545	18,231,813
Grants and entitlements	5,217,461	5,288,005	-	-	5,217,461	5,288,005
Investment earnings	223,267	513,033	-	-	223,267	513,033
Other	69,464	68,766	37,755	66,490	107,219	135,256
Total revenues	25,702,964	25,972,350	1,015,071	1,091,573	26,718,035	27,063,923

-- Continued

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
<u>Expenses</u>						
Program expenses:						
Instruction:						
Regular	10,359,053	9,734,851	-	-	10,359,053	9,734,851
Special	2,608,089	3,068,363	-	-	2,608,089	3,068,363
Vocational	172,084	17,430	-	-	172,084	17,430
Other	6,538	15,305	-	-	6,538	15,305
Support services:						
Pupil	1,092,469	1,202,917	-	-	1,092,469	1,202,917
Instructional staff	1,297,713	1,764,724	-	-	1,297,713	1,764,724
Board of education	30,939	27,381	-	-	30,939	27,381
Administration	1,491,518	1,361,033	-	-	1,491,518	1,361,033
Fiscal	868,247	741,625	-	-	868,247	741,625
Business	201,637	219,281	-	-	201,637	219,281
Operations and maintenance	2,018,495	2,156,645	-	-	2,018,495	2,156,645
Pupil transportation	709,469	703,411	-	-	709,469	703,411
Central	585,207	244,236	-	-	585,207	244,236
Operation of non-instructional	523,037	637,148	-	-	523,037	637,148
Extracurricular activities	454,972	613,848	-	-	454,972	613,848
Interest and fiscal charges	1,528,481	1,441,200	-	-	1,528,481	1,441,200
Food service operations	-	-	415,012	345,918	415,012	345,918
Day care services	-	-	725,270	925,404	725,270	925,404
Total expenses	<u>23,947,948</u>	<u>23,949,398</u>	<u>1,140,282</u>	<u>1,271,322</u>	<u>25,088,230</u>	<u>25,220,720</u>
Changes in net assets	1,755,016	2,022,952	(125,211)	(179,749)	1,629,805	1,843,203
Net assets at beginning of year	<u>19,820,123</u>	<u>17,797,171</u>	<u>(174,377)</u>	<u>5,372</u>	<u>19,645,746</u>	<u>17,802,543</u>
Net assets at end of year	<u>\$ 21,575,139</u>	<u>\$ 19,820,123</u>	<u>\$ (299,588)</u>	<u>\$ (174,377)</u>	<u>\$ 21,275,551</u>	<u>\$ 19,645,746</u>

Governmental Activities

In February 2005, the District passed a \$28.5 million bond issue to renovate the high school/middle school complex, build a new elementary school and provide care and upkeep of all other buildings in conjunction with a joint building project with the City of Fairview Park.

The nature of property taxes in Ohio creates the need to routinely seek voter approval to increase operating revenue. Ohio tax law limits collections of voted levies to the original dollar levied. As property valuations rise, the voted levy revenue for the District remains the same as the first year of collections. Only new constructions add to these monies. As an example, if the total residential property valuation at the time of a levy passage would generate \$2.7 million, Ohio law limits the inflation on this valuation. If the total residential valuation increased 12.5 percent due to a triennial reappraisal, the District would not see a corresponding increase. The District would receive only the \$2.7 million after the increase. This is the reason Ohio school districts are dependent upon property tax levies and are hampered by a lack of revenue growth. Districts must return to voters to maintain a constant level of service.

Property taxes make up 69.60 percent of revenues for governmental activities for the District in fiscal year 2010.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

H.B. (House Bill) 66 completely phases out tangible taxes on machinery, equipment, furniture and fixtures by the same rates used for the inventory tax phase out, which prior to H.B. 66 were not scheduled to be reduced. Since this new accelerated phase out has a significant impact on school districts and other local governments, H.B. 66 replaces the revenue lost due to the phasing-out of the tax with "hold harmless" reimbursements provided by the State. This reimbursement will be received in full for the first five years, which started in fiscal year 2006 and then is phased out over the following seven years. With the passage of H.B. 1, the "hold harmless" reimbursements have been extended to be fully reimbursed through 2014. Prior to 2014, the State is to study the issue and make a recommendation on the funding impact and potential replacement revenue.

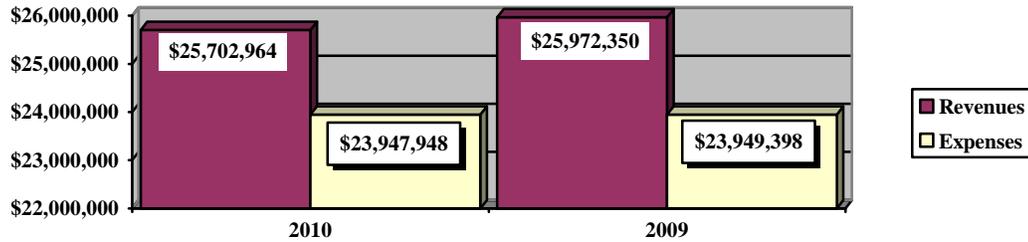
For fiscal year 2010, the net assets of the District's governmental activities increased \$1,755,016. Total governmental expenses of \$23,947,948 were offset by program revenues of \$2,302,227 and general revenues of \$23,400,737. Program revenues supported 9.61% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 89.90% of total governmental revenue. Real estate property is reappraised every six years.

Property tax revenue decreased approximately \$341,268 from the prior fiscal year. This is due to the phase-out of the tangible personal property tax under HB 66. The District is being reimbursed by the State for this lost revenue. Intergovernmental revenues remained comparable to the fiscal 2009.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2010 and 2009.

Governmental Activities - Revenues and Expenses



**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

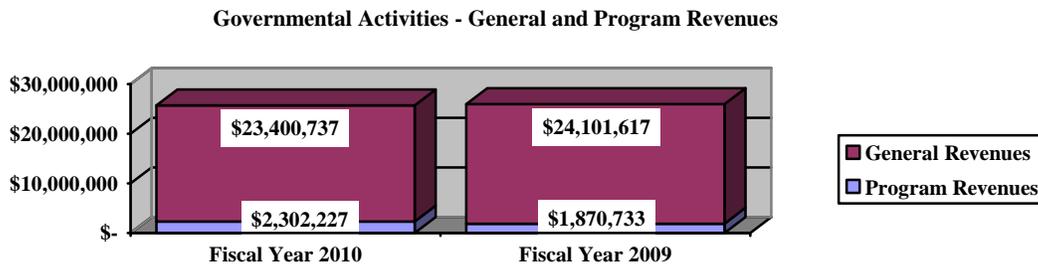
The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2010 and 2009. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>	Total Cost of Services <u>2009</u>	Net Cost of Services <u>2009</u>
Program expenses:				
Instruction:				
Regular	\$ 10,359,053	\$ 9,900,027	\$ 9,734,851	\$ 9,409,130
Special	2,608,089	1,934,464	3,068,363	2,608,878
Vocational	172,084	164,340	17,430	13,964
Other	6,538	3,103	15,305	(1,953)
Support services:				
Pupil	1,092,469	945,704	1,202,917	1,018,063
Instructional staff	1,297,713	1,185,362	1,764,724	1,695,224
Board of education	30,939	30,939	27,381	26,851
Administration	1,491,518	1,470,913	1,361,033	1,317,226
Fiscal	868,247	853,651	741,625	717,542
Business	201,637	201,637	219,281	215,183
Operations and maintenance	2,018,495	1,851,874	2,156,645	2,109,628
Pupil transportation	709,469	651,662	703,411	691,019
Central	585,207	579,730	244,236	230,954
Operation of non-instructional services:				
Other non-instructional services	523,037	(11,043)	637,148	72,895
Extracurricular activities	454,972	354,877	613,848	512,861
Interest and fiscal charges	<u>1,528,481</u>	<u>1,528,481</u>	<u>1,441,200</u>	<u>1,441,200</u>
Total expenses	<u>\$ 23,947,948</u>	<u>\$ 21,645,721</u>	<u>\$ 23,949,398</u>	<u>\$ 22,078,665</u>

The dependence upon tax revenues during fiscal year 2010 for governmental activities is apparent, as 91.30% of 2010 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 90.39%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2010 and 2009.



**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)

Business-type Activities

Business-type activities include day care, preschool and after school programs and the food service operation. These programs had revenues of \$1,015,071 and expenses of \$1,140,282 for fiscal year 2010. Management reviews these programs to develop policies to allow these services to become self supporting.

The District's Funds

The District's governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of \$15,946,585, which is less than last year fund's total of \$15,995,521.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2010 and 2009.

	<u>Fund Balance</u> <u>June 30, 2010</u>	<u>Fund Balance</u> <u>June 30, 2009</u>	<u>Increase</u> <u>(Decrease)</u>
General	\$ 11,931,542	\$ 12,156,493	\$ (224,951)
Bond retirement	2,442,316	2,372,936	69,380
Building	962,276	937,747	24,529
Other governmental	<u>610,451</u>	<u>528,345</u>	<u>82,106</u>
Total	<u>\$ 15,946,585</u>	<u>\$ 15,995,521</u>	<u>\$ (48,936)</u>

General Fund

The District's general fund balance decreased \$224,951, which is primarily due to \$2,546,391 of transfers to other funds during fiscal year 2010. The table that follows assists in illustrating the financial activities and fund balance of the general fund.

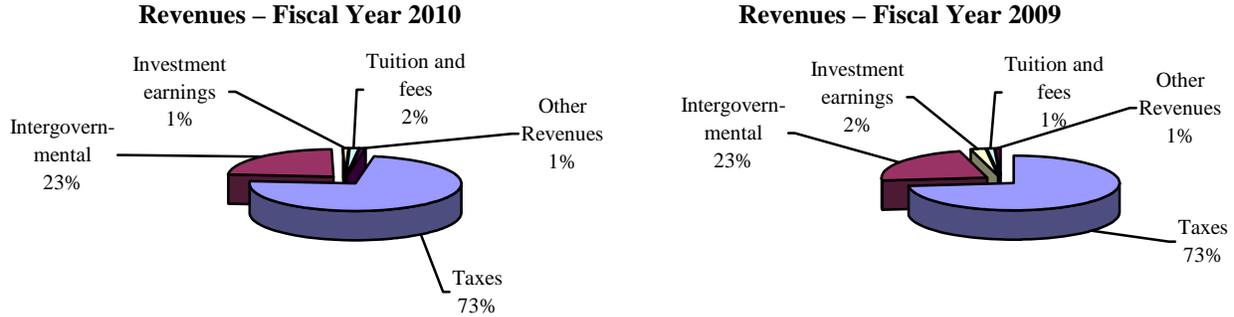
	<u>2010</u> <u>Amount</u>	<u>2009</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Property taxes	\$ 15,518,140	\$ 16,061,572	\$ (543,432)	(3.38) %
Intergovernmental	4,922,790	4,935,753	(12,963)	(0.26) %
Investment earnings	175,768	441,176	(265,408)	(60.16) %
Tuition and fees	333,483	287,200	46,283	16.12 %
Other revenues	<u>150,547</u>	<u>161,818</u>	<u>(11,271)</u>	<u>(6.97) %</u>
Total	<u>\$ 21,100,728</u>	<u>\$ 21,887,519</u>	<u>\$ (786,791)</u>	<u>(3.59) %</u>

Investment earnings decreased by \$265,408 or 60.16% from fiscal 2009 due to lower interest rates from the effects of the national economy. Tuition and fees revenues increased \$46,283 or 16.12% due to an increase in classroom materials and fees revenue. Property taxes decreased due to the phase out of personal property tax. Currently, the District receives reimbursement for these lost taxes from the State of Ohio which are reported as intergovernmental revenue. Despite the reimbursement for personal property taxes, intergovernmental revenues decreased due to a decrease in State of Ohio Foundation funding. This decrease is due to funding which is now received in the Education Stabilization fund which is a nonmajor governmental fund.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

The graphs below show the District's revenues, by source, for fiscal year 2010 and 2009:

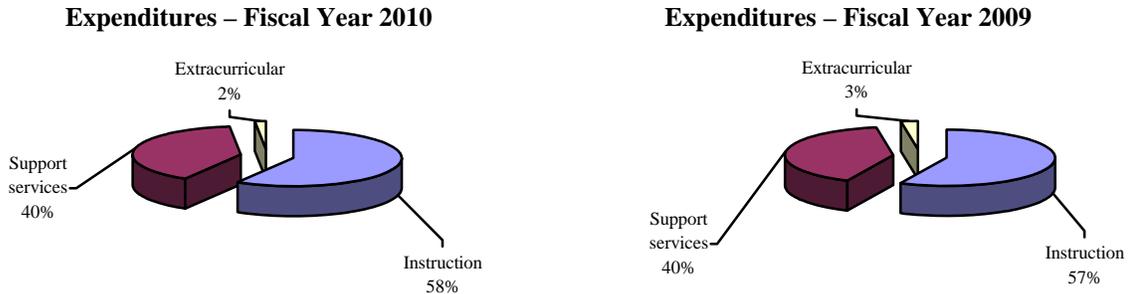


The table that follows assists in illustrating the expenditures of the general fund.

	2010 <u>Amount</u>	2009 <u>Amount</u>	<u>(Decrease)</u>	<u>Percentage Change</u>
<u>Expenditures</u>				
Instruction	\$ 10,980,957	\$ 11,224,554	\$ (243,597)	(2.17) %
Support services	7,464,495	7,963,187	(498,692)	(6.26) %
Extracurricular activities	<u>333,836</u>	<u>488,629</u>	<u>(154,793)</u>	(31.68) %
Total	<u>\$ 18,779,288</u>	<u>\$ 19,676,370</u>	<u>\$ (897,082)</u>	(4.56) %

One of the most significant decreases was in support services expenditures. Support services expenditures decreased due to the District's tight cost control policy. Instruction expenditures decreased slightly from the prior fiscal year due to cost control measures implemented by the District.

The graphs below show the District's expenditures, by functional area, for fiscal year 2010 and 2009:



**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)

General Fund Budgeting Highlights

The 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.

Throughout fiscal year 2010, the District routinely made amendments to the general fund budget. These amendments were necessary to accompany initiatives that were established and needed funding throughout the fiscal year. The District uses a modified site-based budgeting technique which is designed to tightly control total site budgets, but also provide flexibility for site management.

For the general fund, the final budget basis revenue and other financing sources estimate was \$21,504,767. The original budgeted revenue estimate was \$21,529,340. During fiscal year 2010, the District budgeted \$20,562,329 for property tax and intergovernmental revenue. The District received \$20,562,329 in property tax and intergovernmental revenue. Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$21,479,229, \$19,263 below revenues and other financing sources resulting in an increase to fund balance.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2010, the District had \$35,312,751 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles and textbooks. Of this total, \$35,300,873 was reported in governmental activities and \$11,878 was reported in business-type activities. The following table shows fiscal 2010 balances compared to 2009:

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 226,660	\$ 226,660	\$ -	\$ -	\$ 226,660	\$ 226,660
Land improvements	125,467	142,113	-	-	125,467	142,113
Buildings and improvements	33,338,567	31,403,730	-	-	33,338,567	31,403,730
Furniture, fixtures and equipment	608,797	711,461	11,878	14,988	620,675	726,449
Vehicles	596,975	572,862	-	-	596,975	572,862
Textbooks	200,620	241,547	-	-	200,620	241,547
Construction in progress	203,787	1,805,013	-	-	203,787	1,805,013
Total	<u>\$ 35,300,873</u>	<u>\$ 35,103,386</u>	<u>\$ 11,878</u>	<u>\$ 14,988</u>	<u>\$ 35,312,751</u>	<u>\$ 35,118,374</u>

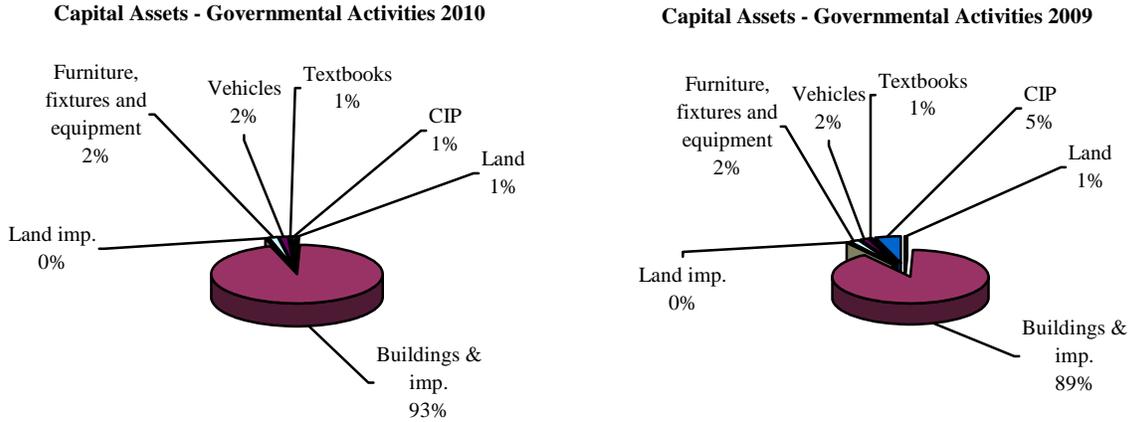
Overall capital assets increased \$194,377 from fiscal year 2009 to fiscal year 2010. The District completed three projects in fiscal 2010: Parkview Renovation Project, H.B. 264 Project and High School Auditorium renovations which commenced in the summer of 2009. The completed costs for these projects were removed from "construction in progress" in fiscal 2010 and added to "buildings and improvements".

See Note 8 to the basic financial statements for more detail on the District's capital assets.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)

The following graphs show the breakdown of governmental activities capital assets by category for 2010 and 2009.



Debt Administration

At June 30, 2010, the District has \$27,659,992 in long-term bonds outstanding. Of this total, \$1,034,999 is due within one year and \$26,624,993 is due within greater than one year. The following table summarizes the District's outstanding long-term and short-term debt.

Outstanding Debt, at Year End

	Governmental Activities 2010	Governmental Activities 2009
Long-term Debt		
Series 2000 Energy Improvement Bonds	\$ 85,000	\$ 170,000
Series 2005 Refunding Library Improvement Bonds	1,454,999	1,884,999
Series 2005 School Improvement Bonds	26,119,993	26,789,993
Total outstanding long-term bonds	<u>27,659,992</u>	<u>28,844,992</u>
Short-term Debt		
2008 Energy Conservation Improvement Notes	-	1,368,000
Total outstanding short-term bonds	<u>-</u>	<u>1,368,000</u>
Total	<u>\$ 27,659,992</u>	<u>\$ 30,212,992</u>

Payments of principal and interest on the general obligation bonds are made from the bond retirement fund. During fiscal 2010, the District repaid the short-term note payable. The repayment was made out of the building fund, the fund which received the initial proceeds, with resources received via a transfer from the general fund.

See Note 13 to the basic financial statements for more detail on the District's short-term obligations and Note 14 to the basic financial statements for more detail on the District's long-term obligations.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
(UNAUDITED)**

Current Financial Related Activities

As the preceding information shows, the District heavily depends on its property taxpayers. This District currently has one emergency levy that was last renewed in May of 2008. The last full collection year for this levy will be calendar year 2013, as a result, the District will need to renew this levy prior to December 31, 2013 (fiscal year 2014) to avoid a decrease in revenue.

For the calendar year 2009 tri-annual update, the reductions in residential property are due to the District's average appraised residential property ratio in the City of Fairview Park were 105% of the market value on the average residential property sale reported in 2008.

The Ohio Department of Taxation (ODT) states on their website that "Under guidelines established by the International Association of Assessment Officers (IAAO), the median ratio should be between 90% and 110% for taxable values to best reflect actual market conditions. In practice, the ODT aims to have the ratios in the year of reappraisal or triennial update to be at least 90% and, preferably, in the 92% – 94% percent range." The property values adjustments needed to bring the Fairview Park average appraised residential property ratio within this range resulted in a 9% decrease in values from the previous value.

H.B. (House Bill) 1 dramatically affected the ways in which school funding is calculated. In previous years, school districts were funded primarily on a per pupil basis and each year the funding amount per pupil would be adjusted. H.B. 1 replaced the previous funding model with the newly enacted Ohio Evidence Based Model (OEBM) which funds school districts based on the creation of new components that are funded at different levels.

One major component that determines the District's funding level is the computation of Organizational Units based on the District's average daily membership (ADM) within a range of grade levels. Furthermore, the OEBM established the Educational Challenge Factor, which is based on the District's population of graduates, wealth per pupil, and concentration of poverty. After each component in the OEBM is calculated, the Educational Challenge Factor is applied to the calculation of the different components to determine the exact funding the District will receive for each component. The District's "charge off" or the calculation of what 22 mills times the District's total taxable valuation (for fiscal year 2010 and fiscal year 2011) is computed to determine the portion of the OEBM that the local community is responsible for to "adequately" fund the District. The difference is the State's portion of the adequacy amount. H.B. 1 provides for funding if the District's State share of the adequacy amount is less than 99% (fiscal year 2010) of the previous year's basic state formula aid.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information contact: Ryan Ghizzoni, Treasurer/CFO at Fairview Park City Schools, 21620 Mastick Road, Fairview Park, Ohio 44126.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF NET ASSETS
JUNE 30, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and investments	\$ 15,783,007	\$ 12,900	\$ 15,795,907
Receivables:			
Property taxes	18,056,997	-	18,056,997
Accounts	4,792	5,376	10,168
Accrued interest	57,738	-	57,738
Internal balances	222,665	(222,665)	-
Intergovernmental	161,078	-	161,078
Materials and supplies inventory	-	9,212	9,212
Unamortized bond issue costs	99,612	-	99,612
Capital assets:			
Land and construction in progress	430,447	-	430,447
Depreciable capital assets, net	34,870,426	11,878	34,882,304
Total capital assets, net	<u>35,300,873</u>	<u>11,878</u>	<u>35,312,751</u>
Total assets (deficit)	<u>69,686,762</u>	<u>(183,299)</u>	<u>69,503,463</u>
Liabilities:			
Accounts payable	201,882	57	201,939
Contracts payable	203,787	-	203,787
Accrued wages and benefits	1,844,020	35,084	1,879,104
Pension obligation payable	262,922	16,226	279,148
Intergovernmental payable	62,146	1,617	63,763
Accrued interest payable	144,240	-	144,240
Unearned revenue	14,281,654	-	14,281,654
Long-term liabilities:			
Due within one year	1,553,041	8,334	1,561,375
Due within more than one year	29,557,931	54,971	29,612,902
Total liabilities	<u>48,111,623</u>	<u>116,289</u>	<u>48,227,912</u>
Net Assets:			
Invested in capital assets, net of related debt	6,393,963	11,878	6,405,841
Restricted for:			
Capital projects	1,261,175	-	1,261,175
Set-asides	364,682	-	364,682
Debt service	2,443,764	-	2,443,764
Locally funded programs	39,180	-	39,180
State funded programs	112,716	-	112,716
Federally funded programs	54,051	-	54,051
Public school support	65,549	-	65,549
Student activities	22,248	-	22,248
Other purposes	22,416	-	22,416
Unrestricted (deficit)	<u>10,795,395</u>	<u>(311,466)</u>	<u>10,483,929</u>
Total net assets (deficit)	<u>\$ 21,575,139</u>	<u>\$ (299,588)</u>	<u>\$ 21,275,551</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 10,359,053	\$ 373,012	\$ 86,014	\$ (9,900,027)	\$ -	\$ (9,900,027)
Special	2,608,089	-	673,625	(1,934,464)	-	(1,934,464)
Vocational	172,084	-	7,744	(164,340)	-	(164,340)
Other	6,538	3,435	-	(3,103)	-	(3,103)
Support services:						
Pupil	1,092,469	-	146,765	(945,704)	-	(945,704)
Instructional staff	1,297,713	11,063	101,288	(1,185,362)	-	(1,185,362)
Board of education	30,939	-	-	(30,939)	-	(30,939)
Administration	1,491,518	-	20,605	(1,470,913)	-	(1,470,913)
Fiscal	868,247	-	14,596	(853,651)	-	(853,651)
Business	201,637	-	-	(201,637)	-	(201,637)
Operations and maintenance	2,018,495	87,782	78,839	(1,851,874)	-	(1,851,874)
Pupil transportation	709,469	19,363	38,444	(651,662)	-	(651,662)
Central	585,207	307	5,170	(579,730)	-	(579,730)
Operation of non-instructional services						
	523,037	6,258	527,822	11,043	-	11,043
Extracurricular activities						
	454,972	99,970	125	(354,877)	-	(354,877)
Interest and fiscal charges						
	1,528,481	-	-	(1,528,481)	-	(1,528,481)
Total governmental activities	23,947,948	601,190	1,701,037	(21,645,721)	-	(21,645,721)
Business-type activities:						
Food service	415,012	193,762	145,805	-	(75,445)	(75,445)
Day care services	725,270	637,749	-	-	(87,521)	(87,521)
Total business-type activities	1,140,282	831,511	145,805	-	(162,966)	(162,966)
Totals	\$ 25,088,230	\$ 1,432,701	\$ 1,846,842	(21,645,721)	(162,966)	(21,808,687)
General Revenues:						
Property taxes levied for:						
General purposes				15,773,158	-	15,773,158
Debt service				2,117,387	-	2,117,387
Grants and entitlements not restricted						
to specific programs				5,217,461	-	5,217,461
Investment earnings				223,267	-	223,267
Miscellaneous				69,464	37,755	107,219
Total general revenues				23,400,737	37,755	23,438,492
Change in net assets				1,755,016	(125,211)	1,629,805
Net assets (deficit) at beginning of year . . .				19,820,123	(174,377)	19,645,746
Net assets (deficit) at end of year				\$ 21,575,139	\$ (299,588)	\$ 21,275,551

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and investments	\$ 11,132,267	\$ 2,122,435	\$ 1,262,497	\$ 867,427	\$ 15,384,626
Receivables:					
Property taxes	15,870,851	2,186,146	-	-	18,056,997
Accounts	4,557	-	-	235	4,792
Accrued interest	56,036	-	1,702	-	57,738
Interfund loans	263,248	-	-	-	263,248
Intergovernmental	2,720	-	-	158,358	161,078
Restricted assets:					
Equity in pooled cash and investments	364,682	-	-	-	364,682
Total assets	<u>\$ 27,694,361</u>	<u>\$ 4,308,581</u>	<u>\$ 1,264,199</u>	<u>\$ 1,026,020</u>	<u>\$ 34,293,161</u>
Liabilities:					
Accounts payable	\$ 23,284	\$ -	\$ 96,439	\$ 82,159	\$ 201,882
Contracts payable	-	-	203,787	-	203,787
Accrued wages and benefits	1,814,777	-	-	29,243	1,844,020
Compensated absences payable	30,125	-	-	66,276	96,401
Retirement incentive payable	-	-	-	67,179	67,179
Intergovernmental payable	60,815	-	-	1,331	62,146
Pension obligation payable	257,958	-	-	4,964	262,922
Interfund loans payable	-	-	-	32,153	32,153
Deferred revenue	1,056,384	145,688	1,697	90,663	1,294,432
Unearned revenue	12,519,476	1,720,577	-	41,601	14,281,654
Total liabilities	<u>15,762,819</u>	<u>1,866,265</u>	<u>301,923</u>	<u>415,569</u>	<u>18,346,576</u>
Fund Balances:					
Reserved for encumbrances	219,922	-	609,860	112,555	942,337
Reserved for tax revenue unavailable for appropriation	2,288,058	319,779	-	-	2,607,837
Reserved for budget stabilization	364,682	-	-	-	364,682
Unreserved:					
Designated for termination benefits	-	-	-	95,561	95,561
Unreserved, undesignated, reported in:					
General fund	9,058,880	-	-	-	9,058,880
Special revenue funds	-	-	-	138,529	138,529
Debt service fund	-	2,122,537	-	-	2,122,537
Capital projects funds	-	-	352,416	263,806	616,222
Total fund balances	<u>11,931,542</u>	<u>2,442,316</u>	<u>962,276</u>	<u>610,451</u>	<u>15,946,585</u>
Total liabilities and fund balances	<u>\$ 27,694,361</u>	<u>\$ 4,308,581</u>	<u>\$ 1,264,199</u>	<u>\$ 1,026,020</u>	<u>\$ 34,293,161</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2010

Total governmental fund balances		\$ 15,946,585
<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.		35,300,873
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent taxes receivable	\$ 1,188,177	
Accrued interest receivable	15,592	
Intergovernmental receivable	<u>90,663</u>	
Total		1,294,432
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net assets.		25,269
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		(144,240)
Unamortized premiums on bond issuance are not recognized in the funds.		(1,246,918)
Unamortized bond issuance costs are not recognized in the funds.		99,612
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 payable	(28,511,520)	
Compensated absences payable	(1,154,319)	
Retirement incentive payable	<u>(34,635)</u>	
Total		<u>(29,700,474)</u>
Net assets of governmental activities		<u><u>\$ 21,575,139</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
From local sources:					
Property taxes	\$ 15,518,140	\$ 2,077,627	\$ -	\$ -	\$ 17,595,767
Tuition.	207,506	-	-	-	207,506
Transportation fees.	19,363	-	-	-	19,363
Earnings on investments	175,768	-	31,907	906	208,581
Extracurricular.	-	-	-	153,008	153,008
Classroom materials and fees	106,614	-	-	29,050	135,664
Rental income	87,782	-	-	-	87,782
Contributions and donations	-	-	-	13,469	13,469
Other local revenues	62,765	-	1,550	21,016	85,331
Intergovernmental - intermediate	17,668	-	-	-	17,668
Intergovernmental - state	4,903,938	343,530	-	451,244	5,698,712
Intergovernmental - federal	1,184	-	-	1,117,614	1,118,798
Total revenue	<u>21,100,728</u>	<u>2,421,157</u>	<u>33,457</u>	<u>1,786,307</u>	<u>25,341,649</u>
Expenditures:					
Current:					
Instruction:					
Regular.	8,719,930	-	-	686,606	9,406,536
Special	2,099,645	-	-	624,190	2,723,835
Vocational	154,844	-	-	17,240	172,084
Other	6,538	-	-	-	6,538
Support services:					
Pupil	966,499	-	-	155,426	1,121,925
Instructional staff	1,166,802	-	-	138,052	1,304,854
Board of education	30,939	-	-	-	30,939
Administration	1,536,498	-	-	20,815	1,557,313
Fiscal	723,414	27,394	96,355	14,562	861,725
Business.	166,040	-	18,253	-	184,293
Operations and maintenance	1,903,178	-	-	111,133	2,014,311
Pupil transportation	584,749	-	-	152,109	736,858
Central	386,376	-	-	190,492	576,868
Operation of non-instructional.	-	-	-	519,876	519,876
Extracurricular activities	333,836	-	-	121,136	454,972
Facilities acquisition and construction.	-	-	1,262,320	1,450	1,263,770
Debt service:					
Principal retirement.	-	1,185,000	-	-	1,185,000
Interest and fiscal charges	-	1,231,268	37,620	-	1,268,888
Total expenditures	<u>18,779,288</u>	<u>2,443,662</u>	<u>1,414,548</u>	<u>2,753,087</u>	<u>25,390,585</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>2,321,440</u>	<u>(22,505)</u>	<u>(1,381,091)</u>	<u>(966,780)</u>	<u>(48,936)</u>
Other financing sources (uses):					
Transfers in.	-	91,885	1,405,620	1,048,886	2,546,391
Transfers (out)	<u>(2,546,391)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,546,391)</u>
Total other financing sources (uses)	<u>(2,546,391)</u>	<u>91,885</u>	<u>1,405,620</u>	<u>1,048,886</u>	<u>-</u>
Net change in fund balances	(224,951)	69,380	24,529	82,106	(48,936)
Fund balances at beginning of year	<u>12,156,493</u>	<u>2,372,936</u>	<u>937,747</u>	<u>528,345</u>	<u>15,995,521</u>
Fund balances at end of year.	<u>\$ 11,931,542</u>	<u>\$ 2,442,316</u>	<u>\$ 962,276</u>	<u>\$ 610,451</u>	<u>\$ 15,946,585</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Net change in fund balances - total governmental funds \$ (48,936)

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 are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense during the current period.

Capital asset additions	\$	1,372,483	
Current year depreciation		(1,174,996)	
Total			197,487

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

Delinquent property taxes		294,778	
Interest		15,592	
Intergovernmental		50,945	
Total			361,315

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported on the statement of activities:

Increase in accrued interest payable		(40,068)	
Accretion of interest on "capital appreciation" bonds		(245,495)	
Amortization of bond premiums		75,775	
Amortization of issuance costs		(49,805)	
Total			(259,593)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (8,828)

Repayment of bonds are an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets. Principal payments during the year on bonds were. 1,185,000

Some expenses reported in the statement of activities, such as compensated absences and retirement incentives, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences		(91,805)	
Retirement incentive		420,376	
			328,571

Change in net assets of governmental activities \$ 1,755,016

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
From local sources:				
Property taxes	\$ 15,619,880	\$ 15,642,259	\$ 15,642,259	\$ -
Tuition.	252,000	207,506	207,506	-
Transportation fees.	18,000	14,553	14,553	-
Earnings on investments	307,704	254,912	254,912	-
Classroom materials and fees	142,256	106,614	106,614	-
Rental income	73,515	88,899	88,899	-
Other local revenues	56,667	54,405	54,405	-
Intergovernmental - intermediate	17,000	16,132	16,132	-
Intergovernmental - state	5,017,318	4,903,938	4,903,938	-
Total revenue	<u>21,504,340</u>	<u>21,289,218</u>	<u>21,289,218</u>	<u>-</u>
Expenditures:				
Current:				
Instruction:				
Regular	8,757,801	8,569,557	8,569,557	-
Special.	2,618,933	2,254,124	2,254,124	-
Vocational.	-	121,810	121,810	-
Other.	16,196	6,490	6,490	-
Support Services:				
Pupil.	982,328	942,313	942,313	-
Instructional staff	1,235,631	1,147,635	1,147,635	-
Board of education	44,225	29,375	29,375	-
Administration.	1,499,863	1,474,721	1,474,721	-
Fiscal	722,417	724,510	724,510	-
Business	932,281	1,682,038	1,682,038	-
Operations and maintenance.	2,200,126	1,886,033	1,886,033	-
Pupil transportation	584,043	594,754	594,754	-
Central.	354,709	338,202	338,202	-
Extracurricular activities.	343,353	345,533	345,533	-
Total expenditures	<u>20,291,906</u>	<u>20,117,095</u>	<u>20,117,095</u>	<u>-</u>
Excess of revenues over expenditures.	<u>1,212,434</u>	<u>1,172,123</u>	<u>1,172,123</u>	<u>-</u>
Other financing sources (uses):				
Refund of prior year's expenditures	25,000	9,836	9,836	-
Transfers (out).	(1,105,092)	(1,098,886)	(1,098,886)	-
Advances in.	-	205,713	199,438	(6,275)
Advances (out)	-	-	(263,248)	(263,248)
Total other financing sources (uses)	<u>(1,080,092)</u>	<u>(883,337)</u>	<u>(1,152,860)</u>	<u>(269,523)</u>
Net change in fund balance	132,342	288,786	19,263	(269,523)
Fund balance at beginning of year	10,912,734	10,912,734	10,912,734	-
Prior year encumbrances appropriated	322,235	322,235	322,235	-
Fund balance at end of year	<u>\$ 11,367,311</u>	<u>\$ 11,523,755</u>	<u>\$ 11,254,232</u>	<u>\$ (269,523)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2010

	Business-Type Activities - Nonmajor Enterprise Funds	Governmental Activities - Internal Service Fund
Assets:		
Current assets:		
Equity in pooled cash and investments.	\$ 12,900	\$ 33,699
Receivables:		
Accounts	5,376	-
Materials and supplies inventory.	9,212	-
Total current assets	27,488	33,699
Noncurrent assets:		
Depreciable capital assets, net	11,878	-
Total assets.	39,366	33,699
Liabilities:		
Accounts payable.	57	-
Accrued wages and benefits	35,084	-
Compensated absences.	8,334	-
Pension obligation payable.	16,226	-
Interfund loan payable	222,665	8,430
Intergovernmental payable	1,617	-
Total current liabilities	283,983	8,430
Long-term liabilities:		
Compensated absences payable.	54,971	-
Total long-term liabilities	54,971	-
Total liabilities	338,954	8,430
Net assets:		
Invested in capital assets	11,878	-
Unrestricted (deficit)	(311,466)	25,269
Total net assets (deficit)	\$ (299,588)	\$ 25,269

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities - Nonmajor Enterprise Funds	Governmental Activities - Internal Service Fund
Operating revenues:		
Sales	\$ 195,040	\$ -
Charges for services	636,471	59,008
Other	37,145	75
Total operating revenues	<u>868,656</u>	<u>59,083</u>
Operating expenses:		
Personal services	765,635	-
Purchased services	96,378	67,911
Materials and supplies	256,996	-
Capital outlay	16,316	-
Other	1,237	-
Depreciation	3,720	-
Total operating expenses	<u>1,140,282</u>	<u>67,911</u>
Operating (loss)	<u>(271,626)</u>	<u>(8,828)</u>
Nonoperating revenues:		
Grants and subsidies	136,088	-
Federal donated commodities	9,717	-
Other nonoperating revenue	610	-
Total nonoperating revenues	<u>146,415</u>	<u>-</u>
Change in net assets	(125,211)	(8,828)
Net assets (deficit) at beginning of year . .	<u>(174,377)</u>	<u>34,097</u>
Net assets (deficit) at end of year	<u>\$ (299,588)</u>	<u>\$ 25,269</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Business-Type Activities - Nonmajor Enterprise Funds	Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Cash received from operations	\$ 872,373	\$ 59,083
Cash payments for personal services.	(716,250)	-
Cash payments for contractual services	(96,378)	(67,911)
Cash payments for materials and supplies	(254,757)	-
Cash payments for other expenses	(1,237)	-
Net cash (used in) operating activities	(196,249)	(8,828)
Cash flows from noncapital financing activities:		
Cash received from grants and subsidies.	136,088	-
Cash received from interfund loans	222,665	8,430
Cash used in repayment of interfund loans.	(174,538)	-
Net cash provided by noncapital financing activities.	184,215	8,430
Net (decrease) in cash and cash equivalents	(12,034)	(398)
Cash and cash equivalents at beginning of year . . .	24,934	34,097
Cash and cash equivalents at end of year	\$ 12,900	\$ 33,699
Reconciliation of operating (loss) to net cash (used in) operating activities:		
Operating (loss)	\$ (271,626)	\$ (8,828)
Adjustments:		
Depreciation.	3,720	-
Federal donated commodities	9,717	-
Changes in assets and liabilities:		
Decrease in materials and supplies inventory	8,911	-
Decrease in accounts receivable.	3,717	-
(Decrease) in accounts payable	(73)	-
Increase in accrued wages and benefits	4,520	-
(Decrease) in intergovernmental payable.	(16,775)	-
Increase in compensated absences payable.	45,414	-
Increase in pension obligation payable.	16,226	-
Net cash (used in) operating activities	\$ (196,249)	\$ (8,828)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2010

	Private-Purpose Trust	Agency
	Endowment Trust Fund	
Assets:		
Current assets:		
Equity in pooled cash and investments.	\$ 3,607,285	\$ 755,628
Receivables:		
Accrued interest.	25,216	-
Total assets.	3,632,501	\$ 755,628
Liabilities:		
Accounts payable.	-	\$ 300
Due to students.	-	62,478
Undistributed monies.	-	692,850
Total liabilities	-	\$ 755,628
Net assets:		
Held in trust for scholarships	3,632,501	
Total net assets	\$ 3,632,501	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Private-Purpose Trust
	Endowment Trust Fund
Additions:	
Interest	\$ 158,490
Total additions.	158,490
Deductions:	
Payments in accordance with Trust agreements	42,290
Change in net assets.	116,200
Net assets at beginning of year	3,516,301
Net assets at end of year.	\$ 3,632,501

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY

The Fairview Park City School District (the "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 District is located in Fairview Park, Ohio, Cuyahoga County. The District ranks as the 309th largest in terms of enrollment (among 905 public school districts and community schools) in the State of Ohio. The District operates under a locally elected five-member Board form of government and provides educational services as mandated by State and/or federal agencies. The Board of Education controls the District's instructional/support facilities staffed by 64 classified employees, 128 certificated full-time teaching personnel, and 17 administrators who provide services to 1,763 students and other community members.

The Reporting Entity

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

Within the District's boundaries the elementary schools of St. Angela Merici, Messiah Lutheran, and Murton's Child Development Center operate as non-public schools. Current State legislation provides funding to these schools. These monies are received and distributed on behalf of the schools by the Treasurer/ CFO of the District as directed by the schools. The activity of these State monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and:

1. The District is able to significantly influence the programs or services performed or provided by the organization; or
2. The District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the District is obligated for the debt of the organization.

Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY - (Continued)

The following organizations are described due to their relationship to the District.

JOINTLY GOVERNED ORGANIZATIONS

Lake Erie Educational Computer Association (LEECA)

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization comprised of thirty school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions for member districts. Each of the governments of these districts supports LEECA based upon a per pupil charge dependent upon the software package utilized. The LEECA assembly consists of a superintendent or designated representative from each participating district and a representative from the fiscal agent. LEECA is governed by a Board of Directors chosen from the general membership of the LEECA assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each operating committee, and at least one assembly member from each county from which participating districts are located. In fiscal year 2010, the District paid \$112,617 to LEECA. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, which serves as fiscal agent, located at 1885 Lake Avenue, Elyria, Ohio 44035.

Polaris Career Center

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. The Board of Education consists of representatives from the Board of each participating school district, independent of the District.

The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information may be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

Ohio Schools' Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among 139 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying annual participation fee. Each school district member superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board meets monthly September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2010, the District paid \$1,654 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY - (Continued)

The District participates in the Council's prepaid natural gas program. The Council provides participating school districts the ability to purchase natural gas at reduced rates, if the school district will commit to participating for a twelve year period. There are currently 139 districts in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The District participates in the Council's Energy for Education III Program. This program allows school districts in the FirstEnergy Territory (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison) to purchase electricity at reduced rates, if the school districts commit to participating in the program for a twenty month period of time. The current contract expires May 31, 2011. Under the program, participating school districts will continue to receive their electricity from their local utility and their monthly bill will include an electric supply cost. Duke Energy Retail Sales, LLC is the electric supplier for the Energy for Education III Program. There are currently 110 school districts participating in the Energy for Education III Program.

INSURANCE PURCHASING POOL

Southwestern Ohio Educational Purchasing Council Group Rating Program

The District participates in the Southwestern Ohio Educational Purchasing Council Group Rating Program (GRP), an insurance purchasing pool. The GRP is administered by Hunter Consulting Group, a partner of Progressive Compensation Risk Advisors (PROCOMP). Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The District has elected not to apply FASB pronouncements and interpretations issued after November 30, 1989 to its business-type activities and enterprise funds.

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

A. Fund Accounting

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories of governmental, proprietary, and fiduciary.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

GOVERNMENTAL FUNDS

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose 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 District's major governmental funds:

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

Bond retirement fund - A fund provided for the retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans, shall be paid into this fund.

Building fund - This fund is used to account for the revenues and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

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

PROPRIETARY FUNDS

Proprietary funds focus on the determination of operating income/loss, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service.

Enterprise funds - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds account for the financial transactions related to the food service operations and day care services. The District has no major enterprise funds.

Internal service fund - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. The District's internal service fund accounts for a former self-insurance program which provided medical, hospitalization, life, dental, and vision benefits to employees. The District became fully insured for these benefits effective September 1, 2007.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for money set aside for two annual scholarships. The income from such a fund may be expended, but the principal must remain intact. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds are student activities, other agency activities and workers' compensation.

B. Basis of Presentation

The 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 District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund 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.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. 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 District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

The fiduciary funds are reported using the economic resources measurement focus. Agency funds do not report a resources measurement focus as they do not report operations.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences between the accrual and 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 District, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, 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 District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange 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.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2010 are recorded as deferred revenue.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. 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.

D. Equity in Pooled Cash and Investments

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

During fiscal year 2010, investments were limited to Federal Home Loan Bank (FHLB) bonds, Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Mortgage Corporation (FHLMC) bonds, Federal National Mortgage Association (FNMA) bonds, and FNMA discount notes, negotiable certificates of deposit, nonnegotiable certificates of deposit, U.S. Government money market mutual funds and investments in STAR Ohio. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

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 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 shares price which is the price the investment could be sold for on June 30, 2010.

Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2010 amounted to \$175,768 which includes \$40,887 assigned from other funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by enabling legislation. The District has reported restricted assets for certain Bureau of Workers' Compensation refunds received in the prior year whose use is restricted by State statute. The District has also reported a fund balance reservation.

F. Inventory

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when received. Inventories are accounted for using the consumption method.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

G. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. The 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 assets or materially extend an asset's life are not.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land improvements	10-30 years	N/A
Buildings and improvements	10-50 years	N/A
Furniture, fixtures and equipment	5-15 years	5-15 years
Vehicles	8-10 years	N/A
Textbooks	7 years	N/A

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. The District's policy of internal service activity in the government-wide statement of activities indicates that interfund services provided and used are eliminated in the process of consolidation and any residual balance of the internal service activity is allocated on a pro-rata basis to the activities and functions participating in the internal service fund.

I. 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 District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service and salary related payments, if applicable.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the District's termination policy. The District records a liability for accumulated unused sick leave for classified, certified, and administrative employees after eight years of current service with the District.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

J. Accrued Liabilities and Long-Term Obligations

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Fund Balance Reserves

The District reserves those portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, property taxes, and budget stabilization.

The reserve for property taxes represents taxes recognized as revenue under GAAP but not available for appropriation under State statute. The reserve for budget stabilization represents money set aside to protect against cyclical changes in revenues and expenditures.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The District passed legislation to create a restriction to net assets for budget stabilization. This is the only net assets restriction imposed through enabling legislation. Net assets restricted for other purposes consist of monies restricted in the special trusts fund (a nonmajor governmental fund).

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

M. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are charges for food service, fees for day care service, and charges for former self-insurance program. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

N. Interfund Activity

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

O. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2010.

P. 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.

Q. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents 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 set 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 for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the 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 amended certificate in effect at the time the final appropriations were passed prior to fiscal year end.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. 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.

R. Unamortized Bond Issuance Costs and Bond Premium

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. The reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 14.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2010, the District has implemented GASB Statement No. 51, "Accounting and Financial Reporting for Intangible Assets", GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", and GASB Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 51 addresses accounting and financial reporting standards for intangible assets, which are assets that lack physical substance, are nonfinancial in nature, and have an initial useful life extending beyond a single reporting period. Examples of intangible assets include easements, water rights, computer software, patents, and trademarks. GASB Statement No. 51 improves the quality of financial reporting by creating consistency in the recognition, initial measurement, and amortization of intangible assets. The implementation of GASB Statement No. 51 did not have an effect on the financial statements of the District.

GASB Statement No. 53 addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are financial arrangements used by governments to manage specific risks or to make investments. Common types of derivative instruments include interest rate and commodity swaps, interest rate locks, options, swaptions, forward contracts, and futures contracts. The implementation of GASB Statement No. 53 did not have an effect on the financial statements of the District.

GASB Statement No. 58 establishes accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. GASB Statement No. 58 requires governments to remeasure liabilities that are adjusted in bankruptcy when the bankruptcy court confirms a new payment plan. The implementation of GASB Statement No. 58 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances/Net Assets

Fund balances/net assets at June 30, 2010 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Management Information Systems	\$ 28
IDEA, Part B Special Education	39,008
Title I	8,435
Food Service	12,795
Day Care Services	286,793

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances/net assets are a result of adjustments for accrued liabilities.

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the 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 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 five 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 including passbook accounts.

Interim monies may 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 items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in such securities described are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

Protection of the 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.

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 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.

A. Cash on Hand

At June 30, 2010, the District had \$100 in undeposited cash on hand, which is included on the financial statements of the District as part of "equity in pooled cash and investments".

B. Deposits

At June 30, 2010 the carrying amount of the District's deposits was \$11,077,511 including \$7,252,625 in non-negotiable certificate of deposits. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2010, \$6,966,635 of the District's \$11,133,928 bank balance was covered by Federal Depository Insurance (FDIC) and \$4,167,293 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

C. Investments

As of June 30, 2010, the District had the following investments and maturities:

Investment type	Fair Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
FHLB Bonds	\$ 2,992,832	\$ 201,750	\$ 975,590	\$ 1,289,178	\$ 204,938	\$ 321,376
FFCB Bonds	674,896	-	174,946	-	499,950	-
FHLMC Bonds	1,811,217	201,438	-	103,688	981,460	524,631
FNMA Bonds	1,489,285	210,938	-	50,313	406,001	822,033
FNMA Discount Notes	493,583	-	493,583	-	-	-
Negotiable CD's	392,246	392,246	-	-	-	-
U.S. Government Money						
Market Mutual Funds	747,241	747,241	-	-	-	-
STAR Ohio	479,909	479,909	-	-	-	-
	<u>\$ 9,081,209</u>	<u>\$ 2,233,522</u>	<u>\$ 1,644,119</u>	<u>\$ 1,443,179</u>	<u>\$ 2,092,349</u>	<u>\$ 1,668,040</u>

The weighted average maturity of investments is 1.39 years.

The District has a formal investment policy. The District follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At June 30, 2010, the increase in fair value of investments was \$62,476 which is reported as investment earnings on the financial statements. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

D. Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

E. Credit Risk

The District's investments in federal agency securities were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The District's investments in U.S. Government money market mutual funds and STAR Ohio were rated AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District has no investment policy that would further limit the investment choices.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

F. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

G. Concentration of Credit Risk

The District places no limit on the amount it may invest in any one issuer. The District's investment in federal agency securities represents 82.17 percent of the District's total investments. All other investments not explicitly guaranteed by the U.S. government are 17.83 percent of the District's total investments. Cash and investments at year end were as follows:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB Bonds	\$ 2,992,832	32.96
FFCB Bonds	674,896	7.43
FHLMC Bonds	1,811,217	19.94
FNMA Bonds	1,489,285	16.40
FNMA Discount Notes	493,583	5.44
Negotiable CD's	392,246	4.32
U.S. Governments Money		
Market Mutual Funds	747,241	8.23
STAR Ohio	<u>479,909</u>	<u>5.28</u>
	<u>\$ 9,081,209</u>	<u>100.00</u>

H. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2010:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 11,077,511
Investments	9,081,209
Cash on hand	<u>100</u>
Total	<u>\$ 20,158,820</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

<u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 15,783,007
Business-type activities	12,900
Private-purpose trust fund	3,607,285
Agency fund	<u>755,628</u>
Total	<u>\$ 20,158,820</u>

NOTE 5 - INTERFUND TRANSFERS AND BALANCES

A. Interfund Transfers

During fiscal year 2010, interfund transfers were as follows:

Transfers from general fund to:	
Building fund	\$ 1,405,620
Bond retirement fund	91,885
Non-major governmental funds	<u>1,048,886</u>
Total	<u>\$ 2,546,391</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The transfer from the general fund to the building fund was made to move energy conservation note principal and interest payments to the building fund which is the fund that reported the note payable liability. The transfer from the general fund to the bond retirement fund was made to move energy conservation bond principal and interest to the bond retirement fund for payment of the debt.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements; therefore, no transfers are reported on the statement of activities.

B. Interfund Balances

Interfund balances on fund financial statements at June 30, 2010 consist of the following:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 32,153
General fund	Nonmajor enterprise funds	222,665
General fund	Internal service fund	<u>8,430</u>
Total		<u>\$ 263,248</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 5 - INTERFUND TRANSFERS AND BALANCES – (Continued)

The primary purpose of interfund balances is to cover costs in a specific fund where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

Interfund balances between governmental funds and the internal service fund are eliminated on the government-wide financial statements. Interfund balances between governmental funds and enterprise funds are reported as “internal balance” on the statement of net assets.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the 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 property, public utility property, and certain tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2010 represent the collection of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed values as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2010 represent the collection of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien on December 31, 2008, were levied after April 1, 2009, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2010 (other than public utility property) represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

The District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available as an advance at June 30, 2010 was \$2,288,058 in the general fund and \$319,779 in the bond retirement fund. This amount is recorded as revenue. The amount that was available for advance at June 30, 2009 was \$2,433,005 in the general fund and \$327,280 in the bond retirement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 6 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2010 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

The assessed values upon which the fiscal year 2010 taxes were collected are:

	2009 Second Half Collections		2010 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 387,103,710	98.67	\$ 355,779,330	98.87
Public utility personal	3,279,780	0.84	3,498,100	0.97
Tangible personal property	<u>1,941,250</u>	<u>0.49</u>	<u>566,680</u>	<u>0.16</u>
Total	<u>\$ 392,324,740</u>	<u>100.00</u>	<u>\$ 359,844,110</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$96.10		\$97.40	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2010 consisted of property taxes, accounts (rent and billings for user charged services), accrued interest, and intergovernmental grants and entitlements. 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. A summary of the principal items of receivables reported on the statement of net assets follows:

Governmental activities:

Property taxes	\$18,056,667
Accounts	4,792
Intergovernmental	161,078
Accrued interest	<u>57,738</u>
Total governmental activities	<u>\$18,280,275</u>

Business-type activities:

Accounts	<u>\$ 5,376</u>
Total business-type activities	<u>\$ 5,376</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 8 - CAPITAL ASSETS

Governmental capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance			Balance
	<u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2010</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 226,660	\$ -	\$ -	\$ 226,660
Construction in progress	<u>1,805,013</u>	<u>1,248,763</u>	<u>(2,849,989)</u>	<u>203,787</u>
Total capital assets, not being depreciated	<u>2,031,673</u>	<u>1,248,763</u>	<u>(2,849,989)</u>	<u>430,447</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	507,221	-	-	507,221
Buildings and improvements	38,930,129	2,849,989	-	41,780,118
Furniture, fixtures and equipment	1,669,950	6,890	-	1,676,840
Vehicles	941,289	116,830	-	1,058,119
Textbooks	<u>1,392,308</u>	<u>-</u>	<u>-</u>	<u>1,392,308</u>
Total capital assets, being depreciated	<u>43,440,897</u>	<u>2,973,709</u>	<u>-</u>	<u>46,414,606</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(365,108)	(16,646)	-	(381,754)
Buildings and improvements	(7,526,399)	(915,152)	-	(8,441,551)
Furniture, fixtures and equipment	(958,489)	(109,554)	-	(1,068,043)
Vehicles	(368,427)	(92,717)	-	(461,144)
Textbooks	<u>(1,150,761)</u>	<u>(40,927)</u>	<u>-</u>	<u>(1,191,688)</u>
Total accumulated depreciation	<u>(10,369,184)</u>	<u>(1,174,996)</u>	<u>-</u>	<u>(11,544,180)</u>
Total capital assets, being depreciated, net	<u>33,071,713</u>	<u>1,798,713</u>	<u>-</u>	<u>34,870,426</u>
Governmental activities capital assets, net	<u>\$ 35,103,386</u>	<u>\$ 3,047,476</u>	<u>\$ (2,849,989)</u>	<u>\$ 35,300,873</u>

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 1,055,771
<u>Support services:</u>	
Pupil	4,807
Instructional staff	3,387
Operations and maintenance of plant	18,314
Pupil transportation	<u>92,717</u>
Total depreciation expense	<u>\$ 1,174,996</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance			Balance
	<u>June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2010</u>
Business-type activities:				
<i>Capital assets, being depreciated:</i>				
Furniture, fixtures and equipment	\$ 71,006	\$ 610	\$ -	\$ 71,616
Total capital assets, being depreciated	<u>71,006</u>	<u>610</u>	<u>-</u>	<u>71,616</u>
<i>Less: accumulated depreciation</i>				
Furniture, fixtures and equipment	<u>(56,018)</u>	<u>(3,720)</u>	<u>-</u>	<u>(59,738)</u>
Total accumulated depreciation	<u>(56,018)</u>	<u>(3,720)</u>	<u>-</u>	<u>(59,738)</u>
Total capital assets, being depreciated, net	<u>14,988</u>	<u>(3,110)</u>	<u>-</u>	<u>11,878</u>
Business-type activities capital assets, net	<u>\$ 14,988</u>	<u>\$ (3,110)</u>	<u>\$ -</u>	<u>\$ 11,878</u>

All depreciation expense was charged to the food service fund (a nonmajor enterprise fund).

NOTE 9 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. In order to minimize these components of risk, the District has obtained a number of insurance packages.

The Hylant Group, through the Ohio School Plan, provides building and personal property insurance as well as commercial inland marine insurance. The Hylant Group, through the Ohio School Plan, also provides public employee dishonesty coverage (commercial crime coverage). The Hylant Group, through the Ohio School Plan, provides boiler and machinery insurance. The Hylant Group, through the Ohio School Plan, provides commercial general liability insurance, employer's liability insurance, employee benefits liability insurance, automobile liability insurance, and uninsured motorists insurance.

A \$100,000 public official bond for the Treasurer is maintained by Travelers Casualty and Surety Company of America Insurance Company. Other employees handling money are also covered by performance bonds provided by Nationwide Mutual Insurance Company.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 9 - RISK MANAGEMENT - (Continued)

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Hylant Insurance	Building and Contents (\$1,000 deductible)	\$ 78,956,223
Hylant Insurance	Extra Expense Coverage	1,000,000
Hylant Insurance	Boiler and Machinery (\$1,000 deductible)	78,956,223
Hylant Insurance	Crime Insurance (\$500 deductible)	200,000
Hylant Insurance	Vehicles (\$1,000 deductible)	5,000,000
Hylant Insurance	General Liability (per occurrence)	500,000
Hylant Insurance	General Liability (aggregate)	7,000,000
Hylant Insurance	Uninsured Motorist (per occurrence)	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no change from prior year coverage.

B. Workers' Compensation

The District participated in the PROCOMP Management Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool for calendar year 2010 (Note 1). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of PROCOMP Management provides administrative, cost control, and actuarial services to the GRP.

C. Group Medical, Dental, and Life Insurance

During fiscal year 2010, the District provides employees with medical, dental and life insurance coverage through fully insured plans. The entire risk of loss transfers to the commercial carrier upon payment of the premium.

Medical coverage was provided through Medical Mutual. For full-time certified employees and administrators, the District paid 95% of the monthly premium. The District's required monthly premium for single and family coverage was \$456 and \$1,071, respectively, in fiscal year 2010. For full-time classified employees, the District paid 94% of the monthly premium. The District's required monthly premium for single and family coverage was \$476 and \$1,118, respectively, in fiscal year 2010. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day by the employee. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$506 in fiscal year 2010.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 9 - RISK MANAGEMENT - (Continued)

Dental coverage was provided through MetLife. For full-time certified employees and administrators, the District paid over 99% of the monthly premium. The District's required monthly premium for single and family coverage was \$34 and \$89, respectively, in fiscal year 2010. For full-time classified employees, the District paid over 99% of the monthly premium. The District's required monthly premium for single and family coverage was \$34 and \$89, respectively, in fiscal year 2010. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day. Day care employees were not eligible for dental coverage.

Life insurance coverage was provided through MetLife. Classified and certified employees received \$50,000 in coverage with the District paying 100% of the monthly premium which was \$7 for fiscal year 2010. Administrators received \$125,000 in coverage with the District paying 100% of the monthly premium which was \$17 for fiscal 2010. Day care employees received \$12,500 in coverage with the District paying 100% of the monthly premium which was \$2 for fiscal year 2010.

NOTE 10 - PENSION PLANS

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement, disability, survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under *Employers/Audit Resources*.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2010, 12.74 percent and .04 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 a 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 District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$384,228, \$121,317 and \$253,756, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 10 - PENSION PLANS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The 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 stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on 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 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 of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For fiscal year 2010, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. 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 employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009 and 2008 were \$1,229,619, \$1,143,442 and \$1,098,482, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$29,827 made by the District and \$21,305 made by the plan members.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 11 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) 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 program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Chapter 3309.69 of the Ohio Revised Code. 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 premium for calendar year 2009 was \$96.40 and 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 the SERS' Ohio website, 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 Code Section 105(e). For 2010, 0.46 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 2010, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2010, 2009, and 2008 were \$60,113, \$101,804 and \$158,135, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2010, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$22,849, \$10,010 and \$18,284, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 11 - POSTEMPLOYMENT BENEFITS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The 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 report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (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 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$94,586, \$87,957 and \$84,499, respectively; 100 percent has been contributed for fiscal years 2010, 2009 and 2008.

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws.

A. Vacation Leave

Only administrative and school support personnel accumulate annual vacation leave. Accumulated unused vacation time is paid upon termination of employment. School support personnel accumulate annual vacation leave as follows:

<u>Completed Service</u>	<u>Vacation Leave</u>
After 1 year	2 weeks
6 thru 9 years	3 weeks
10 thru 24 years	4 weeks
25 or more years	5 weeks

Administrative personnel accumulate 20 days vacation leave.

B. Sick Leave

Each professional staff member is entitled to fifteen (15) days sick leave with pay for each year under contract. The sick leave accrues at the rate of one and one fourth (1- 1/4) days for each calendar month under contract. Upon retirement, an administrative or certified employee receives payment for 25% of their accumulated but unused sick leave balance up to a maximum of 40 days. Upon retirement, a classified employee receives payment for 25% of their accumulated but unused sick leave up to a maximum of 80 days.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 12 - EMPLOYEE BENEFITS - (Continued)

C. Retirement Incentive

In place of the “1/4 and 40 day” limitation, administrators and certified employees electing to retire in their first year of eligibility who meet the eligibility requirements for retirement with either: **a)** twenty-five years of service and age 55 or over, **b)** five years of service and age 60 or over, or **c)** any age with thirty years of service shall be eligible for an extended severance pay benefit. This extended severance pay benefit shall be equal to the employee’s daily rate of pay times 100 percent of the employee’s first 165 days for both certified and classified employees of accrued but unused sick leave. The extended severance pay benefit is only available for employees on step 14 or higher of the salary schedule at the time of retirement and the 165 days of payment is reduced to 82.5 days for employees who are on step 14 to 18 at the date of retirement. Payment of the extended severance pay benefit will be made in two equal installments. The first payment will be made on or after January 1st and no later than January 15th of the year following retirement, and the second payment will be made between January 1st and January 15th of the second year following retirement. Liabilities for payments to employees retiring under the extended severance pay benefit have been recorded as “retirement incentive payable” in the financial statements.

NOTE 13 - SHORT-TERM OBLIGATIONS

The changes in the District’s short-term obligations for the fiscal year 2010 were as follows:

	<u>Principal Outstanding June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Principal Outstanding June 30, 2010</u>
Energy Conservation Improvement Notes, Series 2008, 2.75%, due 11/13/09	\$ 1,368,000	\$ -	\$ (1,368,000)	\$ -

On October 29, 2008, the District issued notes in the amount of \$1,368,000 in anticipation of the issuance of bonds, for the purpose of paying costs of installations, modifications and remodeling of school buildings to conserve energy.

During fiscal year 2010, the energy conservation improvement notes were retired from the building fund, the fund which received the initial proceeds. See Note 5 for transfer made from general fund to the building fund to retire the energy conservation improvement notes.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 14 - LONG-TERM OBLIGATIONS

The changes in the District's long-term obligations during fiscal year 2010 were as follows:

	Balance <u>June 30, 2009</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2010</u>	Amounts Due In <u>One Year</u>
Governmental activities:					
Series 2000 Energy Improvement Bonds - 5.40%	\$ 170,000	\$ -	\$ (85,000)	\$ 85,000	\$ 85,000
Series 2005 Refunding Library Improvement Bonds					
Serial Bond - 3.00% - 5.00%	1,675,000	-	(430,000)	1,245,000	-
Capital Appreciation Bond - 14.276%	209,999	-	-	209,999	209,999
Series 2005 School Improvement Bonds					
Serial Bond - 3.00% - 5.00%	16,760,000	-	(670,000)	16,090,000	740,000
Term Bonds - 5.00%	9,660,000	-	-	9,660,000	-
Capital Appreciation Bonds - 21.981%	<u>369,993</u>	<u>-</u>	<u>-</u>	<u>369,993</u>	<u>-</u>
Total Bonds Payable before Deferrals	<u>28,844,992</u>	<u>-</u>	<u>(1,185,000)</u>	<u>27,659,992</u>	<u>1,034,999</u>
Deferrals for:					
Issuance Premiums	<u>1,322,693</u>	<u>-</u>	<u>(75,775)</u>	<u>1,246,918</u>	<u>75,775</u>
Total Bonds Payable	<u>30,167,685</u>	<u>-</u>	<u>(1,260,775)</u>	<u>28,906,910</u>	<u>1,110,774</u>
Accretion of Capital Appreciation Bonds	606,033	245,495	-	851,528	200,720
Retirement Incentive	455,011	4,550	(357,747)	101,814	67,179
Compensated Absences	<u>1,062,514</u>	<u>410,402</u>	<u>(222,196)</u>	<u>1,250,720</u>	<u>174,368</u>
Total Governmental Long-Term Obligations	<u>32,291,243</u>	<u>660,447</u>	<u>(1,840,718)</u>	<u>31,110,972</u>	<u>1,553,041</u>
Business-type activities:					
Compensated Absences	<u>17,394</u>	<u>53,508</u>	<u>(7,597)</u>	<u>63,305</u>	<u>8,334</u>
Total	<u>\$ 32,308,637</u>	<u>\$ 713,955</u>	<u>\$ (1,848,315)</u>	<u>\$ 31,174,277</u>	<u>\$ 1,561,375</u>

Compensated absence vacation benefits will be paid from the fund from which the employees' salaries are paid. The District has established a termination benefits fund (a nonmajor governmental fund) which will pay future termination (severance) and retirement incentive benefits.

All bonds outstanding are general obligation bonds of the District to which the full faith and credit of the District is pledged for repayment. Payments of principal and interest relating to the general obligation bonds are recorded as expenditures in the bond retirement fund.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Series 2000 Energy Improvement Bonds

In 2000, the District issued \$698,802 in general obligation bonds for the purpose of providing for energy improvement projects undertaken by the District. At June 30, 2010, the remaining bonds on the Series 2000 issue are current interest term bonds with an interest rate of 5.40 percent and a maturity date of December 1, 2010. The balance of the current interest bonds at June 30, 2010 is \$85,000.

Series 2005 School Improvement General Obligation Bonds

On July 20, 2005, the District issued \$28,499,993 in general obligation bonds for the purpose of constructing, adding to, renovating, furnishing, equipping and otherwise improving school facilities and improving their sites as an integral part of a cooperative project with the City of Fairview Park.

The issue is comprised of both current interest serial and term bonds, par value \$28,130,000, and capital appreciation bonds par value \$369,993. The interest rates on the current interest bonds range from 3.00 percent to 5.00 percent. The capital appreciation bonds mature on December 1, 2011 and December 1, 2012 (effective interest rate 21.981 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond maturing December 1, 2011 is \$770,000 and the accreted value at maturity for the capital appreciation bond maturing December 1, 2012 is \$770,000. Total accreted interest of \$650,808 has been included in the statement of net assets at June 30, 2010.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2033.

Series 2005 Refunding General Obligation Bonds

On July 20, 2005, the District issued general obligation bonds advance refund the callable portion of the Series 1995 Library Improvement General Obligation Bonds. The \$2,729,999 issuance proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. As of June 30, 2010, the amount of defeased debt outstanding but removed from the statement of net assets amounted to \$1,454,999.

The refunding issue is comprised of both current interest serial bonds, par value \$2,520,000, and capital appreciation bonds, par value \$209,999. The interest rate on the current interest bonds range from 3.00 percent to 5.00 percent. The capital appreciation bonds mature on December 1, 2010 (effective interest 14.276 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond is \$440,000. Total accreted interest of \$200,720 has been included in the statement of net assets at June 30, 2010.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2013.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2010 are as follows:

Fiscal Year Ending,	Serial and Term Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 825,000	\$ 1,197,228	\$ 209,999	\$ 230,001	\$ 1,034,999	\$ 1,427,229
2012	440,000	1,174,283	204,220	565,780	644,220	1,740,063
2013	455,000	1,158,620	165,773	604,227	620,773	1,762,847
2014	1,115,000	1,131,145	-	-	1,115,000	1,131,145
2015	795,000	1,097,322	-	-	795,000	1,097,322
2016 - 2020	4,430,000	5,001,303	-	-	4,430,000	5,001,303
2021 - 2025	5,445,000	3,950,250	-	-	5,445,000	3,950,250
2026 - 2030	6,825,000	2,530,864	-	-	6,825,000	2,530,864
2031 - 2034	6,750,000	695,750	-	-	6,750,000	695,750
Total	<u>\$ 27,080,000</u>	<u>\$17,936,765</u>	<u>\$ 579,992</u>	<u>\$ 1,400,008</u>	<u>\$ 27,659,992</u>	<u>\$19,336,773</u>

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2010, are a voted debt margin of \$7,168,294 (excluding available funds of \$2,442,316) and an unvoted debt margin of \$359,844.

NOTE 15 - SET-ASIDE REQUIREMENTS

The District is required by State statute to annually set aside in the general fund, an amount on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the 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.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 15 - SET-ASIDE REQUIREMENTS – (Continued)

The following cash basis information describes the changes in the year end set aside amounts for textbooks, capital improvements, and budget stabilization. Disclosure of this information is required by State statute.

	Textbooks/ Instructional <u>Materials</u>	Capital <u>Improvements</u>	Budget <u>Stabilization</u>
Set-aside balance			
as of June 30, 2009	\$ (784,862)	\$ -	\$ 364,682
Current year set-aside requirement	269,092	269,092	-
Qualifying disbursements	<u>(406,219)</u>	<u>(1,668,609)</u>	<u>-</u>
Total	<u>\$ (921,989)</u>	<u>\$ (1,399,517)</u>	<u>\$ 364,682</u>
Balance carried forward			
to fiscal year 2011	<u>\$ (921,989)</u>	<u>\$ -</u>	<u>\$ 364,682</u>

The District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This amount may be used to reduce the set-aside requirements for future years.

Although the District had qualifying disbursements for capital improvements during the year that reduced the set-aside amounts below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. This negative amount is therefore not presented as being carried forward to the next fiscal year.

The balance of the budget stabilization reserve is reported as a restricted asset and reserved fund balance in the general fund. The amount is also reported as a restricted net asset on the statement of net assets.

NOTE 16 - CONTINGENCIES

A. Grants

The 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2010.

B. Litigation

The District is party to legal proceedings. The District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

NOTE 17 - ENDOWMENT

In fiscal years 2002 and 2003, the District received a three million dollar endowment from a former school graduate to create two annual scholarships. The endowment is accounted for as a private purpose trust with 55 percent of interest earned to be used for scholarships and 45 percent to be added to existing principal.

**FAIRVIEW PARK CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While the District is reporting financial position, results of operations, and changes in fund balances 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 balances - budget (non-GAAP Basis) and actual presented for the general fund is presented 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 basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis);
4. Short-term interfund loans are treated as other financing sources (uses) in cash (budget) rather than as interfund receivables/payables on the balance sheet (GAAP); and,
5. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

Net Change in Fund Balance

	General Fund
Budget basis	\$ 19,263
Net adjustments for revenue accruals	(188,490)
Net adjustments for expenditure accruals	1,099,874
Net adjustments for other financing sources (uses) accruals	(1,393,531)
Adjustments for encumbrances	237,933
GAAP basis	\$ (224,951)

NOTE 19 - INVESTIGATION

On October 5, 2010, the Fairview Park City School District's High School Principal resigned from his position. The resignation came after the District identified possible accounting irregularities with student activity funds under the high school principal's control.

A preliminary review by an independent consultant concluded that there are indications of shortages of funds in student activity accounts. The District took immediate and aggressive action with this matter and notified the appropriate authorities.

The Board of Education and the Administration are cooperating fully in the investigation with the Office of the Ohio Auditor and law enforcement authorities. This matter is still under investigation, however, based on the District's own internal investigation and the independent preliminary review, the District believes the likelihood of the investigation resulting in any material potential loss or liability, including the possibility of significant disallowance findings related to Federal and State assisted grant programs, is remote; and any adverse outcome from these charges would pertain to the former high school principal that is under investigation.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

FAIRVIEW PARK CITY SCHOOL DISTRICT

DESCRIPTION OF FUNDS

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the District's nonmajor special revenue funds:

Special Trusts - This fund is used to account for assets held by the school system as an agent for individuals, private organizations other governmental and /or other funds.

Public School Support - This fund is used for the general support of the school building, staff and students.

Other Grants - This fund is used to account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Termination Benefits - This fund is used to accumulate cash for paying termination benefits or for paying salaries when the number of pay periods exceeds the usual and customary for a year.

District Managed Student Activity - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps and other similar types of activities.

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

Management Information System - This fund provides for hardware and software development or other costs associated with the requirements of the management information system.

Entry Year Programs- This fund is used to implement entry-year programs pursuant to Division (T) of Section 3317.024 of the Ohio Revised Code.

Data Communication - This fund accounts for money appropriated for Ohio Educational Computer Network Connections.

School Net Professional Development - This fund was established to account for a limited number of professional development subsidy grants.

(Continued)

FAIRVIEW PARK CITY SCHOOL DISTRICT

DESCRIPTION OF FUNDS

Nonmajor Special Revenue Funds

(Continued)

Poverty Aid - Disadvantaged Pupil Impact Aid (DPIA), now referred to as Poverty-Based Assistance (PBA), has served as a major source of state aid to school districts with high percentages of economically disadvantaged students.

IDEA, Part B Special Education - The purpose of this federal program is 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.

Education Stabilization - Grant from the American Recovery and Reinvestment Act (ARRA) in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

Stimulus Title II D - Grant focus on Professional Development and Student Learning. Through sustained, collaborative, job-embedded professional development and the use of research-based methods, teachers will experience new models and strategies for teaching and learning.

Limited English Proficiency - This program is designed to help meet the educational needs of children of limited English proficiency.

Title I - The purpose of this federal program is to provide financial assistance to state and local education agencies to meet the special needs of educationally deprived children.

Title V - This program is intended to assist state and local educational agencies in the reform of elementary and secondary education. Funds may be used for various materials, technology, and projects implementing school improvement and parental involvement activities authorized under ESCA, Title 1.

Drug Free Schools - This fund accounts for federal revenues to implement programs to educate and encourage students to live lives free of drug dependency.

Early Childhood Education Development - This fund accounts for federal monies which partially support the preschool program focusing on the early education of handicapped children.

(Continued)

FAIRVIEW PARK CITY SCHOOL DISTRICT

DESCRIPTION OF FUNDS

Nonmajor Special Revenue Funds

(Continued)

Improving Teacher Quality - This fund provides for improved instruction through better use of technology.

Miscellaneous Federal Grants - This fund is used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

Nonmajor Capital Projects Fund

Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds.) Following is a description of the nonmajor capital projects fund:

Permanent Improvement - This fund accounts for all transactions related to the acquiring, constructing, or improving facilities.

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Nonmajor Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business where the interest is that the expense (including depreciation) of the providing goods or services is primarily or solely to the general public be financed or recovered primarily through user charges.

**Food Services** - This fund accounts for the provision of food service to the high school and middle school.

**Day Care Services** - This fund accounts for services provided primarily to the general public for day care services, which are financed or recovered through user charges.

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS**

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**Internal Service Fund**

An Internal Service Fund is used to account for the financing of services provided by one department to the other departments of the government or to other districts on a cost reimbursement basis.

**Employee Benefits Self-Insurance** - This fund accounts for a former self-insurance program where monies were received from other funds as payment for providing medical, hospitalization, life, dental, vision, or any other similar employee benefits.

Since there is only one internal service, no combining financial statements are required.



**Fiduciary Funds**

Fiduciary funds are used to account for assets when a governmental unit is functioning either as a trustee or an agent for another party. Because the governmental unit is functioning in a fiduciary capacity, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board but by the public laws and private agreements that create the trustee or agency relationship.

**Private Purpose Trust Fund**

**Endowment Trust** - This fund accounts for money set aside for two annual scholarships. The income from such a fund may be expended, but the principal must remain intact.

Since there is only one private-purpose trust, no combining financial statements are required.

**Agency Funds**

**District Agency** - This fund accounts for those assets held by a school district as an agent for individuals, private organization, other governmental units, and /or other funds. Agency funds could include a central payroll account, and funds for a teacher or parent-teacher organization. In an Agency fund, assets equal liabilities, and the fund balance is zero.

**Workers' Compensation** - This fund is used for Workers' Compensation Self-Insurance receipts and expenditures.

**Student Managed Activities** - This fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOND RETIREMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                             | <u>Budgeted Amounts</u> |                     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------------|-------------------------|---------------------|-------------------------------------------------------------------|
|                                             | <u>Final</u>            | <u>Actual</u>       |                                                                   |
| Total revenues and other financing sources  | \$ 2,428,556            | \$ 2,428,556        | \$ -                                                              |
| Total expenditures and other financing uses | <u>2,351,777</u>        | <u>2,351,777</u>    | <u>-</u>                                                          |
| Net change in fund balance                  | 76,779                  | 76,779              | -                                                                 |
| Fund balance at beginning of year           | <u>2,045,656</u>        | <u>2,045,656</u>    | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 2,122,435</u>     | <u>\$ 2,122,435</u> | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BUILDING FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                             | <u>Budgeted Amounts</u> |                   | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------------|-------------------------|-------------------|-------------------------------------------------------------------|
|                                             | <u>Final</u>            | <u>Actual</u>     |                                                                   |
| Total revenues and other financing sources  | \$ 54,500               | \$ 54,500         | \$ -                                                              |
| Total expenditures and other financing uses | <u>2,324,155</u>        | <u>2,324,155</u>  | <u>-</u>                                                          |
| Net change in fund balance                  | (2,269,655)             | (2,269,655)       | -                                                                 |
| Fund balance at beginning of year           | 2,231,427               | 2,231,427         | -                                                                 |
| Prior year encumbrances appropriated        | <u>486,747</u>          | <u>486,747</u>    | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 448,519</u>       | <u>\$ 448,519</u> | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2010

|                                                 | <u>Nonmajor<br/>Special Revenue<br/>Funds</u> | <u>Nonmajor<br/>Capital Projects<br/>Fund</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|-------------------------------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------------------------------|
| <b>Assets:</b>                                  |                                               |                                               |                                                      |
| Equity in pooled cash and investments . . . . . | \$ 569,854                                    | \$ 297,573                                    | \$ 867,427                                           |
| Receivables:                                    |                                               |                                               |                                                      |
| Accounts . . . . .                              | 235                                           | -                                             | 235                                                  |
| Intergovernmental . . . . .                     | 158,358                                       | -                                             | 158,358                                              |
|                                                 | <hr/>                                         | <hr/>                                         | <hr/>                                                |
| Total assets . . . . .                          | <u>\$ 728,447</u>                             | <u>\$ 297,573</u>                             | <u>\$ 1,026,020</u>                                  |
| <br><b>Liabilities:</b>                         |                                               |                                               |                                                      |
| Accounts payable . . . . .                      | \$ 81,788                                     | \$ 371                                        | \$ 82,159                                            |
| Accrued wages and benefits . . . . .            | 29,243                                        | -                                             | 29,243                                               |
| Compensated absences payable . . . . .          | 66,276                                        | -                                             | 66,276                                               |
| Early retirement incentive payable . . . . .    | 67,179                                        | -                                             | 67,179                                               |
| Intergovernmental payable . . . . .             | 1,331                                         | -                                             | 1,331                                                |
| Pension obligation payable . . . . .            | 4,964                                         | -                                             | 4,964                                                |
| Interfund loan payable . . . . .                | 32,153                                        | -                                             | 32,153                                               |
| Deferred revenue . . . . .                      | 90,663                                        | -                                             | 90,663                                               |
| Unearned revenue . . . . .                      | 41,601                                        | -                                             | 41,601                                               |
|                                                 | <hr/>                                         | <hr/>                                         | <hr/>                                                |
| Total liabilities . . . . .                     | <u>415,198</u>                                | <u>371</u>                                    | <u>415,569</u>                                       |
| <br><b>Fund Balances:</b>                       |                                               |                                               |                                                      |
| Reserved for encumbrances . . . . .             | 79,159                                        | 33,396                                        | 112,555                                              |
| Unreserved:                                     |                                               |                                               |                                                      |
| Designated for termination benefits . . . . .   | 95,561                                        | -                                             | 95,561                                               |
| Unreserved, undesignated, reported in:          |                                               |                                               |                                                      |
| Special revenue funds . . . . .                 | 138,529                                       | -                                             | 138,529                                              |
| Capital projects funds . . . . .                | -                                             | 263,806                                       | 263,806                                              |
|                                                 | <hr/>                                         | <hr/>                                         | <hr/>                                                |
| Total fund balances . . . . .                   | <u>313,249</u>                                | <u>297,202</u>                                | <u>610,451</u>                                       |
|                                                 | <hr/>                                         | <hr/>                                         | <hr/>                                                |
| Total liabilities and fund balances . . . . .   | <u>\$ 728,447</u>                             | <u>\$ 297,573</u>                             | <u>\$ 1,026,020</u>                                  |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                      | <u>Nonmajor<br/>Special Revenue<br/>Funds</u> | <u>Nonmajor<br/>Capital Projects<br/>Fund</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------------------------------|
| <b>Revenues:</b>                                     |                                               |                                               |                                                      |
| From local sources:                                  |                                               |                                               |                                                      |
| Earnings on investments . . . . .                    | \$ 906                                        | \$ -                                          | \$ 906                                               |
| Extracurricular . . . . .                            | 153,008                                       | -                                             | 153,008                                              |
| Classroom materials and fees . . . . .               | 29,050                                        | -                                             | 29,050                                               |
| Contributions and donations . . . . .                | 13,469                                        | -                                             | 13,469                                               |
| Other local revenues . . . . .                       | 21,016                                        | -                                             | 21,016                                               |
| Intergovernmental - state . . . . .                  | 451,244                                       | -                                             | 451,244                                              |
| Intergovernmental - federal . . . . .                | 1,117,614                                     | -                                             | 1,117,614                                            |
|                                                      | <u>1,786,307</u>                              | <u>-</u>                                      | <u>1,786,307</u>                                     |
| Total revenue . . . . .                              |                                               |                                               |                                                      |
| <b>Expenditures:</b>                                 |                                               |                                               |                                                      |
| Current:                                             |                                               |                                               |                                                      |
| Instruction:                                         |                                               |                                               |                                                      |
| Regular . . . . .                                    | 678,085                                       | 8,521                                         | 686,606                                              |
| Special . . . . .                                    | 624,190                                       | -                                             | 624,190                                              |
| Vocational . . . . .                                 | -                                             | 17,240                                        | 17,240                                               |
| Support services:                                    |                                               |                                               |                                                      |
| Pupil . . . . .                                      | 155,426                                       | -                                             | 155,426                                              |
| Instructional staff . . . . .                        | 138,052                                       | -                                             | 138,052                                              |
| Administration . . . . .                             | 20,815                                        | -                                             | 20,815                                               |
| Fiscal . . . . .                                     | 14,562                                        | -                                             | 14,562                                               |
| Operations and maintenance . . . . .                 | 86,241                                        | 24,892                                        | 111,133                                              |
| Pupil transportation . . . . .                       | 41,053                                        | 111,056                                       | 152,109                                              |
| Central . . . . .                                    | 8,228                                         | 182,264                                       | 190,492                                              |
| Operation of non-instructional . . . . .             | 519,876                                       | -                                             | 519,876                                              |
| Extracurricular activities . . . . .                 | 121,136                                       | -                                             | 121,136                                              |
| Facilities acquisition and construction . . . . .    | -                                             | 1,450                                         | 1,450                                                |
|                                                      | <u>2,407,664</u>                              | <u>345,423</u>                                | <u>2,753,087</u>                                     |
| Total expenditures . . . . .                         |                                               |                                               |                                                      |
| Excess of revenues<br>(under) expenditures . . . . . | <u>(621,357)</u>                              | <u>(345,423)</u>                              | <u>(966,780)</u>                                     |
| <b>Other financing sources:</b>                      |                                               |                                               |                                                      |
| Transfers in . . . . .                               | 648,886                                       | 400,000                                       | 1,048,886                                            |
|                                                      | <u>648,886</u>                                | <u>400,000</u>                                | <u>1,048,886</u>                                     |
| Total other financing sources . . . . .              |                                               |                                               |                                                      |
| Net change in fund balances . . . . .                | 27,529                                        | 54,577                                        | 82,106                                               |
| <b>Fund balances at beginning of year . . . . .</b>  | <u>285,720</u>                                | <u>242,625</u>                                | <u>528,345</u>                                       |
| <b>Fund balances at end of year . . . . .</b>        | <u>\$ 313,249</u>                             | <u>\$ 297,202</u>                             | <u>\$ 610,451</u>                                    |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010

|                                                 | <b>Special<br/>Trusts</b> | <b>Public School<br/>Support</b> | <b>Other Grants</b> | <b>Termination<br/>Benefits</b> |
|-------------------------------------------------|---------------------------|----------------------------------|---------------------|---------------------------------|
| <b>Assets:</b>                                  |                           |                                  |                     |                                 |
| Equity in pooled cash and investments . . . . . | \$ 22,463                 | \$ 67,312                        | \$ 39,056           | \$ 229,016                      |
| Receivables:                                    |                           |                                  |                     |                                 |
| Accounts . . . . .                              | 70                        | -                                | 165                 | -                               |
| Intergovernmental . . . . .                     | -                         | -                                | -                   | -                               |
| Total assets . . . . .                          | \$ 22,533                 | \$ 67,312                        | \$ 39,221           | \$ 229,016                      |
| <b>Liabilities:</b>                             |                           |                                  |                     |                                 |
| Accounts payable . . . . .                      | \$ -                      | \$ 1,763                         | \$ -                | \$ -                            |
| Accrued wages and benefits . . . . .            | -                         | -                                | 26                  | -                               |
| Compensated absences payable . . . . .          | -                         | -                                | -                   | 66,276                          |
| Early retirement incentive payable . . . . .    | -                         | -                                | -                   | 67,179                          |
| Intergovernmental payable . . . . .             | -                         | -                                | 15                  | -                               |
| Pension obligation payable . . . . .            | -                         | -                                | -                   | -                               |
| Interfund loan payable . . . . .                | 117                       | -                                | -                   | -                               |
| Deferred revenue . . . . .                      | -                         | -                                | -                   | -                               |
| Unearned revenue . . . . .                      | -                         | -                                | -                   | -                               |
| Total liabilities . . . . .                     | 117                       | 1,763                            | 41                  | 133,455                         |
| <b>Fund Balances:</b>                           |                           |                                  |                     |                                 |
| Reserved for encumbrances . . . . .             | -                         | 17,082                           | 690                 | -                               |
| Unreserved:                                     |                           |                                  |                     |                                 |
| Designated for termination benefits . . . . .   | -                         | -                                | -                   | 95,561                          |
| Undesignated (deficit), reported in:            |                           |                                  |                     |                                 |
| Special revenue funds . . . . .                 | 22,416                    | 48,467                           | 38,490              | -                               |
| Total fund balances (deficits) . . . . .        | 22,416                    | 65,549                           | 39,180              | 95,561                          |
| Total liabilities and fund balances . . . . .   | \$ 22,533                 | \$ 67,312                        | \$ 39,221           | \$ 229,016                      |

| <b>District<br/>Managed<br/>Student<br/>Activity</b> | <b>Auxiliary<br/>Services</b> | <b>Management<br/>Information<br/>System</b> | <b>School Net<br/>Professional<br/>Development</b> | <b>Poverty<br/>Aid</b> | <b>IDEA, Part B<br/>Special<br/>Education</b> |
|------------------------------------------------------|-------------------------------|----------------------------------------------|----------------------------------------------------|------------------------|-----------------------------------------------|
| \$ 30,830                                            | \$ 147,171                    | \$ -                                         | \$ 4,860                                           | \$ 132                 | \$ 22,138                                     |
| -                                                    | -                             | -                                            | -                                                  | -                      | -                                             |
| -                                                    | 38,399                        | -                                            | -                                                  | -                      | 15,310                                        |
| <u>\$ 30,830</u>                                     | <u>\$ 185,570</u>             | <u>\$ -</u>                                  | <u>\$ 4,860</u>                                    | <u>\$ 132</u>          | <u>\$ 37,448</u>                              |
| \$ 3,108                                             | \$ 74,563                     | \$ -                                         | \$ -                                               | \$ -                   | \$ 2,324                                      |
| -                                                    | 1,993                         | -                                            | -                                                  | -                      | 5,023                                         |
| -                                                    | -                             | -                                            | -                                                  | -                      | -                                             |
| -                                                    | -                             | -                                            | -                                                  | -                      | -                                             |
| 5                                                    | 138                           | 28                                           | -                                                  | -                      | 46                                            |
| -                                                    | 1,152                         | -                                            | -                                                  | -                      | 703                                           |
| 5,469                                                | -                             | -                                            | -                                                  | -                      | 11,449                                        |
| -                                                    | -                             | -                                            | -                                                  | -                      | 15,310                                        |
| -                                                    | -                             | -                                            | -                                                  | -                      | 41,601                                        |
| <u>8,582</u>                                         | <u>77,846</u>                 | <u>28</u>                                    | <u>-</u>                                           | <u>-</u>               | <u>76,456</u>                                 |
| 6,268                                                | 43,826                        | -                                            | -                                                  | -                      | 7,182                                         |
| -                                                    | -                             | -                                            | -                                                  | -                      | -                                             |
| <u>15,980</u>                                        | <u>63,898</u>                 | <u>(28)</u>                                  | <u>4,860</u>                                       | <u>132</u>             | <u>(46,190)</u>                               |
| <u>22,248</u>                                        | <u>107,724</u>                | <u>(28)</u>                                  | <u>4,860</u>                                       | <u>132</u>             | <u>(39,008)</u>                               |
| <u>\$ 30,830</u>                                     | <u>\$ 185,570</u>             | <u>\$ -</u>                                  | <u>\$ 4,860</u>                                    | <u>\$ 132</u>          | <u>\$ 37,448</u>                              |

-- Continued

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2010

|                                                 | <b>Stimulus<br/>Title II D</b> | <b>Limited<br/>English<br/>Proficiency</b> | <b>Title I</b> |
|-------------------------------------------------|--------------------------------|--------------------------------------------|----------------|
| <b>Assets:</b>                                  |                                |                                            |                |
| Equity in pooled cash and investments . . . . . | \$ 301                         | \$ 1,420                                   | \$ 3,111       |
| Receivables:                                    |                                |                                            |                |
| Accounts . . . . .                              | -                              | -                                          | -              |
| Intergovernmental . . . . .                     | 1,959                          | 16,372                                     | 74,332         |
| Total assets. . . . .                           | \$ 2,260                       | \$ 17,792                                  | \$ 77,443      |
| <b>Liabilities:</b>                             |                                |                                            |                |
| Accounts payable . . . . .                      | \$ -                           | \$ -                                       | \$ -           |
| Accrued wages and benefits . . . . .            | -                              | 176                                        | 22,025         |
| Compensated absences payable . . . . .          | -                              | -                                          | -              |
| Early retirement incentive payable . . . . .    | -                              | -                                          | -              |
| Intergovernmental payable . . . . .             | -                              | 35                                         | 916            |
| Pension obligation payable . . . . .            | -                              | 25                                         | 3,084          |
| Interfund loan payable . . . . .                | 1,886                          | -                                          | 13,212         |
| Deferred revenue . . . . .                      | 374                            | 16,372                                     | 46,641         |
| Unearned revenue . . . . .                      | -                              | -                                          | -              |
| Total liabilities. . . . .                      | 2,260                          | 16,608                                     | 85,878         |
| <b>Fund Balances:</b>                           |                                |                                            |                |
| Reserved for encumbrances . . . . .             | 301                            | 380                                        | 3,111          |
| Unreserved:                                     |                                |                                            |                |
| Designated for termination benefits . . . . .   | -                              | -                                          | -              |
| Undesignated (deficit), reported in:            |                                |                                            |                |
| Special revenue funds . . . . .                 | (301)                          | 804                                        | (11,546)       |
| Total fund balances (deficits). . . . .         | -                              | 1,184                                      | (8,435)        |
| Total liabilities and fund balances . . . . .   | \$ 2,260                       | \$ 17,792                                  | \$ 77,443      |

| <b>Drug Free<br/>Schools</b> | <b>Early<br/>Childhood<br/>Education<br/>Development</b> | <b>Improving<br/>Teacher<br/>Quality</b> | <b>Miscellaneous<br/>Federal Grants</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Funds</b> |
|------------------------------|----------------------------------------------------------|------------------------------------------|-----------------------------------------|---------------------------------------------------------|
| \$ 191                       | \$ 789                                                   | \$ 1,062                                 | \$ 2                                    | \$ 569,854                                              |
| -                            | -                                                        | -                                        | -                                       | 235                                                     |
| 485                          | 6,019                                                    | 5,482                                    | -                                       | 158,358                                                 |
| <u>\$ 676</u>                | <u>\$ 6,808</u>                                          | <u>\$ 6,544</u>                          | <u>\$ 2</u>                             | <u>\$ 728,447</u>                                       |
| \$ -                         | \$ -                                                     | \$ 30                                    | \$ -                                    | \$ 81,788                                               |
| -                            | -                                                        | -                                        | -                                       | 29,243                                                  |
| -                            | -                                                        | -                                        | -                                       | 66,276                                                  |
| -                            | -                                                        | -                                        | -                                       | 67,179                                                  |
| -                            | -                                                        | 148                                      | -                                       | 1,331                                                   |
| -                            | -                                                        | -                                        | -                                       | 4,964                                                   |
| -                            | 20                                                       | -                                        | -                                       | 32,153                                                  |
| 485                          | 5,999                                                    | 5,482                                    | -                                       | 90,663                                                  |
| -                            | -                                                        | -                                        | -                                       | 41,601                                                  |
| 485                          | 6,019                                                    | 5,660                                    | -                                       | 415,198                                                 |
| -                            | 254                                                      | 65                                       | -                                       | 79,159                                                  |
| -                            | -                                                        | -                                        | -                                       | 95,561                                                  |
| 191                          | 535                                                      | 819                                      | 2                                       | 138,529                                                 |
| 191                          | 789                                                      | 884                                      | 2                                       | 313,249                                                 |
| <u>\$ 676</u>                | <u>\$ 6,808</u>                                          | <u>\$ 6,544</u>                          | <u>\$ 2</u>                             | <u>\$ 728,447</u>                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                                   | <u>Special<br/>Trusts</u>    | <u>Public<br/>School<br/>Support</u> | <u>Other<br/>Grants</u>      | <u>Termination<br/>Benefits</u> |
|-------------------------------------------------------------------|------------------------------|--------------------------------------|------------------------------|---------------------------------|
| <b>Revenues:</b>                                                  |                              |                                      |                              |                                 |
| From local sources:                                               |                              |                                      |                              |                                 |
| Earnings on investments . . . . .                                 | \$ -                         | \$ -                                 | \$ -                         | \$ -                            |
| Extracurricular . . . . .                                         | 4,353                        | 63,602                               | 30,000                       | -                               |
| Classroom materials and fees. . . . .                             | -                            | -                                    | -                            | -                               |
| Contributions and donations . . . . .                             | -                            | 8,259                                | 5,085                        | -                               |
| Other local revenues . . . . .                                    | -                            | 3,698                                | 1,424                        | -                               |
| Intergovernmental - state . . . . .                               | -                            | -                                    | -                            | -                               |
| Intergovernmental - federal . . . . .                             | -                            | -                                    | -                            | -                               |
|                                                                   | <hr/>                        | <hr/>                                | <hr/>                        | <hr/>                           |
| Total revenue. . . . .                                            | 4,353                        | 75,559                               | 36,509                       | -                               |
| <b>Expenditures:</b>                                              |                              |                                      |                              |                                 |
| Current:                                                          |                              |                                      |                              |                                 |
| Instruction:                                                      |                              |                                      |                              |                                 |
| Regular. . . . .                                                  | -                            | 78,562                               | 1,591                        | 521,535                         |
| Special . . . . .                                                 | -                            | -                                    | -                            | -                               |
| Support services:                                                 |                              |                                      |                              |                                 |
| Pupil . . . . .                                                   | -                            | -                                    | -                            | -                               |
| Instructional staff. . . . .                                      | -                            | -                                    | 27,951                       | 19,138                          |
| Administration . . . . .                                          | -                            | -                                    | -                            | 2,582                           |
| Fiscal . . . . .                                                  | -                            | -                                    | -                            | -                               |
| Operations and maintenance. . . . .                               | -                            | -                                    | -                            | 6,276                           |
| Pupil transportation . . . . .                                    | -                            | -                                    | -                            | -                               |
| Central . . . . .                                                 | -                            | 2,426                                | 776                          | -                               |
| Operation of non-instructional . . . . .                          | 5,247                        | -                                    | -                            | -                               |
| Extracurricular activities. . . . .                               | -                            | -                                    | -                            | -                               |
|                                                                   | <hr/>                        | <hr/>                                | <hr/>                        | <hr/>                           |
| Total expenditures . . . . .                                      | 5,247                        | 80,988                               | 30,318                       | 549,531                         |
| Excess of revenues<br>over (under) expenditures. . . . .          | (894)                        | (5,429)                              | 6,191                        | (549,531)                       |
| <b>Other financing sources:</b>                                   |                              |                                      |                              |                                 |
| Transfers in. . . . .                                             | -                            | -                                    | -                            | 645,092                         |
|                                                                   | <hr/>                        | <hr/>                                | <hr/>                        | <hr/>                           |
| Total other financing sources. . . . .                            | -                            | -                                    | -                            | 645,092                         |
| Net change in fund balances . . . . .                             | (894)                        | (5,429)                              | 6,191                        | 95,561                          |
| <b>Fund balances (deficit)<br/>at beginning of year . . . . .</b> | <hr/> <b>23,310</b> <hr/>    | <hr/> <b>70,978</b> <hr/>            | <hr/> <b>32,989</b> <hr/>    | <hr/> <b>-</b> <hr/>            |
| <b>Fund balances (deficit) at end of year . . . .</b>             | <hr/> <b>\$ 22,416</b> <hr/> | <hr/> <b>\$ 65,549</b> <hr/>         | <hr/> <b>\$ 39,180</b> <hr/> | <hr/> <b>\$ 95,561</b> <hr/>    |

| <u>District<br/>Managed<br/>Student<br/>Activity</u> | <u>Auxiliary<br/>Services</u> | <u>Management<br/>Information<br/>System</u> | <u>Entry<br/>Year<br/>Programs</u> | <u>Data<br/>Communication</u> | <u>School Net<br/>Professional<br/>Development</u> | <u>Poverty<br/>Aid</u> |
|------------------------------------------------------|-------------------------------|----------------------------------------------|------------------------------------|-------------------------------|----------------------------------------------------|------------------------|
| \$ -                                                 | \$ 906                        | \$ -                                         | \$ -                               | \$ -                          | \$ -                                               | \$ -                   |
| 55,053                                               | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| 29,050                                               | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| 125                                                  | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| 15,867                                               | -                             | -                                            | 27                                 | -                             | -                                                  | -                      |
| -                                                    | 437,099                       | 5,000                                        | -                                  | 9,145                         | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| <u>100,095</u>                                       | <u>438,005</u>                | <u>5,000</u>                                 | <u>27</u>                          | <u>9,145</u>                  | <u>-</u>                                           | <u>-</u>               |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | 9,145                         | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | -                                            | -                                  | -                             | -                                                  | -                      |
| -                                                    | -                             | 4,991                                        | -                                  | -                             | -                                                  | -                      |
| 1,510                                                | 420,025                       | -                                            | -                                  | -                             | -                                                  | -                      |
| <u>121,136</u>                                       | <u>-</u>                      | <u>-</u>                                     | <u>-</u>                           | <u>-</u>                      | <u>-</u>                                           | <u>-</u>               |
| <u>122,646</u>                                       | <u>420,025</u>                | <u>4,991</u>                                 | <u>-</u>                           | <u>9,145</u>                  | <u>-</u>                                           | <u>-</u>               |
| (22,551)                                             | 17,980                        | 9                                            | 27                                 | -                             | -                                                  | -                      |
| <u>3,794</u>                                         | <u>-</u>                      | <u>-</u>                                     | <u>-</u>                           | <u>-</u>                      | <u>-</u>                                           | <u>-</u>               |
| <u>3,794</u>                                         | <u>-</u>                      | <u>-</u>                                     | <u>-</u>                           | <u>-</u>                      | <u>-</u>                                           | <u>-</u>               |
| (18,757)                                             | 17,980                        | 9                                            | 27                                 | -                             | -                                                  | -                      |
| <u>41,005</u>                                        | <u>89,744</u>                 | <u>(37)</u>                                  | <u>(27)</u>                        | <u>-</u>                      | <u>4,860</u>                                       | <u>132</u>             |
| <u>\$ 22,248</u>                                     | <u>\$ 107,724</u>             | <u>\$ (28)</u>                               | <u>\$ -</u>                        | <u>\$ -</u>                   | <u>\$ 4,860</u>                                    | <u>\$ 132</u>          |

- - Continued

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                                   | <u>IDEA, Part B<br/>Special<br/>Education</u> | <u>Education<br/>Stabilization</u> | <u>Stimulus<br/>Title II D</u> | <u>Limited<br/>English<br/>Proficiency</u> |
|-------------------------------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------------|--------------------------------------------|
| <b>Revenues:</b>                                                  |                                               |                                    |                                |                                            |
| From local sources:                                               |                                               |                                    |                                |                                            |
| Earnings on investments . . . . .                                 | \$ -                                          | \$ -                               | \$ -                           | \$ -                                       |
| Extracurricular . . . . .                                         | -                                             | -                                  | -                              | -                                          |
| Classroom materials and fees. . . . .                             | -                                             | -                                  | -                              | -                                          |
| Contributions and donations . . . . .                             | -                                             | -                                  | -                              | -                                          |
| Other local revenues . . . . .                                    | -                                             | -                                  | -                              | -                                          |
| Intergovernmental - state . . . . .                               | -                                             | -                                  | -                              | -                                          |
| Intergovernmental - federal . . . . .                             | 654,728                                       | 130,469                            | 1,777                          | 14,755                                     |
| Total revenue. . . . .                                            | <u>654,728</u>                                | <u>130,469</u>                     | <u>1,777</u>                   | <u>14,755</u>                              |
| <b>Expenditures:</b>                                              |                                               |                                    |                                |                                            |
| Current:                                                          |                                               |                                    |                                |                                            |
| Instruction:                                                      |                                               |                                    |                                |                                            |
| Regular. . . . .                                                  | -                                             | 16,160                             | -                              | 1,935                                      |
| Special . . . . .                                                 | 406,553                                       | -                                  | -                              | 12,010                                     |
| Support services:                                                 |                                               |                                    |                                |                                            |
| Pupil . . . . .                                                   | 152,050                                       | -                                  | -                              | 1,231                                      |
| Instructional staff. . . . .                                      | 1,116                                         | 52,063                             | 1,752                          | 720                                        |
| Administration . . . . .                                          | -                                             | -                                  | -                              | -                                          |
| Fiscal . . . . .                                                  | 9,717                                         | -                                  | 25                             | 246                                        |
| Operations and maintenance. . . . .                               | 17,719                                        | 62,246                             | -                              | -                                          |
| Pupil transportation . . . . .                                    | 41,053                                        | -                                  | -                              | -                                          |
| Central . . . . .                                                 | -                                             | -                                  | -                              | -                                          |
| Operation of non-instructional . . . . .                          | 77,957                                        | -                                  | -                              | 152                                        |
| Extracurricular activities. . . . .                               | -                                             | -                                  | -                              | -                                          |
| Total expenditures . . . . .                                      | <u>706,165</u>                                | <u>130,469</u>                     | <u>1,777</u>                   | <u>16,294</u>                              |
| Excess of revenues<br>over (under) expenditures. . . . .          | (51,437)                                      | -                                  | -                              | (1,539)                                    |
| <b>Other financing sources:</b>                                   |                                               |                                    |                                |                                            |
| Transfers in. . . . .                                             | -                                             | -                                  | -                              | -                                          |
| Total other financing sources. . . . .                            | <u>-</u>                                      | <u>-</u>                           | <u>-</u>                       | <u>-</u>                                   |
| Net change in fund balances . . . . .                             | (51,437)                                      | -                                  | -                              | (1,539)                                    |
| <b>Fund balances (deficit)<br/>at beginning of year . . . . .</b> | <u>12,429</u>                                 | <u>-</u>                           | <u>-</u>                       | <u>2,723</u>                               |
| <b>Fund balances (deficit) at end of year . . . .</b>             | <u>\$ (39,008)</u>                            | <u>\$ -</u>                        | <u>\$ -</u>                    | <u>\$ 1,184</u>                            |

| <u>Title I</u>    | <u>Title V</u> | <u>Drug Free<br/>Schools</u> | <u>Early<br/>Childhood<br/>Education<br/>Development</u> | <u>Improving<br/>Teacher<br/>Quality</u> | <u>Miscellaneous<br/>Federal<br/>Grants</u> | <u>Total<br/>Nonmajor<br/>Special Revenue<br/>Funds</u> |
|-------------------|----------------|------------------------------|----------------------------------------------------------|------------------------------------------|---------------------------------------------|---------------------------------------------------------|
| \$ -              | \$ -           | \$ -                         | \$ -                                                     | \$ -                                     | \$ -                                        | \$ 906                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 153,008                                                 |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 29,050                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 13,469                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 21,016                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 451,244                                                 |
| <u>227,605</u>    | <u>11</u>      | <u>5,406</u>                 | <u>17,954</u>                                            | <u>64,379</u>                            | <u>530</u>                                  | <u>1,117,614</u>                                        |
| <u>227,605</u>    | <u>11</u>      | <u>5,406</u>                 | <u>17,954</u>                                            | <u>64,379</u>                            | <u>530</u>                                  | <u>1,786,307</u>                                        |
| -                 | -              | -                            | -                                                        | 58,302                                   | -                                           | 678,085                                                 |
| 204,232           | -              | -                            | 1,395                                                    | -                                        | -                                           | 624,190                                                 |
| 2,145             | -              | -                            | -                                                        | -                                        | -                                           | 155,426                                                 |
| -                 | -              | 5,139                        | 15,777                                                   | 4,730                                    | 521                                         | 138,052                                                 |
| 18,233            | -              | -                            | -                                                        | -                                        | -                                           | 20,815                                                  |
| 3,221             | -              | 72                           | 242                                                      | 1,032                                    | 7                                           | 14,562                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 86,241                                                  |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 41,053                                                  |
| 35                | -              | -                            | -                                                        | -                                        | -                                           | 8,228                                                   |
| 14,808            | -              | -                            | -                                                        | 177                                      | -                                           | 519,876                                                 |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 121,136                                                 |
| <u>242,674</u>    | <u>-</u>       | <u>5,211</u>                 | <u>17,414</u>                                            | <u>64,241</u>                            | <u>528</u>                                  | <u>2,407,664</u>                                        |
| (15,069)          | 11             | 195                          | 540                                                      | 138                                      | 2                                           | (621,357)                                               |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 648,886                                                 |
| -                 | -              | -                            | -                                                        | -                                        | -                                           | 648,886                                                 |
| (15,069)          | 11             | 195                          | 540                                                      | 138                                      | 2                                           | 27,529                                                  |
| <u>6,634</u>      | <u>(11)</u>    | <u>(4)</u>                   | <u>249</u>                                               | <u>746</u>                               | <u>-</u>                                    | <u>285,720</u>                                          |
| <u>\$ (8,435)</u> | <u>\$ -</u>    | <u>\$ 191</u>                | <u>\$ 789</u>                                            | <u>\$ 884</u>                            | <u>\$ 2</u>                                 | <u>\$ 313,249</u>                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                             | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------------|-------------------------|------------------|-------------------------------------------------------------------|
|                                             | <u>Final</u>            | <u>Actual</u>    |                                                                   |
| <b><u>Special Trusts Fund</u></b>           |                         |                  |                                                                   |
| Total revenues and other financing sources  | \$ 4,399                | \$ 4,399         | \$ -                                                              |
| Total expenditures and other financing uses | <u>5,246</u>            | <u>5,246</u>     | <u>-</u>                                                          |
| Net change in fund balance                  | (847)                   | (847)            | -                                                                 |
| Fund balance at beginning of year           | 22,920                  | 22,920           | -                                                                 |
| Prior year encumbrances appropriated        | <u>390</u>              | <u>390</u>       | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 22,463</u>        | <u>\$ 22,463</u> | <u>\$ -</u>                                                       |
| <b><u>Public School Support Fund</u></b>    |                         |                  |                                                                   |
| Total revenues and other financing sources  | \$ 75,901               | \$ 75,901        | \$ -                                                              |
| Total expenditures and other financing uses | <u>97,231</u>           | <u>97,231</u>    | <u>-</u>                                                          |
| Net change in fund balance                  | (21,330)                | (21,330)         | -                                                                 |
| Fund balance at beginning of year           | 66,465                  | 66,465           | -                                                                 |
| Prior year encumbrances appropriated        | <u>5,067</u>            | <u>5,067</u>     | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 50,202</u>        | <u>\$ 50,202</u> | <u>\$ -</u>                                                       |
| <b><u>Other Grants Fund</u></b>             |                         |                  |                                                                   |
| Total revenues and other financing sources  | \$ 36,344               | \$ 36,344        | \$ -                                                              |
| Total expenditures and other financing uses | <u>31,228</u>           | <u>31,628</u>    | <u>(400)</u>                                                      |
| Net change in fund balance                  | 5,116                   | 4,716            | (400)                                                             |
| Fund balance at beginning of year           | 20,563                  | 20,563           | -                                                                 |
| Prior year encumbrances appropriated        | <u>13,087</u>           | <u>13,087</u>    | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 38,766</u>        | <u>\$ 38,366</u> | <u>\$ (400)</u>                                                   |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                      | <u>Budgeted Amounts</u> |                   | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------------|-------------------------|-------------------|-------------------------------------------------------------------|
|                                                      | <u>Final</u>            | <u>Actual</u>     |                                                                   |
| <b><u>Termination Benefits Fund</u></b>              |                         |                   |                                                                   |
| Total revenues and other financing sources           | \$ 645,092              | \$ 645,092        | \$ -                                                              |
| Total expenditures and other financing uses          | <u>416,076</u>          | <u>416,076</u>    | <u>-</u>                                                          |
| Net change in fund balance                           | 229,016                 | 229,016           | -                                                                 |
| Fund balance at beginning of year                    | -                       | -                 | -                                                                 |
| Prior year encumbrances appropriated                 | <u>-</u>                | <u>-</u>          | <u>-</u>                                                          |
| Fund balance at end of year                          | <u>\$ 229,016</u>       | <u>\$ 229,016</u> | <u>\$ -</u>                                                       |
| <b><u>District Managed Student Activity Fund</u></b> |                         |                   |                                                                   |
| Total revenues and other financing sources           | \$ 109,358              | \$ 109,358        | \$ -                                                              |
| Total expenditures and other financing uses          | <u>136,707</u>          | <u>136,707</u>    | <u>-</u>                                                          |
| Net change in fund balance                           | (27,349)                | (27,349)          | -                                                                 |
| Fund balance at beginning of year                    | 46,249                  | 46,249            | -                                                                 |
| Prior year encumbrances appropriated                 | <u>2,554</u>            | <u>2,554</u>      | <u>-</u>                                                          |
| Fund balance at end of year                          | <u>\$ 21,454</u>        | <u>\$ 21,454</u>  | <u>\$ -</u>                                                       |
| <b><u>Auxiliary Services Fund</u></b>                |                         |                   |                                                                   |
| Total revenues and other financing sources           | \$ 399,606              | \$ 399,606        | \$ -                                                              |
| Total expenditures and other financing uses          | <u>494,700</u>          | <u>494,700</u>    | <u>-</u>                                                          |
| Net change in fund balance                           | (95,094)                | (95,094)          | -                                                                 |
| Fund balance at beginning of year                    | 2,335                   | 2,335             | -                                                                 |
| Prior year encumbrances appropriated                 | <u>121,541</u>          | <u>121,541</u>    | <u>-</u>                                                          |
| Fund balance at end of year                          | <u>\$ 28,782</u>        | <u>\$ 28,782</u>  | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                        | <u>Budgeted Amounts</u> |                        | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--------------------------------------------------------|-------------------------|------------------------|-------------------------------------------------------------------|
|                                                        | <u>Final</u>            | <u>Actual</u>          |                                                                   |
| <b><u>Management Information System Fund</u></b>       |                         |                        |                                                                   |
| Total revenues and other financing sources             | \$ 5,000                | \$ 5,000               | \$ -                                                              |
| Total expenditures and other financing uses            | <u>5,000</u>            | <u>5,000</u>           | <u>-</u>                                                          |
| Net change in fund balance                             | -                       | -                      | -                                                                 |
| Fund balance at beginning of year                      | -                       | -                      | -                                                                 |
| Prior year encumbrances appropriated                   | <u>-</u>                | <u>-</u>               | <u>-</u>                                                          |
| Fund balance at end of year                            | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u>     | <u><u>\$ -</u></u>                                                |
| <b><u>Data Communication Fund</u></b>                  |                         |                        |                                                                   |
| Total revenues and other financing sources             | \$ 9,145                | \$ 9,145               | \$ -                                                              |
| Total expenditures and other financing uses            | <u>9,145</u>            | <u>9,145</u>           | <u>-</u>                                                          |
| Net change in fund balance                             | -                       | -                      | -                                                                 |
| Fund balance at beginning of year                      | -                       | -                      | -                                                                 |
| Prior year encumbrances appropriated                   | <u>-</u>                | <u>-</u>               | <u>-</u>                                                          |
| Fund balance at end of year                            | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u>     | <u><u>\$ -</u></u>                                                |
| <b><u>School Net Professional Development Fund</u></b> |                         |                        |                                                                   |
| Total revenues and other financing sources             | \$ -                    | \$ -                   | \$ -                                                              |
| Total expenditures and other financing uses            | <u>-</u>                | <u>-</u>               | <u>-</u>                                                          |
| Net change in fund balance                             | -                       | -                      | -                                                                 |
| Fund balance at beginning of year                      | 4,860                   | 4,860                  | -                                                                 |
| Prior year encumbrances appropriated                   | <u>-</u>                | <u>-</u>               | <u>-</u>                                                          |
| Fund balance at end of year                            | <u><u>\$ 4,860</u></u>  | <u><u>\$ 4,860</u></u> | <u><u>\$ -</u></u>                                                |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                              | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|----------------------------------------------|-------------------------|------------------|-------------------------------------------------------------------|
|                                              | <u>Final</u>            | <u>Actual</u>    |                                                                   |
| <b><u>Poverty Aid Fund</u></b>               |                         |                  |                                                                   |
| Total revenues and other financing sources   | \$ -                    | \$ -             | \$ -                                                              |
| Total expenditures and other financing uses  | -                       | -                | -                                                                 |
| Net change in fund balance                   | -                       | -                | -                                                                 |
| Fund balance at beginning of year            | 132                     | 132              | -                                                                 |
| Prior year encumbrances appropriated         | -                       | -                | -                                                                 |
| Fund balance at end of year                  | <u>\$ 132</u>           | <u>\$ 132</u>    | <u>\$ -</u>                                                       |
| <b><u>IDEA, Part B Special Education</u></b> |                         |                  |                                                                   |
| Total revenues and other financing sources   | \$ 707,778              | \$ 707,778       | \$ -                                                              |
| Total expenditures and other financing uses  | 712,937                 | 712,937          | -                                                                 |
| Net change in fund balance                   | (5,159)                 | (5,159)          | -                                                                 |
| Fund balance at beginning of year            | 11,857                  | 11,857           | -                                                                 |
| Prior year encumbrances appropriated         | 5,934                   | 5,934            | -                                                                 |
| Fund balance at end of year                  | <u>\$ 12,632</u>        | <u>\$ 12,632</u> | <u>\$ -</u>                                                       |
| <b><u>Education Stabilization Fund</u></b>   |                         |                  |                                                                   |
| Total revenues and other financing sources   | \$ 130,469              | \$ 130,469       | \$ -                                                              |
| Total expenditures and other financing uses  | 130,469                 | 130,469          | -                                                                 |
| Net change in fund balance                   | -                       | -                | -                                                                 |
| Fund balance at beginning of year            | -                       | -                | -                                                                 |
| Prior year encumbrances appropriated         | -                       | -                | -                                                                 |
| Fund balance at end of year                  | <u>\$ -</u>             | <u>\$ -</u>      | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                | <u>Budgeted Amounts</u> |                        | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------|-------------------------|------------------------|-------------------------------------------------------------------|
|                                                | <u>Final</u>            | <u>Actual</u>          |                                                                   |
| <b><u>Stimulus Title II D Fund</u></b>         |                         |                        |                                                                   |
| Total revenues and other financing sources     | \$ 2,078                | \$ 2,078               | \$ -                                                              |
| Total expenditures and other financing uses    | <u>2,078</u>            | <u>2,078</u>           | <u>-</u>                                                          |
| Net change in fund balance                     | -                       | -                      | -                                                                 |
| Fund balance at beginning of year              | -                       | -                      | -                                                                 |
| Prior year encumbrances appropriated           | <u>-</u>                | <u>-</u>               | <u>-</u>                                                          |
| Fund balance at end of year                    | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u>     | <u><u>\$ -</u></u>                                                |
| <b><u>Limited English Proficiency Fund</u></b> |                         |                        |                                                                   |
| Total revenues and other financing sources     | \$ 17,703               | \$ 17,703              | \$ -                                                              |
| Total expenditures and other financing uses    | <u>18,587</u>           | <u>20,914</u>          | <u>(2,327)</u>                                                    |
| Net change in fund balance                     | (884)                   | (3,211)                | (2,327)                                                           |
| Fund balance at beginning of year              | 355                     | 355                    | -                                                                 |
| Prior year encumbrances appropriated           | <u>3,896</u>            | <u>3,896</u>           | <u>-</u>                                                          |
| Fund balance at end of year                    | <u><u>\$ 3,367</u></u>  | <u><u>\$ 1,040</u></u> | <u><u>\$ (2,327)</u></u>                                          |
| <b><u>Title I Fund</u></b>                     |                         |                        |                                                                   |
| Total revenues and other financing sources     | \$ 240,890              | \$ 240,890             | \$ -                                                              |
| Total expenditures and other financing uses    | <u>239,012</u>          | <u>242,249</u>         | <u>(3,237)</u>                                                    |
| Net change in fund balance                     | 1,878                   | (1,359)                | (3,237)                                                           |
| Fund balance at beginning of year              | -                       | -                      | -                                                                 |
| Prior year encumbrances appropriated           | <u>1,359</u>            | <u>1,359</u>           | <u>-</u>                                                          |
| Fund balance at end of year                    | <u><u>\$ 3,237</u></u>  | <u><u>\$ -</u></u>     | <u><u>\$ (3,237)</u></u>                                          |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                     | <u>Budgeted Amounts</u> |               | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|-----------------------------------------------------|-------------------------|---------------|-------------------------------------------------------------------|
|                                                     | <u>Final</u>            | <u>Actual</u> |                                                                   |
| <b><u>Title V Fund</u></b>                          |                         |               |                                                                   |
| Total revenues and other financing sources          | \$ 873                  | \$ 873        | \$ -                                                              |
| Total expenditures and other financing uses         | -                       | 874           | (874)                                                             |
| Net change in fund balance                          | 873                     | (1)           | (874)                                                             |
| Fund balance at beginning of year                   | 1                       | 1             | -                                                                 |
| Prior year encumbrances appropriated                | -                       | -             | -                                                                 |
| Fund balance at end of year                         | <u>\$ 874</u>           | <u>\$ -</u>   | <u>\$ (874)</u>                                                   |
| <b><u>Drug Free Schools Fund</u></b>                |                         |               |                                                                   |
| Total revenues and other financing sources          | \$ 7,067                | \$ 7,067      | \$ -                                                              |
| Total expenditures and other financing uses         | 5,212                   | 6,894         | (1,682)                                                           |
| Net change in fund balance                          | 1,855                   | 173           | (1,682)                                                           |
| Fund balance at beginning of year                   | 18                      | 18            | -                                                                 |
| Prior year encumbrances appropriated                | -                       | -             | -                                                                 |
| Fund balance at end of year                         | <u>\$ 1,873</u>         | <u>\$ 191</u> | <u>\$ (1,682)</u>                                                 |
| <b><u>Early Childhood Education Development</u></b> |                         |               |                                                                   |
| Total revenues and other financing sources          | \$ 28,485               | \$ 28,485     | \$ -                                                              |
| Total expenditures and other financing uses         | 17,669                  | 27,952        | (10,283)                                                          |
| Net change in fund balance                          | 10,816                  | 533           | (10,283)                                                          |
| Fund balance at beginning of year                   | 2                       | 2             | -                                                                 |
| Prior year encumbrances appropriated                | -                       | -             | -                                                                 |
| Fund balance at end of year                         | <u>\$ 10,818</u>        | <u>\$ 535</u> | <u>\$ (10,283)</u>                                                |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                 | <u>Budgeted Amounts</u> |               | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|-------------------------------------------------|-------------------------|---------------|-------------------------------------------------------------------|
|                                                 | <u>Final</u>            | <u>Actual</u> |                                                                   |
| <b><u>Improving Teacher Quality Fund</u></b>    |                         |               |                                                                   |
| Total revenues and other financing sources      | \$ 79,982               | \$ 79,982     | \$ -                                                              |
| Total expenditures and other financing uses     | <u>75,465</u>           | <u>80,291</u> | <u>(4,826)</u>                                                    |
| Net change in fund balance                      | 4,517                   | (309)         | (4,826)                                                           |
| Fund balance at beginning of year               | -                       | -             | -                                                                 |
| Prior year encumbrances appropriated            | <u>1,276</u>            | <u>1,276</u>  | <u>-</u>                                                          |
| Fund balance at end of year                     | <u>\$ 5,793</u>         | <u>\$ 967</u> | <u>\$ (4,826)</u>                                                 |
| <b><u>Miscellaneous Federal Grants Fund</u></b> |                         |               |                                                                   |
| Total revenues and other financing sources      | \$ 1,281                | \$ 1,281      | \$ -                                                              |
| Total expenditures and other financing uses     | <u>543</u>              | <u>1,817</u>  | <u>(1,274)</u>                                                    |
| Net change in fund balance                      | 738                     | (536)         | (1,274)                                                           |
| Fund balance at beginning of year               | 1                       | 1             | -                                                                 |
| Prior year encumbrances appropriated            | <u>537</u>              | <u>537</u>    | <u>-</u>                                                          |
| Fund balance at end of year                     | <u>\$ 1,276</u>         | <u>\$ 2</u>   | <u>\$ (1,274)</u>                                                 |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUND  
JUNE 30, 2010

|                                                 | <u>Permanent<br/>Improvement</u> | <u>Total<br/>Nonmajor<br/>Capital Projects<br/>Fund</u> |
|-------------------------------------------------|----------------------------------|---------------------------------------------------------|
| <b>Assets:</b>                                  |                                  |                                                         |
| Equity in pooled cash and investments . . . . . | \$ 297,573                       | \$ 297,573                                              |
| Total assets. . . . .                           | <u>\$ 297,573</u>                | <u>\$ 297,573</u>                                       |
| <b>Liabilities:</b>                             |                                  |                                                         |
| Accounts payable. . . . .                       | \$ 371                           | \$ 371                                                  |
| Total liabilities. . . . .                      | <u>371</u>                       | <u>371</u>                                              |
| <b>Fund Balances:</b>                           |                                  |                                                         |
| Reserved for encumbrances . . . . .             | 33,396                           | 33,396                                                  |
| Unreserved, undesignated, reported in:          |                                  |                                                         |
| Capital projects . . . . .                      | <u>263,806</u>                   | <u>263,806</u>                                          |
| Total fund balances . . . . .                   | <u>297,202</u>                   | <u>297,202</u>                                          |
| Total liabilities and fund balances . . . . .   | <u>\$ 297,573</u>                | <u>\$ 297,573</u>                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                     | <u>Permanent<br/>Improvement</u> | <u>Total<br/>Nonmajor<br/>Capital Projects<br/>Fund</u> |
|-----------------------------------------------------|----------------------------------|---------------------------------------------------------|
| <b>Expenditures:</b>                                |                                  |                                                         |
| Current:                                            |                                  |                                                         |
| Instruction:                                        |                                  |                                                         |
| Regular . . . . .                                   | \$ 8,521                         | \$ 8,521                                                |
| Vocational . . . . .                                | 17,240                           | 17,240                                                  |
| Support services:                                   |                                  |                                                         |
| Operations and maintenance . . . . .                | 24,892                           | 24,892                                                  |
| Pupil transportation . . . . .                      | 111,056                          | 111,056                                                 |
| Central . . . . .                                   | 182,264                          | 182,264                                                 |
| Facilities acquisition and construction . . . . .   | 1,450                            | 1,450                                                   |
| Total expenditures . . . . .                        | <u>345,423</u>                   | <u>345,423</u>                                          |
| Excess of revenues<br>(under) expenditures. . . . . | <u>(345,423)</u>                 | <u>(345,423)</u>                                        |
| <b>Other financing sources:</b>                     |                                  |                                                         |
| Transfers in . . . . .                              | <u>400,000</u>                   | <u>400,000</u>                                          |
| Total other financing sources . . . . .             | <u>400,000</u>                   | <u>400,000</u>                                          |
| Net change in fund balances . . . . .               | 54,577                           | 54,577                                                  |
| <b>Fund balances at beginning of year . . . . .</b> | <u>242,625</u>                   | <u>242,625</u>                                          |
| <b>Fund balances at end of year. . . . .</b>        | <u><u>\$ 297,202</u></u>         | <u><u>\$ 297,202</u></u>                                |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                             | <u>Budgeted Amounts</u> |                   | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------------|-------------------------|-------------------|-------------------------------------------------------------------|
|                                             | <u>Final</u>            | <u>Actual</u>     |                                                                   |
| <b><u>Permanent Improvement Fund</u></b>    |                         |                   |                                                                   |
| Total revenues and other financing sources  | \$ 400,000              | \$ 400,000        | \$ -                                                              |
| Total expenditures and other financing uses | <u>378,448</u>          | <u>378,448</u>    | <u>-</u>                                                          |
| Net change in fund balance                  | 21,552                  | 21,552            | -                                                                 |
| Fund balance at beginning of year           | 241,675                 | 241,675           | -                                                                 |
| Prior year encumbrances appropriated        | <u>950</u>              | <u>950</u>        | <u>-</u>                                                          |
| Fund balance at end of year                 | <u>\$ 264,177</u>       | <u>\$ 264,177</u> | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2010

|                                                         | <b>Food<br/>Service</b> | <b>Day Care<br/>Services</b> | <b>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</b> |
|---------------------------------------------------------|-------------------------|------------------------------|----------------------------------------------------|
| <b>Assets:</b>                                          |                         |                              |                                                    |
| Current assets:                                         |                         |                              |                                                    |
| Equity in pooled cash<br>and cash equivalents . . . . . | \$ 5,388                | \$ 7,512                     | \$ 12,900                                          |
| Receivables:                                            |                         |                              |                                                    |
| Accounts . . . . .                                      | 202                     | 5,174                        | 5,376                                              |
| Materials and supplies inventory. . . . .               | 9,212                   | -                            | 9,212                                              |
| Total current assets . . . . .                          | <u>14,802</u>           | <u>12,686</u>                | <u>27,488</u>                                      |
| Noncurrent assets:                                      |                         |                              |                                                    |
| Depreciable capital assets, net . . . . .               | 11,878                  | -                            | 11,878                                             |
| Total assets. . . . .                                   | <u>26,680</u>           | <u>12,686</u>                | <u>39,366</u>                                      |
| <b>Liabilities:</b>                                     |                         |                              |                                                    |
| Accounts payable. . . . .                               | 57                      | -                            | 57                                                 |
| Accrued wages and benefits . . . . .                    | 9,036                   | 26,048                       | 35,084                                             |
| Compensated absences. . . . .                           | 266                     | 8,068                        | 8,334                                              |
| Pension obligation payable. . . . .                     | 7,193                   | 9,033                        | 16,226                                             |
| Interfund loan payable . . . . .                        | -                       | 222,665                      | 222,665                                            |
| Intergovernmental payable . . . . .                     | 478                     | 1,139                        | 1,617                                              |
| Total current liabilities . . . . .                     | <u>17,030</u>           | <u>266,953</u>               | <u>283,983</u>                                     |
| Long-term liabilities:                                  |                         |                              |                                                    |
| Compensated absences payable. . . . .                   | 22,445                  | 32,526                       | 54,971                                             |
| Total long-term liabilities . . . . .                   | <u>22,445</u>           | <u>32,526</u>                | <u>54,971</u>                                      |
| Total liabilities . . . . .                             | <u>39,475</u>           | <u>299,479</u>               | <u>338,954</u>                                     |
| <b>Net assets:</b>                                      |                         |                              |                                                    |
| Invested in capital assets . . . . .                    | 11,878                  | -                            | 11,878                                             |
| Unrestricted (deficit) . . . . .                        | (24,673)                | (286,793)                    | (311,466)                                          |
| Total net assets (deficit) . . . . .                    | <u>\$ (12,795)</u>      | <u>\$ (286,793)</u>          | <u>\$ (299,588)</u>                                |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                    | <b>Food<br/>Service</b> | <b>Day Care<br/>Services</b> | <b>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</b> |
|----------------------------------------------------|-------------------------|------------------------------|----------------------------------------------------|
| <b>Operating revenues:</b>                         |                         |                              |                                                    |
| Sales. . . . .                                     | \$ 193,762              | \$ 1,278                     | \$ 195,040                                         |
| Charges for services. . . . .                      | -                       | 636,471                      | 636,471                                            |
| Other . . . . .                                    | 30,826                  | 6,319                        | 37,145                                             |
|                                                    | <hr/>                   | <hr/>                        | <hr/>                                              |
| Total operating revenues . . . . .                 | 224,588                 | 644,068                      | 868,656                                            |
| <b>Operating expenses:</b>                         |                         |                              |                                                    |
| Personal services. . . . .                         | 201,920                 | 563,715                      | 765,635                                            |
| Purchased services. . . . .                        | 2,083                   | 94,295                       | 96,378                                             |
| Materials and supplies . . . . .                   | 192,186                 | 64,810                       | 256,996                                            |
| Capital outlay . . . . .                           | 14,380                  | 1,936                        | 16,316                                             |
| Other. . . . .                                     | 723                     | 514                          | 1,237                                              |
| Depreciation . . . . .                             | 3,720                   | -                            | 3,720                                              |
|                                                    | <hr/>                   | <hr/>                        | <hr/>                                              |
| Total operating expenses. . . . .                  | 415,012                 | 725,270                      | 1,140,282                                          |
| Operating (loss) . . . . .                         | (190,424)               | (81,202)                     | (271,626)                                          |
| <b>Nonoperating revenues:</b>                      |                         |                              |                                                    |
| Grants and subsidies. . . . .                      | 136,088                 | -                            | 136,088                                            |
| Federal donated commodities . . . . .              | 9,717                   | -                            | 9,717                                              |
| Other nonoperating revenue . . . . .               | 610                     | -                            | 610                                                |
|                                                    | <hr/>                   | <hr/>                        | <hr/>                                              |
| Total nonoperating revenues. . . . .               | 146,415                 | -                            | 146,415                                            |
| Change in net assets. . . . .                      | (44,009)                | (81,202)                     | (125,211)                                          |
| <b>Net assets (deficit) at beginning of year .</b> | <hr/>                   | <hr/>                        | <hr/>                                              |
|                                                    | 31,214                  | (205,591)                    | (174,377)                                          |
| <b>Net assets (deficit) at end of year . . . .</b> | <hr/>                   | <hr/>                        | <hr/>                                              |
|                                                    | \$ (12,795)             | \$ (286,793)                 | \$ (299,588)                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                                                         | <b>Food<br/>Service</b> | <b>Day Care<br/>Services</b> | <b>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</b> |
|-----------------------------------------------------------------------------------------|-------------------------|------------------------------|----------------------------------------------------|
| <b>Cash flows from operating activities:</b>                                            |                         |                              |                                                    |
| Cash received from operations . . . . .                                                 | \$ 224,386              | \$ 647,987                   | \$ 872,373                                         |
| Cash payments for personal services. . . . .                                            | (179,874)               | (536,376)                    | (716,250)                                          |
| Cash payments for contractual services . . . . .                                        | (2,083)                 | (94,295)                     | (96,378)                                           |
| Cash payments for materials and supplies . . . . .                                      | (187,881)               | (66,876)                     | (254,757)                                          |
| Cash payments for other expenses . . . . .                                              | (723)                   | (514)                        | (1,237)                                            |
| Net cash (used in)<br>operating activities . . . . .                                    | (146,175)               | (50,074)                     | (196,249)                                          |
| <b>Cash flows from noncapital financing activities:</b>                                 |                         |                              |                                                    |
| Cash received from grants and subsidies. . . . .                                        | 136,088                 | -                            | 136,088                                            |
| Cash received from interfund loans . . . . .                                            | -                       | 222,665                      | 222,665                                            |
| Cash used in repayment of interfund loans. . . . .                                      | -                       | (174,538)                    | (174,538)                                          |
| Net cash provided by noncapital<br>financing activities. . . . .                        | 136,088                 | 48,127                       | 184,215                                            |
| Net (decrease) in cash and cash<br>cash equivalents . . . . .                           | (10,087)                | (1,947)                      | (12,034)                                           |
| <b>Cash and cash equivalents at beginning of year . . .</b>                             | 15,475                  | 9,459                        | 24,934                                             |
| <b>Cash and cash equivalents at end of year . . . . .</b>                               | <b>\$ 5,388</b>         | <b>\$ 7,512</b>              | <b>\$ 12,900</b>                                   |
| <b>Reconciliation of operating loss to net<br/>cash (used in) operating activities:</b> |                         |                              |                                                    |
| Operating (loss) . . . . .                                                              | \$ (190,424)            | \$ (81,202)                  | \$ (271,626)                                       |
| Adjustments:                                                                            |                         |                              |                                                    |
| Depreciation. . . . .                                                                   | 3,720                   | -                            | 3,720                                              |
| Federal donated commodities . . . . .                                                   | 9,717                   | -                            | 9,717                                              |
| Changes in assets and liabilities:                                                      |                         |                              |                                                    |
| Decrease in materials and supplies inventory . . . . .                                  | 8,911                   | -                            | 8,911                                              |
| (Increase) decrease in accounts receivable . . . . .                                    | (202)                   | 3,919                        | 3,717                                              |
| Increase (decrease) in accounts payable. . . . .                                        | 57                      | (130)                        | (73)                                               |
| Increase (decrease) in accrued wages and benefits . . . . .                             | 5,536                   | (1,016)                      | 4,520                                              |
| (Decrease) in intergovernmental payable . . . . .                                       | (3,854)                 | (12,921)                     | (16,775)                                           |
| Increase in compensated absences payable . . . . .                                      | 13,171                  | 32,243                       | 45,414                                             |
| Increase in pension obligation payable . . . . .                                        | 7,193                   | 9,033                        | 16,226                                             |
| Net cash (used in) operating activities . . . . .                                       | \$ (146,175)            | \$ (50,074)                  | \$ (196,249)                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                            | <u>Budgeted Amounts</u> |                 | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--------------------------------------------|-------------------------|-----------------|-------------------------------------------------------------------|
|                                            | <u>Final</u>            | <u>Actual</u>   |                                                                   |
| <b><u>Food Services Fund</u></b>           |                         |                 |                                                                   |
| Total revenues and other financing sources | \$ 360,474              | \$ 360,474      | \$ -                                                              |
| Total expenses and other financing uses    | <u>375,403</u>          | <u>375,403</u>  | <u>-</u>                                                          |
| Net change in fund equity                  | (14,929)                | (14,929)        | -                                                                 |
| Fund equity at beginning of year           | 14,213                  | 14,213          | -                                                                 |
| Prior year encumbrances appropriated       | <u>1,262</u>            | <u>1,262</u>    | <u>-</u>                                                          |
| Fund equity at end of year                 | <u>\$ 546</u>           | <u>\$ 546</u>   | <u>\$ -</u>                                                       |
| <b><u>Day Care Services Fund</u></b>       |                         |                 |                                                                   |
| Total revenues and other financing sources | \$ 874,667              | \$ 874,667      | \$ -                                                              |
| Total expenses and other financing uses    | <u>702,767</u>          | <u>877,304</u>  | <u>(174,537)</u>                                                  |
| Net change in fund equity                  | 171,900                 | (2,637)         | (174,537)                                                         |
| Fund equity at beginning of year           | 3,245                   | 3,245           | -                                                                 |
| Prior year encumbrances appropriated       | <u>2,200</u>            | <u>2,200</u>    | <u>-</u>                                                          |
| Fund equity at end of year                 | <u>\$ 177,345</u>       | <u>\$ 2,808</u> | <u>\$ (174,537)</u>                                               |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|------------------------------------------------|-------------------------|------------------|-------------------------------------------------------------------|
|                                                | <u>Final</u>            | <u>Actual</u>    |                                                                   |
| <b><u>Employee Benefits Self-Insurance</u></b> |                         |                  |                                                                   |
| Total revenues and other financing sources     | \$ 68,025               | \$ 68,025        | \$ -                                                              |
| Total expenses and other financing uses        | <u>67,836</u>           | <u>67,836</u>    | <u>-</u>                                                          |
| Net change in fund equity                      | 189                     | 189              | -                                                                 |
| Fund equity at beginning of year               | 30,267                  | 30,267           | -                                                                 |
| Prior year encumbrances appropriated           | <u>3,240</u>            | <u>3,240</u>     | <u>-</u>                                                          |
| Fund equity at end of year                     | <u>\$ 33,696</u>        | <u>\$ 33,696</u> | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                             | <u>Budgeted Amounts</u> |                     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---------------------------------------------|-------------------------|---------------------|-------------------------------------------------------------------|
|                                             | <u>Final</u>            | <u>Actual</u>       |                                                                   |
| <b><u>Endowment Trust Fund</u></b>          |                         |                     |                                                                   |
| Total revenues and other financing sources  | \$ 107,989              | \$ 107,989          | \$ -                                                              |
| Total expenditures and other financing uses | <u>61,290</u>           | <u>61,290</u>       | <u>-</u>                                                          |
| Net change in fund equity                   | 46,699                  | 46,699              | -                                                                 |
| Fund equity at beginning of year            | 3,449,412               | 3,449,412           | -                                                                 |
| Prior year encumbrances appropriated        | <u>26,000</u>           | <u>26,000</u>       | <u>-</u>                                                          |
| Fund equity at end of year                  | <u>\$ 3,522,111</u>     | <u>\$ 3,522,111</u> | <u>\$ -</u>                                                       |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

|                                                 | <b>Beginning<br/>Balance<br/>June 30, 2009</b> | <b>Additions</b>    | <b>Deletions</b>    | <b>Ending<br/>Balance<br/>June 30, 2010</b> |
|-------------------------------------------------|------------------------------------------------|---------------------|---------------------|---------------------------------------------|
| <b><u>District Agency</u></b>                   |                                                |                     |                     |                                             |
| <b>Assets:</b>                                  |                                                |                     |                     |                                             |
| Equity in pooled cash and investments . . . . . | \$ 437,367                                     | \$ 2,626,817        | \$ 2,494,141        | \$ 570,043                                  |
| Total assets . . . . .                          | <u>\$ 437,367</u>                              | <u>\$ 2,626,817</u> | <u>\$ 2,494,141</u> | <u>\$ 570,043</u>                           |
| <b>Liabilities:</b>                             |                                                |                     |                     |                                             |
| Accounts payable . . . . .                      | \$ 42,338                                      | \$ -                | \$ 42,338           | \$ -                                        |
| Undistributed monies . . . . .                  | 395,029                                        | 2,626,817           | 2,451,803           | 570,043                                     |
| Total liabilities. . . . .                      | <u>\$ 437,367</u>                              | <u>\$ 2,626,817</u> | <u>\$ 2,494,141</u> | <u>\$ 570,043</u>                           |
| <b><u>Workers' Compensation</u></b>             |                                                |                     |                     |                                             |
| <b>Assets:</b>                                  |                                                |                     |                     |                                             |
| Equity in pooled cash and investments . . . . . | \$ 82,619                                      | \$ 132,413          | \$ 92,225           | \$ 122,807                                  |
| Total assets . . . . .                          | <u>\$ 82,619</u>                               | <u>\$ 132,413</u>   | <u>\$ 92,225</u>    | <u>\$ 122,807</u>                           |
| <b>Liabilities:</b>                             |                                                |                     |                     |                                             |
| Intergovernmental payable. . . . .              | \$ 16,147                                      | \$ -                | \$ 16,147           | \$ -                                        |
| Undistributed monies . . . . .                  | 66,472                                         | 132,413             | 76,078              | 122,807                                     |
| Total liabilities. . . . .                      | <u>\$ 82,619</u>                               | <u>\$ 132,413</u>   | <u>\$ 92,225</u>    | <u>\$ 122,807</u>                           |
| <b><u>Student Managed Activities</u></b>        |                                                |                     |                     |                                             |
| <b>Assets:</b>                                  |                                                |                     |                     |                                             |
| Equity in pooled cash and investments . . . . . | \$ 55,802                                      | \$ 49,265           | \$ 42,289           | \$ 62,778                                   |
| Receivables                                     |                                                |                     |                     |                                             |
| Due from other funds. . . . .                   | 8                                              | -                   | 8                   | -                                           |
| Total assets . . . . .                          | <u>\$ 55,810</u>                               | <u>\$ 49,265</u>    | <u>\$ 42,297</u>    | <u>\$ 62,778</u>                            |
| <b>Liabilities:</b>                             |                                                |                     |                     |                                             |
| Accounts payable . . . . .                      | \$ -                                           | \$ 300              | \$ -                | \$ 300                                      |
| Intergovernmental payable. . . . .              | 3,563                                          | -                   | 3,563               | -                                           |
| Undistributed monies . . . . .                  | (17,225)                                       | 17,225              | -                   | -                                           |
| Due to students . . . . .                       | 69,472                                         | 31,740              | 38,734              | 62,478                                      |
| Total liabilities. . . . .                      | <u>\$ 55,810</u>                               | <u>\$ 49,265</u>    | <u>\$ 42,297</u>    | <u>\$ 62,778</u>                            |
| <b><u>Totals</u></b>                            |                                                |                     |                     |                                             |
| <b>Assets:</b>                                  |                                                |                     |                     |                                             |
| Equity in pooled cash and investments . . . . . | \$ 575,788                                     | \$ 2,808,495        | \$ 2,628,655        | \$ 755,628                                  |
| Receivables                                     |                                                |                     |                     |                                             |
| Due from other funds. . . . .                   | 8                                              | -                   | 8                   | -                                           |
| Total assets . . . . .                          | <u>\$ 575,796</u>                              | <u>\$ 2,808,495</u> | <u>\$ 2,628,663</u> | <u>\$ 755,628</u>                           |
| <b>Liabilities:</b>                             |                                                |                     |                     |                                             |
| Accounts payable . . . . .                      | \$ 42,338                                      | \$ 300              | \$ 42,338           | \$ 300                                      |
| Intergovernmental payable. . . . .              | 19,710                                         | -                   | 19,710              | -                                           |
| Undistributed monies . . . . .                  | 444,276                                        | 2,776,455           | 2,527,881           | 692,850                                     |
| Due to students . . . . .                       | 69,472                                         | 31,740              | 38,734              | 62,478                                      |
| Total liabilities. . . . .                      | <u>\$ 575,796</u>                              | <u>\$ 2,808,495</u> | <u>\$ 2,628,663</u> | <u>\$ 755,628</u>                           |

# STATISTICAL SECTION



Learning to Believe & Achieve

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**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

STATISTICAL SECTION

This part of the Fairview Park City 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 District's overall financial health.

| <b><u>Contents</u></b>                                                                                                                                                                                                                                     | <b><u>Page</u></b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.                                                                         | <b>94-107</b>      |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.                                                                                           | <b>108-113</b>     |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.                            | <b>114-119</b>     |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.                                        | <b>120-121</b>     |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | <b>122-132</b>     |

**Sources:** Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

NET ASSETS BY COMPONENT  
LAST EIGHT FISCAL YEARS (1)  
(ACCRUAL BASIS OF ACCOUNTING)

|                                                 | <u>2010</u>          | <u>2009</u>          | <u>2008</u>          | <u>2007</u>          |
|-------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental activities</b>                  |                      |                      |                      |                      |
| Invested in capital assets, net of related debt | \$ 6,393,963         | \$ 4,067,939         | \$ 3,115,203         | \$ 19,694,843        |
| Restricted for:                                 |                      |                      |                      |                      |
| Capital Projects                                | 1,261,175            | 1,954,926            | 2,715,093            | -                    |
| Special Revenue                                 | 316,160              | 133,881              | 145,131              | 304,764              |
| Debt Service                                    | 2,443,764            | 2,374,692            | 2,266,165            | 248,507              |
| Set Asides                                      | 364,682              | 364,682              | 364,682              | 364,682              |
| Unrestricted (deficit)                          | <u>10,795,395</u>    | <u>10,924,003</u>    | <u>9,190,897</u>     | <u>(8,009,371)</u>   |
| Total governmental activities net assets        | <u>21,575,139</u>    | <u>19,820,123</u>    | <u>17,797,171</u>    | <u>12,603,425</u>    |
| <b>Business-type activities</b>                 |                      |                      |                      |                      |
| Invested in capital assets                      | 11,878               | 14,988               | 17,816               | 20,643               |
| Unrestricted (deficit)                          | <u>(311,466)</u>     | <u>(189,365)</u>     | <u>(12,444)</u>      | <u>629</u>           |
| Total business-type activities net assets       | <u>(299,588)</u>     | <u>(174,377)</u>     | <u>5,372</u>         | <u>21,272</u>        |
| <b>Primary government</b>                       |                      |                      |                      |                      |
| Invested in capital assets, net of related debt | 6,405,841            | 4,082,927            | 3,133,019            | - 19,715,486         |
| Restricted for:                                 |                      |                      |                      |                      |
| Capital Projects                                | 1,261,175            | 1,954,926            | 2,715,093            | -                    |
| Special Revenue                                 | 316,160              | 133,881              | 145,131              | 304,764              |
| Debt Service                                    | 2,443,764            | 2,374,692            | 2,266,165            | 248,507              |
| Set Asides                                      | 364,682              | 364,682              | 364,682              | 364,382              |
| Unrestricted (deficit)                          | <u>10,483,929</u>    | <u>10,734,638</u>    | <u>9,178,453</u>     | <u>(8,008,742)</u>   |
| Total primary government net assets             | <u>\$ 21,275,551</u> | <u>\$ 19,645,746</u> | <u>\$ 17,802,543</u> | <u>\$ 12,624,397</u> |

**Source:** School District financial records.

(1) Information not available before 2003.

| <u>2006</u>         | <u>2005</u>         | <u>2004</u>         | <u>2003</u>         |
|---------------------|---------------------|---------------------|---------------------|
| \$ 2,895,485        | \$ 6,533,198        | \$ 6,454,502        | \$ 6,825,611        |
| -                   | -                   | 205                 | 6,327               |
| 304,764             | 392,581             | 308,424             | 136,706             |
| -                   | -                   | -                   | -                   |
| -                   | -                   | -                   | -                   |
| <u>(603,882)</u>    | <u>(3,392,298)</u>  | <u>(3,092,206)</u>  | <u>(5,148,243)</u>  |
| <u>2,596,367</u>    | <u>3,533,481</u>    | <u>3,670,925</u>    | <u>1,820,401</u>    |
| 23,471              | 26,298              | -                   | -                   |
| <u>(9,366)</u>      | <u>(35,345)</u>     | <u>(117,889)</u>    | <u>23,383</u>       |
| <u>14,105</u>       | <u>(9,047)</u>      | <u>(117,889)</u>    | <u>23,383</u>       |
| 2,918,956           | 6,559,496           | 6,454,502           | 6,825,611           |
| -                   | -                   | 205                 | 6,327               |
| 304,764             | 392,581             | 308,424             | 136,706             |
| -                   | -                   | -                   | -                   |
| -                   | -                   | -                   | -                   |
| <u>(613,248)</u>    | <u>(3,427,643)</u>  | <u>(3,210,095)</u>  | <u>(5,124,860)</u>  |
| <u>\$ 2,610,472</u> | <u>\$ 3,524,434</u> | <u>\$ 3,553,036</u> | <u>\$ 1,843,784</u> |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS  
LAST EIGHT FISCAL YEARS (1)  
(ACCRUAL BASIS OF ACCOUNTING)

|                                         | <u>2010</u>       | <u>2009</u>       | <u>2008</u>       | <u>2007</u>       |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Expenses</b>                         |                   |                   |                   |                   |
| Governmental activities:                |                   |                   |                   |                   |
| Instruction:                            |                   |                   |                   |                   |
| Regular                                 | \$ 10,359,053     | \$ 9,734,851      | \$ 7,894,286      | \$ 6,904,558      |
| Special                                 | 2,608,089         | 3,068,363         | 2,696,239         | 2,475,614         |
| Vocational                              | 172,084           | 17,430            | 5,070             | 160,020           |
| Other instructional                     | 6,538             | 15,305            | 31,041            | 25,479            |
| Support services:                       |                   |                   |                   |                   |
| Pupil                                   | 1,092,469         | 1,202,917         | 1,073,956         | 1,094,099         |
| Instructional staff                     | 1,297,713         | 1,764,724         | 1,228,859         | 1,228,523         |
| Board of education                      | 30,939            | 27,381            | 21,868            | 19,398            |
| Administration                          | 1,491,518         | 1,361,033         | 1,157,334         | 918,746           |
| Fiscal                                  | 868,247           | 741,625           | 682,164           | 698,716           |
| Business                                | 201,637           | 219,281           | 57,978            | 23,176            |
| Operations and maintenance              | 2,018,495         | 2,156,645         | 1,809,402         | 1,871,949         |
| Pupil transportation                    | 709,469           | 703,411           | 1,110,868         | 524,392           |
| Central                                 | 585,207           | 244,236           | 228,198           | 160,140           |
| Operation of non-instructional services | 523,037           | 637,148           | 469,812           | 636,714           |
| Extracurricular activities              | 454,972           | 613,848           | 386,666           | 419,166           |
| Interest and fiscal charges             | 1,528,481         | 1,441,200         | 1,679,026         | 1,380,019         |
| Total governmental activities expenses  | <u>23,947,948</u> | <u>23,949,398</u> | <u>20,532,767</u> | <u>18,540,709</u> |
| Business-type activities:               |                   |                   |                   |                   |
| Food service                            | 415,012           | 345,918           | 315,287           | 222,957           |
| Day care services                       | 725,270           | 925,404           | 863,641           | 861,174           |
| Total business-type activities expenses | <u>1,140,282</u>  | <u>1,271,322</u>  | <u>1,178,928</u>  | <u>1,084,131</u>  |
| Total primary government expenses       | <u>25,088,230</u> | <u>25,220,720</u> | <u>21,711,695</u> | <u>19,624,840</u> |

|    | <b>2006</b>       | <b>2005</b>       | <b>2004</b>       | <b>2003</b>       |
|----|-------------------|-------------------|-------------------|-------------------|
| \$ | 9,875,549         | \$ 9,032,971      | \$ 8,904,119      | \$ 6,776,416      |
|    | 2,846,548         | 2,268,896         | 2,272,917         | 1,979,968         |
|    | 264,185           | 263,564           | 220,483           | 286,918           |
|    | 89,072            | 63,463            | 50,001            | 61,962            |
|    | 1,339,071         | 1,219,170         | 1,141,693         | 1,049,190         |
|    | 1,323,560         | 1,304,437         | 1,227,243         | 1,104,580         |
|    | 20,235            | 18,703            | 13,285            | 20,318            |
|    | 1,396,018         | 1,210,899         | 1,102,402         | 1,247,051         |
|    | 573,589           | 658,326           | 630,072           | 550,123           |
|    | 24,882            | 29,590            | 63,239            | 68,259            |
|    | 2,020,131         | 2,089,659         | 2,301,251         | 2,313,259         |
|    | 578,268           | 578,576           | 510,430           | 732,717           |
|    | 153,966           | 157,075           | 126,464           | 2,051,050         |
|    | 537,553           | 515,554           | 571,843           | 590,799           |
|    | 658,994           | 668,006           | 590,856           | 730,257           |
|    | 1,659,845         | 185,695           | 188,960           | 206,162           |
|    | <u>23,361,466</u> | <u>20,264,584</u> | <u>19,915,258</u> | <u>19,769,029</u> |
|    | 564,054           | 411,975           | 279,944           | 245,478           |
|    | 803,623           | 794,509           | 803,614           | 643,385           |
|    | <u>1,367,677</u>  | <u>1,206,484</u>  | <u>1,083,558</u>  | <u>888,863</u>    |
|    | <u>24,729,143</u> | <u>21,471,068</u> | <u>20,998,816</u> | <u>20,657,892</u> |

-- Continued

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)  
LAST EIGHT FISCAL YEARS (1)  
(ACCRUAL BASIS OF ACCOUNTING)

| <b>Program Revenues</b>                                | <b>2010</b>         | <b>2009</b>         | <b>2008</b>         | <b>2007</b>         |
|--------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Governmental activities:</b>                        |                     |                     |                     |                     |
| Charges for services and sales:                        |                     |                     |                     |                     |
| Instruction:                                           |                     |                     |                     |                     |
| Regular                                                | \$ 373,012          | \$ 262,454          | \$ 272,244          | \$ 305,364          |
| Special                                                | -                   | 53,948              | 61,418              | 7,000               |
| Vocational                                             | -                   | 333                 | 939                 | -                   |
| Other instructional                                    | 3,435               | -                   | 408                 | -                   |
| Support services:                                      |                     |                     |                     |                     |
| Pupil                                                  | -                   | 20,926              | 22,968              | -                   |
| Instructional staff                                    | 11,063              | 31,346              | 5,663               | -                   |
| Board of education                                     | -                   | 530                 | 540                 | 1,510               |
| Administration                                         | -                   | 27,200              | 28,527              | 2,445               |
| Fiscal                                                 | -                   | 14,731              | 15,969              | -                   |
| Business                                               | -                   | 4,098               | 1,423               | -                   |
| Operations and maintenance                             | 87,782              | 47,017              | 43,932              | 144,419             |
| Pupil transportation                                   | 19,363              | 12,392              | 11,152              | 6,328               |
| Central                                                | 307                 | 6,587               | 5,466               | -                   |
| Operation of non-instructional services                | 6,258               | 7,636               | 14,748              | 19,573              |
| Extracurricular activities                             | 99,970              | 100,987             | 98,290              | 99,590              |
| Operating grants and contributions:                    |                     |                     |                     |                     |
| Instruction:                                           |                     |                     |                     |                     |
| Regular                                                | 86,014              | 63,267              | 60,335              | 70,533              |
| Special                                                | 673,625             | 405,537             | 319,520             | 294,779             |
| Vocational                                             | 7,744               | 3,133               | -                   | 66,019              |
| Adult/Continuing                                       | -                   | -                   | -                   | 1,240               |
| Other instructional                                    | -                   | 17,258              | 6,743               | 15,592              |
| Support services:                                      |                     |                     |                     |                     |
| Pupil                                                  | 146,765             | 163,928             | 249,076             | 239,775             |
| Instructional staff                                    | 101,288             | 38,154              | 87,891              | 30,546              |
| Board of education                                     | -                   | -                   | -                   | 6,858               |
| Administration                                         | 20,605              | 16,607              | -                   | -                   |
| Fiscal                                                 | 14,596              | 9,352               | -                   | -                   |
| Operations and maintenance                             | 78,839              | -                   | -                   | -                   |
| Pupil transportation                                   | 38,444              | -                   | -                   | 7,020               |
| Central                                                | 5,170               | 6,695               | 6,624               | -                   |
| Operation of non-instructional services                | 527,822             | 556,617             | 525,936             | 525,529             |
| Extracurricular activities                             | 125                 | -                   | -                   | -                   |
| Capital grants and contributions:                      |                     |                     |                     |                     |
| Instruction:                                           |                     |                     |                     |                     |
| Regular                                                | -                   | -                   | -                   | 150,000             |
| Special                                                | -                   | -                   | -                   | -                   |
| Support services:                                      |                     |                     |                     |                     |
| Instructional staff                                    | -                   | -                   | -                   | -                   |
| Pupil transportation                                   | -                   | -                   | 6,510               | -                   |
| <b>Total governmental program revenues</b>             | <b>2,302,227</b>    | <b>1,870,733</b>    | <b>1,846,322</b>    | <b>1,994,120</b>    |
| <b>Business-type activities:</b>                       |                     |                     |                     |                     |
| Charges for services and sales:                        |                     |                     |                     |                     |
| Food service                                           | 193,762             | 211,747             | 144,409             | 122,413             |
| Day care services                                      | 637,749             | 688,074             | 841,474             | 858,810             |
| Operating grants and contributions:                    |                     |                     |                     |                     |
| Food service                                           | 145,805             | 125,262             | 111,834             | 51,752              |
| <b>Total business-type activities program revenues</b> | <b>977,316</b>      | <b>1,025,083</b>    | <b>1,097,717</b>    | <b>1,032,975</b>    |
| <b>Total primary government program revenue</b>        | <b>3,279,543</b>    | <b>2,895,816</b>    | <b>2,944,039</b>    | <b>3,027,095</b>    |
| <b>Net (Expense)/Revenue</b>                           |                     |                     |                     |                     |
| Governmental activities                                | (21,645,721)        | (22,078,665)        | (18,686,445)        | (16,546,589)        |
| Business-type activities                               | (162,966)           | (246,239)           | (81,211)            | (51,156)            |
| <b>Total primary government net expense</b>            | <b>(21,808,687)</b> | <b>(22,324,904)</b> | <b>(18,767,656)</b> | <b>(16,597,745)</b> |

|    | <u>2006</u>         | <u>2005</u>         | <u>2004</u>         | <u>2003</u>         |
|----|---------------------|---------------------|---------------------|---------------------|
| \$ | 408,350             | \$ 295,774          | \$ 469,616          | \$ 370,849          |
|    | -                   | -                   | 37,854              | -                   |
|    | -                   | -                   | 6,825               | -                   |
|    | 14,597              | 17,230              | 1,514               | 2,850               |
|    | 31,231              | -                   | 44,468              | 16,585              |
|    | -                   | 27,740              | 31,781              | -                   |
|    | 1,515               | 4,713               | -                   | -                   |
|    | 121,329             | 238,058             | 313,865             | 276,929             |
|    | -                   | -                   | 6,191               | -                   |
|    | -                   | -                   | 1,463               | -                   |
|    | -                   | -                   | 38,855              | -                   |
|    | 38,974              | 110,021             | 13,186              | -                   |
|    | -                   | -                   | 528                 | -                   |
|    | -                   | -                   | 20,174              | 24,469              |
|    | 101,819             | 47,317              | 148,206             | 142,682             |
|    | 76,432              | 85,321              | 87,404              | 94,373              |
|    | 301,995             | 271,229             | 411,774             | 380,571             |
|    | 51,943              | 40,966              | 60,338              | -                   |
|    | -                   | -                   | -                   | -                   |
|    | -                   | -                   | -                   | -                   |
|    | 218,654             | 202,280             | 17,981              | 11,177              |
|    | 58,587              | 35,216              | 57,387              | 46,687              |
|    | -                   | -                   | -                   | -                   |
|    | -                   | -                   | -                   | 1,435               |
|    | -                   | -                   | -                   | -                   |
|    | -                   | -                   | -                   | -                   |
|    | -                   | 3,917               | -                   | -                   |
|    | -                   | -                   | -                   | -                   |
|    | 520,874             | 509,752             | 473,888             | 454,494             |
|    | -                   | -                   | 1,723               | 1,850               |
|    | -                   | 16,065              | -                   | 28,580              |
|    | -                   | -                   | 5,670               | 29,987              |
|    | -                   | 15,000              | 15,000              | 22,700              |
|    | -                   | -                   | -                   | -                   |
|    | <u>1,946,300</u>    | <u>1,920,599</u>    | <u>2,265,691</u>    | <u>1,906,218</u>    |
|    | 265,835             | 285,370             | 167,272             | 187,347             |
|    | 836,309             | 807,963             | 727,942             | 686,351             |
|    | <u>125,519</u>      | <u>137,208</u>      | <u>47,072</u>       | <u>35,543</u>       |
|    | <u>1,227,663</u>    | <u>1,230,541</u>    | <u>942,286</u>      | <u>909,241</u>      |
|    | <u>3,173,963</u>    | <u>3,151,140</u>    | <u>3,207,977</u>    | <u>2,815,459</u>    |
|    | (21,415,166)        | (18,343,985)        | (17,649,567)        | (17,862,811)        |
|    | (140,014)           | 24,057              | (141,272)           | 20,378              |
|    | <u>(21,555,180)</u> | <u>(18,319,928)</u> | <u>(17,790,839)</u> | <u>(17,842,433)</u> |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

CHANGES IN NET ASSETS - (Continued)  
LAST EIGHT FISCAL YEARS (1)  
(ACCRUAL BASIS OF ACCOUNTING)

|                                                                | <u>2010</u>         | <u>2009</u>         | <u>2008</u>         | <u>2007</u>         |
|----------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Revenues and Other Changes in Net Assets</b>        |                     |                     |                     |                     |
| Governmental activities:                                       |                     |                     |                     |                     |
| Property taxes levied for:                                     |                     |                     |                     |                     |
| General purposes                                               | \$ 15,773,158       | \$ 16,115,346       | \$ 16,016,359       | \$ 16,103,726       |
| Debt service                                                   | 2,117,387           | 2,116,467           | 2,070,148           | 2,110,733           |
| Grants and entitlements not restricted<br>to specific programs | 5,217,461           | 5,288,005           | 4,819,377           | 4,240,208           |
| Investment earnings                                            | 223,267             | 513,033             | 905,764             | 1,925,490           |
| Miscellaneous                                                  | 69,464              | 68,766              | 97,534              | 120,947             |
| Transfers                                                      | -                   | -                   | (28,992)            | -                   |
| Total governmental activities                                  | <u>23,400,737</u>   | <u>24,101,617</u>   | <u>23,880,190</u>   | <u>24,501,104</u>   |
| Business-type activities:                                      |                     |                     |                     |                     |
| Investment earnings                                            | -                   | -                   | -                   | -                   |
| Miscellaneous                                                  | 37,755              | 66,490              | 36,319              | 14,150              |
| Transfers                                                      | -                   | -                   | 28,992              | -                   |
| Non-operating (revenues):                                      |                     |                     |                     |                     |
| Proceeds from sale of capital assets                           | -                   | -                   | -                   | -                   |
| Total business-type activities                                 | <u>37,755</u>       | <u>66,490</u>       | <u>65,311</u>       | <u>14,150</u>       |
| Total primary government                                       | <u>23,438,492</u>   | <u>24,168,107</u>   | <u>23,945,501</u>   | <u>24,515,254</u>   |
| <b>Change in Net Assets</b>                                    |                     |                     |                     |                     |
| Governmental activities                                        | 1,755,016           | 2,022,952           | 5,193,745           | 7,954,515           |
| Business-type activities                                       | <u>(125,211)</u>    | <u>(179,749)</u>    | <u>(15,900)</u>     | <u>(37,006)</u>     |
| Total primary government                                       | <u>\$ 1,629,805</u> | <u>\$ 1,843,203</u> | <u>\$ 5,177,845</u> | <u>\$ 7,917,509</u> |

**Source:** School District financial records.

(1) Information not available before 2003.

|    | <u>2006</u>       | <u>2005</u>       | <u>2004</u>       | <u>2003</u>        |
|----|-------------------|-------------------|-------------------|--------------------|
| \$ | 13,669,113        | \$ 13,885,074     | \$ 14,593,350     | \$ 10,223,316      |
|    | 1,493,351         | 478,714           | 535,625           | 381,800            |
|    | 4,141,356         | 4,241,506         | 4,211,150         | 4,207,842          |
|    | 1,209,937         | 153,109           | 46,092            | 79,566             |
|    | 107,831           | 105,675           | 113,874           | 73,625             |
|    | (143,536)         | (84,785)          | -                 | (25,000)           |
|    | <u>20,478,052</u> | <u>18,779,293</u> | <u>19,500,091</u> | <u>14,941,149</u>  |
|    | -                 | -                 | -                 | -                  |
|    | 14,920            | -                 | -                 | -                  |
|    | 143,536           | 84,785            | -                 | 25,000             |
|    | 4,710             | -                 | -                 | -                  |
|    | <u>163,166</u>    | <u>84,785</u>     | <u>-</u>          | <u>25,000</u>      |
|    | <u>20,641,218</u> | <u>18,864,078</u> | <u>19,500,091</u> | <u>14,966,149</u>  |
|    | (937,114)         | 435,308           | 1,850,524         | (2,921,662)        |
|    | <u>23,152</u>     | <u>108,842</u>    | <u>(141,272)</u>  | <u>45,378</u>      |
| \$ | <u>(913,962)</u>  | <u>544,150</u>    | <u>1,709,252</u>  | <u>(2,876,284)</u> |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**PROGRAM REVENUES BY FUNCTION/PROGRAM  
LAST EIGHT FISCAL YEARS (1)  
(ACCRUAL BASIS OF ACCOUNTING)**

|                                         | <u>2010</u>         | <u>2009</u>         | <u>2008</u>         | <u>2007</u>         |
|-----------------------------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Governmental activities:</b>         |                     |                     |                     |                     |
| Instruction:                            |                     |                     |                     |                     |
| Regular                                 | \$ 459,026          | \$ 325,721          | \$ 332,579          | \$ 375,897          |
| Special                                 | 673,625             | 459,485             | 380,938             | 301,779             |
| Vocational                              | 7,744               | 3,466               | 939                 | 66,019              |
| Adult/Continuing                        | -                   | -                   | -                   | 1,240               |
| Other instructional                     | 3,435               | 17,258              | 7,151               | 15,592              |
| Support services:                       |                     |                     |                     |                     |
| Pupil                                   | 146,765             | 184,854             | 272,044             | 239,775             |
| Instructional staff                     | 112,351             | 69,500              | 93,554              | 180,546             |
| Board of education                      | -                   | 530                 | 540                 | 8,368               |
| Administration                          | 20,605              | 43,807              | 28,527              | 2,445               |
| Fiscal                                  | 14,596              | 24,083              | 15,969              | -                   |
| Business                                | -                   | 4,098               | 1,423               | -                   |
| Operations and maintenance              | 166,621             | 47,017              | 43,932              | 144,419             |
| Pupil transportation                    | 57,807              | 12,392              | 17,662              | 13,348              |
| Central                                 | 5,477               | 13,282              | 12,090              | -                   |
| Operation of non-instructional services | 534,080             | 564,253             | 540,684             | 545,102             |
| Extracurricular activities              | 100,095             | 100,987             | 98,290              | 99,590              |
| <b>Total governmental activities</b>    | <u>2,302,227</u>    | <u>1,870,733</u>    | <u>1,846,322</u>    | <u>1,994,120</u>    |
| <b>Business-type activities:</b>        |                     |                     |                     |                     |
| Food service                            | 339,567             | 337,009             | 256,243             | 174,165             |
| Day care services                       | 637,749             | 688,074             | 841,474             | 858,810             |
| <b>Total business-type activities</b>   | <u>977,316</u>      | <u>1,025,083</u>    | <u>1,097,717</u>    | <u>1,032,975</u>    |
| <b>Total primary government</b>         | <u>\$ 3,279,543</u> | <u>\$ 2,895,816</u> | <u>\$ 2,944,039</u> | <u>\$ 3,027,095</u> |

**Source:** School District financial records.

(1) Information not available before 2003

|    | <u>2006</u>      |    | <u>2005</u>      |    | <u>2004</u>      |    | <u>2003</u>      |
|----|------------------|----|------------------|----|------------------|----|------------------|
| \$ | 484,782          | \$ | 397,160          | \$ | 557,020          | \$ | 493,802          |
|    | 301,995          |    | 271,229          |    | 455,298          |    | 410,558          |
|    | 51,943           |    | 40,966           |    | 67,163           |    | -                |
|    | -                |    | -                |    | -                |    | -                |
|    | 14,597           |    | 17,230           |    | 1,514            |    | 2,850            |
|    | 249,885          |    | 202,280          |    | 62,449           |    | 27,762           |
|    | 58,587           |    | 77,956           |    | 104,168          |    | 69,387           |
|    | 1,515            |    | 4,713            |    | -                |    | -                |
|    | 121,329          |    | 238,058          |    | 313,865          |    | 278,364          |
|    | -                |    | -                |    | 6,191            |    | -                |
|    | -                |    | -                |    | 1,463            |    | -                |
|    | -                |    | -                |    | 38,855           |    | -                |
|    | 38,974           |    | 113,938          |    | 13,186           |    | -                |
|    | -                |    | -                |    | 528              |    | -                |
|    | 520,874          |    | 509,752          |    | 494,062          |    | 478,963          |
|    | 101,819          |    | 47,317           |    | 149,929          |    | 144,532          |
|    | <u>1,946,300</u> |    | <u>1,920,599</u> |    | <u>2,265,691</u> |    | <u>1,906,218</u> |
|    | 391,354          |    | 422,578          |    | 214,344          |    | 222,890          |
|    | 836,309          |    | 807,963          |    | 727,942          |    | 686,351          |
|    | <u>1,227,663</u> |    | <u>1,230,541</u> |    | <u>942,286</u>   |    | <u>909,241</u>   |
| \$ | <u>3,173,963</u> | \$ | <u>3,151,140</u> | \$ | <u>3,207,977</u> | \$ | <u>2,815,459</u> |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST EIGHT FISCAL YEARS (1)  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|                                    | <u>2010</u>          | <u>2009</u>          | <u>2008</u>          | <u>2007</u>          |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund:                      |                      |                      |                      |                      |
| Reserved                           | \$ 2,872,662         | \$ 3,089,568         | \$ 2,604,233         | \$ 2,581,171         |
| Unreserved (deficit)               | <u>9,058,880</u>     | <u>9,066,925</u>     | <u>7,599,626</u>     | <u>3,976,489</u>     |
| Total general fund                 | <u>11,931,542</u>    | <u>12,156,493</u>    | <u>10,203,859</u>    | <u>6,557,660</u>     |
| All Other Governmental Funds:      |                      |                      |                      |                      |
| Reserved                           | 1,137,755            | 661,129              | 733,740              | 6,682,603            |
| Unreserved (deficit), reported in: |                      |                      |                      |                      |
| Special revenue funds              | 138,529              | 166,615              | 261,212              | 229,768              |
| Debt service funds                 | 2,122,537            | 2,045,656            | 2,011,929            | 2,007,092            |
| Capital projects funds             | <u>616,222</u>       | <u>965,628</u>       | <u>2,416,869</u>     | <u>4,985,364</u>     |
| Total all other governmental funds | <u>4,015,043</u>     | <u>3,839,028</u>     | <u>5,423,750</u>     | <u>13,904,827</u>    |
| Total governmental funds           | <u>\$ 15,946,585</u> | <u>\$ 15,995,521</u> | <u>\$ 15,627,609</u> | <u>\$ 20,462,487</u> |

**Source:** School District financial records.

(1) Information not available before 2003.

| <u>2006</u>          | <u>2005</u>         | <u>2004</u>         | <u>2003</u>         |
|----------------------|---------------------|---------------------|---------------------|
| \$ 1,974,419         | \$ 2,607,649        | \$ 3,361,446        | \$ 2,267,368        |
| <u>194,327</u>       | <u>(636,533)</u>    | <u>(537,177)</u>    | <u>(757,080)</u>    |
| 2,168,746            | 1,971,116           | 2,824,269           | 1,510,288           |
| 614,617              | 377,824             | 171,019             | 129,160             |
| 214,666              | 278,466             | 255,425             | 177,987             |
| 1,829,141            | 819,722             | 747,052             | 582,196             |
| <u>26,351,410</u>    | <u>(272,039)</u>    | <u>285,233</u>      | <u>249,003</u>      |
| 29,009,834           | 1,203,973           | 1,458,729           | 1,138,346           |
| <u>\$ 31,178,580</u> | <u>\$ 3,175,089</u> | <u>\$ 4,282,998</u> | <u>\$ 2,648,634</u> |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST EIGHT FISCAL YEARS (1)  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

|                                                         | <u>2010</u>        | <u>2009</u>       | <u>2008</u>           | <u>2007</u>            |
|---------------------------------------------------------|--------------------|-------------------|-----------------------|------------------------|
| <b>Revenues</b>                                         |                    |                   |                       |                        |
| From local sources:                                     |                    |                   |                       |                        |
| Taxes                                                   | \$ 17,595,767      | \$ 18,168,781     | \$ 18,215,926         | \$ 17,908,931          |
| Intergovernmental                                       | 6,835,178          | 6,497,091         | 6,058,755             | 5,640,961              |
| Tuition                                                 | 207,506            | 314,045           | 320,322               | 284,113                |
| Earnings on investments                                 | 208,581            | 513,033           | 905,764               | 1,849,715              |
| Extracurricular                                         | 153,008            | 183,195           | 157,585               | 164,835                |
| Charges for services                                    | -                  | -                 | -                     | -                      |
| Classroom materials and fees                            | 135,664            | -                 | -                     | -                      |
| Rentals                                                 | 87,782             | 115,447           | 107,987               | 144,419                |
| Customer sales and services                             | -                  | -                 | -                     | -                      |
| Contributions and donations                             | 13,469             | 14,548            | 15,744                | -                      |
| Other local revenues                                    | 104,694            | 68,766            | 97,534                | 114,794                |
| Total revenues                                          | <u>25,341,649</u>  | <u>25,874,906</u> | <u>25,879,617</u>     | <u>26,107,768</u>      |
| <b>Expenditures</b>                                     |                    |                   |                       |                        |
| Current:                                                |                    |                   |                       |                        |
| Instruction:                                            |                    |                   |                       |                        |
| Regular                                                 | 9,406,536          | 8,778,083         | 8,164,321             | 7,539,460              |
| Special                                                 | 2,723,835          | 3,004,012         | 2,823,014             | 2,611,307              |
| Vocational                                              | 172,084            | 17,430            | 5,070                 | 196,241                |
| Other                                                   | 6,538              | 15,305            | 31,041                | 25,479                 |
| Support services:                                       |                    |                   |                       |                        |
| Pupil                                                   | 1,121,925          | 1,167,004         | 1,162,803             | 1,257,308              |
| Instructional staff                                     | 1,304,854          | 1,654,506         | 1,272,959             | 1,228,741              |
| Board of education                                      | 30,939             | 27,381            | 21,868                | 19,398                 |
| Administration                                          | 1,557,313          | 1,336,634         | 1,150,542             | 1,056,596              |
| Fiscal                                                  | 861,725            | 742,080           | 678,772               | 653,957                |
| Business                                                | 184,293            | 219,281           | 57,978                | 23,176                 |
| Operations and maintenance                              | 2,014,311          | 2,271,267         | 1,776,897             | 1,744,105              |
| Pupil transportation                                    | 736,858            | 640,776           | 1,138,995             | 479,562                |
| Central                                                 | 576,868            | 240,556           | 226,286               | 154,605                |
| Operation of non-instructional services:                |                    |                   |                       |                        |
| Enterprise operations                                   | 519,876            | 603,912           | 494,444               | 545,938                |
| Other                                                   | -                  | -                 | -                     | -                      |
| Extracurricular activities                              | 454,972            | 609,636           | 393,906               | 392,708                |
| Facilities acquisition and construction                 | 1,263,770          | 1,765,933         | 8,862,724             | 16,697,008             |
| Issuance costs                                          | -                  | -                 | -                     | -                      |
| Debt service:                                           |                    |                   |                       |                        |
| Principal retirement                                    | 1,185,000          | 1,145,000         | 1,110,000             | 860,000                |
| Interest and fiscal charges                             | 1,268,888          | 1,268,198         | 1,303,883             | 1,338,272              |
| Total expenditures                                      | <u>25,390,585</u>  | <u>25,506,994</u> | <u>30,675,503</u>     | <u>36,823,861</u>      |
| Excess of revenues over (under) expenditures            | <u>(48,936)</u>    | <u>367,912</u>    | <u>(4,795,886)</u>    | <u>(10,716,093)</u>    |
| <b>Other Financing Sources (Uses)</b>                   |                    |                   |                       |                        |
| Transfers in                                            | 2,546,391          | 402,013           | 650,529               | 111,987                |
| Transfers (out)                                         | (2,546,391)        | (402,013)         | (689,521)             | (111,987)              |
| General obligation bonds issued                         | -                  | -                 | -                     | -                      |
| Refunding bonds issued                                  | -                  | -                 | -                     | -                      |
| Premium on bonds                                        | -                  | -                 | -                     | -                      |
| Payment refunded bond escrow agent                      | -                  | -                 | -                     | -                      |
| Total other financing sources (uses)                    | <u>-</u>           | <u>-</u>          | <u>(38,992)</u>       | <u>-</u>               |
| Net change in fund balances                             | <u>\$ (48,936)</u> | <u>\$ 367,912</u> | <u>\$ (4,834,878)</u> | <u>\$ (10,716,093)</u> |
| Debt service as a percentage of noncapital expenditures | 10.22%             | 10.20%            | 11.45%                | 10.92%                 |

**Source:** School District financial records.

(1) Includes General, Special Revenue, Capital Projects, and Debt Service funds. Information not available before 2003.

|    | <u>2006</u>        | <u>2005</u>           | <u>2004</u>         | <u>2003</u>           |
|----|--------------------|-----------------------|---------------------|-----------------------|
| \$ | 15,155,771         | \$ 14,120,388         | \$ 15,142,130       | \$ 10,618,043         |
|    | 5,369,843          | 5,463,813             | 5,332,497           | 5,162,935             |
|    | 327,730            | 203,301               | 160,538             | 239,877               |
|    | 1,209,937          | 153,109               | 46,092              | 79,566                |
|    | 236,449            | 166,754               | 201,997             | 253,243               |
|    | -                  | 236,439               | 287,212             | 265,528               |
|    | -                  | 54,153                | 54,564              | 124,445               |
|    | 102,244            | -                     | -                   | -                     |
|    | 44,363             | -                     | -                   | -                     |
|    | -                  | -                     | -                   | -                     |
|    | 112,318            | 104,966               | 217,857             | 114,307               |
|    | <u>22,558,655</u>  | <u>20,502,923</u>     | <u>21,442,887</u>   | <u>16,857,944</u>     |
|    | 8,759,003          | 8,966,247             | 8,453,660           | 8,428,788             |
|    | 2,656,532          | 2,466,075             | 2,258,529           | 2,006,627             |
|    | 252,072            | 263,564               | 220,483             | 286,918               |
|    | 90,271             | 63,462                | 48,091              | 61,962                |
|    | 1,208,232          | 1,262,717             | 1,127,305           | 1,052,417             |
|    | 1,235,230          | 1,316,040             | 1,182,035           | 1,217,594             |
|    | 20,235             | 18,703                | 13,285              | 20,318                |
|    | 1,088,483          | 1,169,552             | 1,171,696           | 1,259,362             |
|    | 580,953            | 652,933               | 623,677             | 561,971               |
|    | 24,882             | 29,590                | 63,239              | 68,259                |
|    | 1,917,837          | 2,121,366             | 2,260,446           | 2,334,227             |
|    | 563,147            | 546,265               | 512,385             | 751,567               |
|    | 164,209            | 153,829               | 122,657             | 92,266                |
|    | 575,243            | 509,614               | 555,286             | 606,525               |
|    | 975                | -                     | -                   | -                     |
|    | 312                | -                     | -                   | -                     |
|    | 662,119            | 665,031               | 589,050             | 728,451               |
|    | 2,609,671          | 733,020               | 22,849              | 19,200                |
|    | 323,735            | -                     | -                   | -                     |
|    | 194,252            | 400,000               | 395,000             | 380,000               |
|    | 1,445,436          | 185,388               | 188,877             | 199,203               |
|    | <u>24,372,829</u>  | <u>21,523,396</u>     | <u>19,808,550</u>   | <u>20,075,655</u>     |
|    | <u>(1,814,174)</u> | <u>(1,020,473)</u>    | <u>1,634,337</u>    | <u>(3,217,711)</u>    |
|    | 322,589            | 507,668               | 344,455             | 189,568               |
|    | (466,126)          | (595,077)             | (344,455)           | (214,568)             |
|    | 28,499,992         | -                     | -                   | -                     |
|    | 2,729,999          | -                     | -                   | -                     |
|    | 1,587,906          | -                     | -                   | -                     |
|    | (2,856,695)        | -                     | -                   | -                     |
|    | <u>29,817,665</u>  | <u>(87,409)</u>       | <u>-</u>            | <u>(25,000)</u>       |
| \$ | <u>28,003,491</u>  | <u>\$ (1,107,882)</u> | <u>\$ 1,634,337</u> | <u>\$ (3,242,711)</u> |
|    | 7.53%              | 2.83%                 | 2.95%               | 2.89%                 |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

| Collection<br>Year | Real Property               |                              |                           | Tangible Personal Property |                           |                   |                           |
|--------------------|-----------------------------|------------------------------|---------------------------|----------------------------|---------------------------|-------------------|---------------------------|
|                    | Assessed Value              |                              | Estimated<br>Actual Value | Public Utility             |                           | General Business  |                           |
|                    | Residential/<br>Agriculture | Commercial/<br>Industrial/PU |                           | Assessed<br>Value          | Estimated<br>Actual Value | Assessed<br>Value | Estimated<br>Actual Value |
| 2010               | \$ 305,491,860              | \$ 50,287,470                | \$1,016,512,371           | \$ 3,498,100               | \$ 3,975,114              | \$ 566,680        | \$ -                      |
| 2009               | 335,337,310                 | 51,766,400                   | 1,106,010,600             | 3,279,780                  | 3,727,023                 | 1,941,250         | -                         |
| 2008               | 335,246,870                 | 45,831,290                   | 1,088,794,743             | 3,124,260                  | 3,550,295                 | 2,961,371         | 47,381,936                |
| 2007               | 335,682,410                 | 47,968,840                   | 1,096,146,428             | 4,854,800                  | 5,516,818                 | 2,537,878         | 13,535,349                |
| 2006               | 306,197,510                 | 45,690,860                   | 1,010,185,514             | 5,810,780                  | 6,603,159                 | 3,610,219         | 14,440,876                |
| 2005               | 306,058,080                 | 47,366,350                   | 1,002,346,571             | 5,695,270                  | 6,471,898                 | 4,394,927         | 18,312,196                |
| 2004               | 306,013,590                 | 44,667,210                   | 940,227,400               | 6,063,330                  | 6,890,148                 | 5,363,328         | 22,347,200                |
| 2003               | 285,841,720                 | 42,237,870                   | 941,631,086               | 6,033,900                  | 6,856,705                 | 6,265,890         | 25,063,560                |
| 2002               | 280,100,410                 | 43,470,470                   | 946,579,686               | 8,312,650                  | 9,446,193                 | 6,314,181         | 25,256,724                |
| 2001               | 286,662,270                 | 44,640,620                   | 851,330,914               | 8,815,330                  | 10,017,420                | 6,079,840         | 24,319,360                |

**Note:** The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2008, 6.25 percent for 2008 and zero for 2009.

**Note:** The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated by the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent, and homestead exemptions before being billed. Beginning in 2006 collection year, the 10 percent for commercial/industry property has been eliminated.

**Source:** Office of the Auditor, Cuyahoga County

| <b>Assessed Value</b> | <b>Total Estimated Actual Value</b> | <b>Ratio</b> | <b>Weighted Average Tax Rate</b> |
|-----------------------|-------------------------------------|--------------|----------------------------------|
| \$ 359,844,110        | \$1,020,487,485                     | 35.26%       | 52.370000                        |
| 392,324,740           | 1,109,737,623                       | 35.35%       | 53.486814                        |
| 387,163,791           | 1,139,726,974                       | 33.97%       | 53.225526                        |
| 391,043,928           | 1,115,198,595                       | 35.06%       | 53.008178                        |
| 361,309,369           | 1,031,229,549                       | 35.04%       | 51.693348                        |
| 363,514,627           | 1,027,130,665                       | 35.39%       | 46.788929                        |
| 362,107,458           | 969,464,748                         | 37.35%       | 45.850102                        |
| 340,379,380           | 973,551,351                         | 34.96%       | 41.728058                        |
| 338,197,711           | 981,282,603                         | 34.46%       | 41.981638                        |
| 346,198,060           | 885,667,694                         | 39.09%       | 45.807054                        |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

| Tax Year/<br>Collection<br>Year | Direct Tax Rates |         |         |                 | Overlapping Tax Rates |              |               |
|---------------------------------|------------------|---------|---------|-----------------|-----------------------|--------------|---------------|
|                                 | Voted            |         | Unvoted | Total<br>Direct | County<br>Levy        | City<br>Levy | Total<br>Levy |
|                                 | General          | Bond    |         |                 |                       |              |               |
| 2009/2010                       | \$ 85.77         | \$ 6.93 | \$ 4.70 | \$ 97.40        | \$ 20.60              | \$ 11.80     | \$ 129.80     |
| 2008/2009                       | 85.17            | 6.23    | 4.70    | 96.10           | 20.60                 | 11.80        | 128.50        |
| 2007/2008                       | 85.17            | 6.13    | 4.70    | 96.00           | 20.20                 | 11.80        | 128.00        |
| 2006/2007                       | 84.87            | 6.03    | 4.70    | 95.60           | 20.20                 | 11.80        | 127.60        |
| 2005/2006                       | 84.47            | 6.43    | 4.70    | 95.60           | 20.30                 | 11.80        | 127.70        |
| 2004/2005                       | 84.67            | 1.53    | 4.70    | 90.90           | 20.30                 | 11.80        | 123.00        |
| 2003/2004                       | 79.97            | 1.63    | 4.70    | 86.30           | 19.40                 | 11.80        | 117.50        |
| 2002/2003                       | 79.97            | 1.63    | 4.70    | 86.30           | 17.60                 | 11.80        | 115.70        |
| 2001/2002                       | 75.87            | 1.63    | 4.70    | 82.20           | 17.60                 | 11.80        | 111.60        |
| 2000/2001                       | 75.87            | 1.63    | 4.70    | 82.20           | 17.60                 | 11.80        | 111.60        |

**Source:** Cuyahoga County Auditor's Office - Data is presented on a calendar year basis consistent with the County Auditor's method of maintaining the information. Composite Reduction Factor report for tax year 2008.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN YEARS

| <b>Collection Year</b> | <b>Current Tax Levy</b> | <b>Current Tax Collections</b> | <b>Percent of Current Levy Collected</b> | <b>Delinquent Tax Collections (2)</b> | <b>Total Tax Collection</b> | <b>Total Collection As a Percent of Total Levy</b> |
|------------------------|-------------------------|--------------------------------|------------------------------------------|---------------------------------------|-----------------------------|----------------------------------------------------|
| 2010                   | \$ 20,610,274           | \$ 19,681,628                  | 95.49%                                   | \$ 523,827                            | \$ 20,205,455               | 98.04%                                             |
| 2009                   | 20,538,092              | 19,852,476                     | 96.66%                                   | 509,858                               | 20,362,334                  | 99.14%                                             |
| 2008                   | 20,640,379              | 20,001,559                     | 96.90%                                   | 549,105                               | 20,550,664                  | 99.57%                                             |
| 2007                   | 20,712,324              | 18,947,673                     | 91.48%                                   | 508,891                               | 19,456,564                  | 93.94%                                             |
| 2006                   | 18,632,338              | 17,125,759                     | 91.91%                                   | 378,648                               | 17,504,407                  | 93.95%                                             |
| 2005                   | 17,017,020              | 16,603,185                     | 97.57%                                   | 298,560                               | 16,901,745                  | 99.32%                                             |
| 2004                   | 17,086,908              | 16,527,801                     | 96.73%                                   | 158,712                               | 16,686,513                  | 97.66%                                             |
| 2003                   | 17,113,202              | 15,146,291                     | 88.51%                                   | 374,682                               | 15,520,973                  | 90.70%                                             |
| 2002                   | 14,172,393              | 13,746,723                     | 97.00%                                   | 198,041                               | 13,944,764                  | 98.39%                                             |
| 2001                   | 15,799,119              | 15,186,511                     | 96.12%                                   | 228,517                               | 15,415,028                  | 97.57%                                             |

**Source:** Office of the Auditor, Cuyahoga County.

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

(2) The County does not identify delinquent tax collections by tax year.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS  
REAL ESTATE TAX  
DECEMBER 31, 2009 AND DECEMBER 31, 2001

| <b>December 31, 2009</b>             |                               |             |                                                                |
|--------------------------------------|-------------------------------|-------------|----------------------------------------------------------------|
| <b>Taxpayer</b>                      | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total District Real Estate Assessed Value</b> |
| Z & Sons Limited Partnership         | \$ 5,950,000                  | 1           | 1.67%                                                          |
| Board of Education of Fairview Park  | 5,836,010                     | 2           | 1.64%                                                          |
| Fairview Shopping Center Corporation | 4,138,690                     | 3           | 1.16%                                                          |
| Cleveland Electric Illuminating      | 2,717,140                     | 4           | 0.76%                                                          |
| Lawn Village, Inc.                   | 2,439,220                     | 5           | 0.69%                                                          |
| 200 West Apartments                  | 1,855,000                     | 6           | 0.52%                                                          |
| McGowan Real Estate                  | 1,136,250                     | 7           | 0.32%                                                          |
| Positive Education                   | 1,018,820                     | 8           | 0.29%                                                          |
| Fairview Park Senior Apartments      | 866,530                       | 9           | 0.24%                                                          |
| Stallard-Schrief Fam. Ltd.           | 805,000                       | 10          | 0.23%                                                          |
| Totals                               | \$ 26,762,660                 |             | 7.52%                                                          |
| Total Assessed Valuation             | \$ 355,779,330                |             |                                                                |

| <b>December 31, 2001 (1)</b>              |                               |             |                                                                |
|-------------------------------------------|-------------------------------|-------------|----------------------------------------------------------------|
| <b>Taxpayer</b>                           | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total District Real Estate Assessed Value</b> |
| Westgate Joint Venture                    | \$ 13,899,990                 | 1           | 4.30%                                                          |
| Z & Sons Limited Partnership              | 7,019,150                     | 2           | 2.17%                                                          |
| Fairview Shopping Center Corporation      | 3,937,080                     | 3           | 1.22%                                                          |
| Westgate Joint Venture                    | 2,798,500                     | 4           | 0.86%                                                          |
| Higbee Co.                                | 2,458,890                     | 5           | 0.76%                                                          |
| Lawn Village, Inc.                        | 2,355,430                     | 6           | 0.73%                                                          |
| 200 West Apartments                       | 1,941,800                     | 7           | 0.60%                                                          |
| Westgate Medical Building                 | 1,129,520                     | 8           | 0.35%                                                          |
| Center Ridge Equities                     | 972,410                       | 9           | 0.30%                                                          |
| Stallard-Schrier Fam. Limited Partnership | 906,610                       | 10          | 0.28%                                                          |
| Totals                                    | \$ 37,419,380                 |             | 11.56%                                                         |
| Total Assessed Valuation                  | \$ 323,570,880                |             |                                                                |

**Source:** Office of the Auditor, Cuyahoga County

(1) Information prior to 2001 not available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PRINCIPAL TAXPAYERS  
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY TAX  
DECEMBER 31, 2009 AND DECEMBER 31, 2001

| <b>December 31, 2009</b>            |                               |             |                                                                      |
|-------------------------------------|-------------------------------|-------------|----------------------------------------------------------------------|
| <b>Taxpayer</b>                     | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total Tangible Personal Property Assessed Value</b> |
| Cleveland Electric Illuminating Co. | \$ 2,657,790                  | 1           | 65.39%                                                               |
| East Ohio Gas Co.                   | 644,520                       | 2           | 15.86%                                                               |
| American Transmission System        | 263,180                       | 3           | 6.47%                                                                |
| <b>Totals</b>                       | <b>\$ 3,565,490</b>           |             | <b>87.72%</b>                                                        |
| <b>Toal Assessed Valuation</b>      | <b>\$ 4,064,780</b>           |             |                                                                      |

| <b>December 31, 2001 (1)</b>        |                               |             |                                                                      |
|-------------------------------------|-------------------------------|-------------|----------------------------------------------------------------------|
| <b>Taxpayer</b>                     | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total Tangible Personal Property Assessed Value</b> |
| Cleveland Electric Illuminating Co. | \$ 2,424,770                  | 1           | 16.58%                                                               |
| Ohio Bell Telephone Company         | 1,973,780                     | 2           | 13.49%                                                               |
| Tops Markets LLC                    | 809,890                       | 3           | 5.54%                                                                |
| Kohl's Department Stores, Inc.      | 682,180                       | 4           | 4.66%                                                                |
| East Ohio Gas Co.                   | 523,260                       | 5           | 3.58%                                                                |
| Office Depot, Inc.                  | 338,690                       | 6           | 2.32%                                                                |
| American Transmission System        | 301,380                       | 7           | 2.06%                                                                |
| LCI International Communication     | 247,200                       | 8           | 1.69%                                                                |
| Cox Cable Cleveland                 | 199,970                       | 9           | 1.37%                                                                |
| The Gap, Inc.                       | 198,740                       | 10          | 1.36%                                                                |
| <b>Totals</b>                       | <b>\$ 7,699,860</b>           |             | <b>52.64%</b>                                                        |
| <b>Toal Assessed Valuation</b>      | <b>\$ 14,626,831</b>          |             |                                                                      |

**Source:** Office of the Auditor, Cuyahoga County

1) Information prior to 2001 not available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
ATTRIBUTABLE TO GOVERNMENTAL ACTIVITIES  
JUNE 30, 2010

|                                          | <b>Debt<br/>Attributable to<br/>Governmental<br/>Activities</b> | <b>Percentage<br/>Applicable to<br/>School<br/>District (1)</b> | <b>Amount of<br/>Direct and<br/>Overlapping Debt</b> |
|------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------|
| <b>Overlapping debt:</b>                 |                                                                 |                                                                 |                                                      |
| City of Fairview Park                    | \$ 22,430,000                                                   | 94.68%                                                          | \$ 21,236,724                                        |
| Cuyahoga County                          | 336,472,572                                                     | 1.23%                                                           | 4,138,613                                            |
| Regional Transit Authority               | <u>163,025,000</u>                                              | 1.23%                                                           | <u>2,005,208</u>                                     |
| Total overlapping debt                   | 521,927,572                                                     |                                                                 | 27,380,544                                           |
| <b>Direct debt</b>                       | <u>27,659,992</u>                                               | 100.00%                                                         | <u>27,659,992</u>                                    |
| <b>Total direct and overlapping debt</b> | <u>\$ 549,587,564</u>                                           |                                                                 | <u>\$ 55,040,536</u>                                 |

**Source:** Office of the Auditor, Cuyahoga County

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the District by the total assessed valuation of the government. The valuations used were for the 2010 collection year

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

| <u>Governmental Activities</u> |    |                                             |                                                        |    |                           |
|--------------------------------|----|---------------------------------------------|--------------------------------------------------------|----|---------------------------|
| <u>Fiscal Year</u>             |    | <u>General<br/>Obligation<br/>Bonds (1)</u> | <u>Percentage of<br/>Total<br/>Personal Income (2)</u> |    | <u>Per<br/>Capita (2)</u> |
| 2010                           | \$ | 27,659,992                                  | 5.98%                                                  | \$ | 1,574                     |
| 2009                           |    | 30,212,992                                  | 6.54%                                                  |    | 1,719                     |
| 2008                           |    | 29,989,992                                  | 6.49%                                                  |    | 1,707                     |
| 2007                           |    | 31,099,992                                  | 6.73%                                                  |    | 1,770                     |
| 2006                           |    | 31,959,992                                  | 6.91%                                                  |    | 1,819                     |
| 2005                           |    | 3,865,000                                   | 0.84%                                                  |    | 220                       |
| 2004                           |    | 3,669,993                                   | 0.79%                                                  |    | 209                       |
| 2003                           |    | 4,064,993                                   | 0.88%                                                  |    | 231                       |
| 2002                           |    | 4,444,993                                   | 0.96%                                                  |    | 253                       |
| 2001                           |    | 4,993,795                                   | 1.08%                                                  |    | 284                       |

**Source:** School District financial records.

(1) Excludes unamortized premiums and accreted interest on capital appreciation bonds.

(2) See "Demographic and Economic Statistics" for population and personal income information.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**RATIO OF DEBT TO ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY AND DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

| Fiscal Year | Population (1) | (2)<br>Estimated<br>Actual Value of<br>Taxable Property | General Bonded Debt                   |                                            |                            | Ratio of Net<br>Bonded Debt<br>to Estimated<br>Actual Value | Net<br>Bonded<br>Debt<br>Per Capita |
|-------------|----------------|---------------------------------------------------------|---------------------------------------|--------------------------------------------|----------------------------|-------------------------------------------------------------|-------------------------------------|
|             |                |                                                         | General<br>Bonded Debt<br>Outstanding | Resources<br>Available to<br>Pay Principle | Net General<br>Bonded Debt |                                                             |                                     |
| 2010        | 17,572         | \$ 1,020,487,485                                        | \$ 27,659,992                         | \$ 2,442,316                               | \$ 25,217,676              | 2.47%                                                       | 1,435                               |
| 2009        | 17,572         | 1,109,737,623                                           | 30,212,992                            | 2,372,936                                  | 27,840,056                 | 2.51%                                                       | 1,584                               |
| 2008        | 17,572         | 1,139,726,974                                           | 29,989,992                            | 2,276,690                                  | 27,713,302                 | 2.43%                                                       | 1,577                               |
| 2007        | 17,572         | 1,115,198,595                                           | 31,099,992                            | 2,250,270                                  | 28,849,722                 | 2.59%                                                       | 1,642                               |
| 2006        | 17,572         | 1,031,229,549                                           | 31,959,992                            | 2,044,406                                  | 29,915,586                 | 2.90%                                                       | 1,702                               |
| 2005        | 17,572         | 1,027,130,665                                           | 3,865,000                             | 886,766                                    | 2,978,234                  | 0.29%                                                       | 169                                 |
| 2004        | 17,572         | 969,464,748                                             | 3,669,993                             | 838,432                                    | 2,831,561                  | 0.29%                                                       | 161                                 |
| 2003        | 17,572         | 973,551,351                                             | 4,064,993                             | 630,288                                    | 3,434,705                  | 0.35%                                                       | 195                                 |
| 2002        | 17,572         | 981,282,603                                             | 4,444,993                             | 755,077                                    | 3,689,916                  | 0.38%                                                       | 210                                 |
| 2001        | 17,572         | 885,667,694                                             | 4,993,795                             | 603,091                                    | 4,390,704                  | 0.50%                                                       | 250                                 |

**Source:** School District financial records.

(1) See "Demographic and Economic Statistics" for population information.

(2) See "Assessed Valuation and estimated Actual Value of Taxable Property" for estimated actual value of taxable property information.

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**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS**

|                                          | <u>2010</u>         | <u>2009</u>         | <u>2008</u>         | <u>2007</u>         |
|------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Assessed Valuation                       | \$ 359,844,110      | \$ 392,324,740      | \$ 387,163,791      | \$ 391,043,298      |
| Debt Limit - 9% of assessed value        | \$ 32,385,970       | \$ 35,309,227       | \$ 34,844,741       | \$ 35,193,897       |
| Amount of debt applicable to debt limit: |                     |                     |                     |                     |
| General obligation bonds (1)             | 27,659,992          | 30,212,992          | 29,989,992          | 31,099,992          |
| Less amount available in debt service    | (2,442,316)         | (2,372,936)         | (2,276,690)         | (2,250,270)         |
| Total                                    | <u>25,217,676</u>   | <u>27,840,056</u>   | <u>27,713,302</u>   | <u>28,849,722</u>   |
| Overall debt margin                      | <u>\$ 7,168,294</u> | <u>\$ 7,469,171</u> | <u>\$ 7,131,439</u> | <u>\$ 6,344,175</u> |
| Debt margin - .10% of assessed value     | \$ 359,844          | \$ 392,325          | \$ 387,164          | \$ 391,043          |
| Amount of debt applicable                | <u>-</u>            | <u>-</u>            | <u>-</u>            | <u>-</u>            |
| Unvoted debt margin                      | <u>\$ 359,844</u>   | <u>\$ 392,325</u>   | <u>\$ 387,164</u>   | <u>\$ 391,043</u>   |

**Source:** School District financial records.

(1) Excludes unamortized premiums and accreted interest on capital appreciation bonds.

| <u>2006</u>           | <u>2005</u>           | <u>2004</u>           | <u>2003</u>           | <u>2002</u>           | <u>2001</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>\$ 361,309,369</u> | <u>\$ 363,514,623</u> | <u>\$ 362,107,458</u> | <u>\$ 340,379,380</u> | <u>\$ 338,197,711</u> | <u>\$ 346,198,060</u> |
| <u>\$ 32,517,843</u>  | <u>\$ 32,716,316</u>  | <u>\$ 32,589,671</u>  | <u>\$ 30,634,144</u>  | <u>\$ 30,437,794</u>  | <u>\$ 31,157,825</u>  |
| 31,959,992            | 3,865,000             | 3,669,993             | 4,064,993             | 4,444,993             | 4,993,795             |
| (2,044,406)           | (886,766)             | (838,432)             | (630,288)             | (755,077)             | (603,091)             |
| <u>29,915,586</u>     | <u>2,978,234</u>      | <u>2,831,561</u>      | <u>3,434,705</u>      | <u>3,689,916</u>      | <u>4,390,704</u>      |
| <u>\$ 2,602,257</u>   | <u>\$ 29,738,082</u>  | <u>\$ 29,758,110</u>  | <u>\$ 27,199,439</u>  | <u>\$ 26,747,878</u>  | <u>\$ 26,767,121</u>  |
| \$ 361,309            | \$ 363,515            | \$ 362,107            | \$ 340,379            | \$ 338,198            | \$ 346,198            |
| <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              |
| <u>\$ 361,309</u>     | <u>\$ 363,515</u>     | <u>\$ 362,107</u>     | <u>\$ 340,379</u>     | <u>\$ 338,198</u>     | <u>\$ 346,198</u>     |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

| <b>Year</b> | <b>Fairview Park<br/>Population (1)</b> | <b>Average<br/>Personal<br/>Income (1)</b> | <b>Per Capita<br/>Personal<br/>Income (1)</b> | <b>Cuyahoga County<br/>Unemployment<br/>Rate</b> |
|-------------|-----------------------------------------|--------------------------------------------|-----------------------------------------------|--------------------------------------------------|
| 2010        | 17,572                                  | \$ 462,258,972                             | \$ 26,307                                     | 9.7%                                             |
| 2009        | 17,572                                  | 462,258,972                                | 26,307                                        | 9.1%                                             |
| 2008        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.5%                                             |
| 2007        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.1%                                             |
| 2006        | 17,572                                  | 462,258,972                                | 26,307                                        | 5.5%                                             |
| 2005        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.2%                                             |
| 2004        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.2%                                             |
| 2003        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.8%                                             |
| 2002        | 17,572                                  | 462,258,972                                | 26,307                                        | 6.7%                                             |
| 2001        | 17,572                                  | 462,258,972                                | 26,307                                        | 4.5%                                             |

(1) U. S. Census Bureau - 2000 Census most recent available

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR

| <b>Employer</b>                          | <b>Nature of Business</b>               | <b>2009</b>                    |                                               |
|------------------------------------------|-----------------------------------------|--------------------------------|-----------------------------------------------|
|                                          |                                         | <b>Number of<br/>Employees</b> | <b>Percentage<br/>of Total<br/>Employment</b> |
| Fairview Park CSD                        | School District                         | 413                            | 4.59%                                         |
| Target Corporation                       | Retail                                  | 323                            | 3.59%                                         |
| U.S. Department of Interior              | Federal                                 | 232                            | 2.58%                                         |
| Cleveland Metroparks System              | Metroparks System                       | 229                            | 2.54%                                         |
| Cuyahoga County Auditor                  | County Government                       | 201                            | 2.23%                                         |
| Analex Corporation                       | Information Technology                  | 152                            | 1.69%                                         |
| ASRC Areospace Corporation               | Engineering and Information Technology  | 139                            | 1.54%                                         |
| McGowan & Company                        | Health Care Services                    | 92                             | 1.02%                                         |
| Cleveland Clinic Foundation              | Health Care                             | 61                             | 0.68%                                         |
| Westside Cardiology                      | Hospital & Health Services (Consulting) | 51                             | 0.57%                                         |
| Total                                    |                                         | <u>1,893</u>                   | <u>21.02%</u>                                 |
| Total employment within the District (1) |                                         | <u>9,004</u>                   |                                               |

**Source:** Number of employees obtained from W-2's from RITA.

(1) U.S. Census Bureau - 2000 Census most recent available data.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**BUILDING STATISTICS BY FUNCTION/PROGRAM  
CURRENT FISCAL YEAR**

**Administration Building**

Constructed in 1964, 1969  
Total Building Square Footage 4,119  
Enrollment Grades None  
Student Capacity - 0  
Regular Instruction Classrooms - 0  
Regular Instruction Teachers - 0  
Special Instruction Teachers - 0  
Date Vacated - January 1, 2008

**Lewis F. Mayer Middle School**

Constructed in 1954, 1960, 1968  
Total Building Square Footage 30,790  
Enrollment Grades - 7 - 8  
Student Capacity - 450  
Regular Instruction Classrooms - 18  
Regular Instruction Teachers - 16.1  
Special Instruction Teachers - 3

**Garnett Primary School**

Constructed in 1952, 1954, 1967  
Total Building Square Footage 42,428  
Enrollment Grades - 1 - 3  
Student Capacity - 350  
Regular Instruction Classrooms - 0  
Regular Instruction Teachers - 0  
Special Instruction Teachers - 0  
Date Vacated - June 7, 2007  
Date Demolished - November, 2007

**Gilles Sweet Elementary School**

Constructed in 2007  
Total Building Square Footage 104,987  
Enrollment Grades - K - 6  
Student Capacity - 882  
Regular Instruction Classrooms - 34.2  
Regular Instruction Teachers - 42.2  
Special Instruction Teachers - 13

**Source:** School District records.

Latest information available

**Fairview High School**

Constructed in 1929, 1948, 1952, 1954  
1960, 1968, 1970, 1978  
Total Building Square Footage 160,559  
Enrollment Grades - 9-12  
Student Capacity - 850  
Regular Instruction Classrooms - 34  
Regular Instruction Teachers - 30.55  
Special Instruction Teachers - 5.82

**Coffinberry Early Education School**

Constructed in 1950, 1959, 1966  
Total Building Square Footage 160,559  
Enrollment Grades - Pre K - K  
Student Capacity - 150  
Regular Instruction Classrooms - 0  
Regular Instruction Teachers - 0  
Special Instruction Teachers - 0  
Date Vacated - June 7, 2007  
Date Demolished - March, 2007

**Parkview Intermediate School**

Constructed in 1952, 1959, 1966  
Total Building Square Footage 40,086  
Enrollment Grades - Preschool, Day Care  
Student Capacity - 500  
Regular Instruction Classrooms - 6  
Regular Instruction Teachers - 0  
Special Instruction Teachers - 2

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

PER PUPIL COST  
LAST EIGHT FISCAL YEARS

| <b>Fiscal Year</b> | <b>Governmental Activities Expenses</b> | <b>Enrollment (1)</b> | <b>Cost Per Pupil</b> | <b>Percentage Change</b> | <b>Teaching Staff</b> | <b>Pupil/Teacher Ratio</b> |
|--------------------|-----------------------------------------|-----------------------|-----------------------|--------------------------|-----------------------|----------------------------|
| 2010               | \$ 23,947,948                           | 1,763                 | \$ 13,584             | -9.0%                    | 127.0                 | 13.9                       |
| 2009               | 23,949,398                              | 1,605                 | 14,922                | 17.7%                    | 128.0                 | 12.5                       |
| 2008               | 21,121,023                              | 1,666                 | 12,678                | 8.2%                     | 137.0                 | 12.2                       |
| 2007               | 23,470,861                              | 1,699                 | 13,815                | 7.7%                     | 130.0                 | 13.1                       |
| 2006               | 23,361,466                              | 1,821                 | 12,829                | 15.3%                    | 140.0                 | 13.0                       |
| 2005               | 20,264,584                              | 1,822                 | 11,122                | 2.3%                     | 145.0                 | 12.6                       |
| 2004               | 19,915,258                              | 1,831                 | 10,877                | 2.9%                     | 152.0                 | 12.0                       |
| 2003               | 19,769,029                              | 1,871                 | 10,566                | 2.3%                     | 136.0                 | 13.8                       |

**Source:** School District records.

(1) Based upon EMIS information provided to the Ohio Department of Education.

**Note:** Information prior to 2003 not available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

ENROLLMENT STATISTICS  
LAST TEN FISCAL YEARS

| <b>Fiscal Year</b> | <b>Elementary Schools</b> | <b>Middle School Enrollment</b> | <b>High School</b> | <b>Totals</b> |
|--------------------|---------------------------|---------------------------------|--------------------|---------------|
| 2010               | 898                       | 261                             | 604                | 1,763         |
| 2009               | 724                       | 265                             | 616                | 1,605         |
| 2008               | 771                       | 263                             | 632                | 1,666         |
| 2007               | 764                       | 267                             | 668                | 1,699         |
| 2006               | 743                       | 412                             | 666                | 1,821         |
| 2005               | 701                       | 427                             | 694                | 1,822         |
| 2004               | 721                       | 433                             | 677                | 1,831         |
| 2003               | 738                       | 427                             | 706                | 1,871         |
| 2002               | 742                       | 445                             | 712                | 1,899         |
| 2001               | 765                       | 455                             | 683                | 1,903         |

**Source:** Ohio Department of Education.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**FULL-TIME EQUIVALENT SCHOOL DISTRICT TEACHERS BY EDUCATION  
LAST SEVEN FISCAL YEARS (1)**

| <u>Fiscal Year</u> | <u>Bachelor's Degree</u> | <u>Bachelor + 18</u> | <u>Bachelor + 30</u> | <u>Master's Degree</u> | <u>Master + 18</u> | <u>Master + 30</u> | <u>PhD/EDS</u> | <u>Total</u> |
|--------------------|--------------------------|----------------------|----------------------|------------------------|--------------------|--------------------|----------------|--------------|
| 2010               | 10.75                    | 5.42                 | 25.00                | 32.80                  | 4.00               | 31.00              | 4.00           | 112.97       |
| 2009               | 10                       | 6                    | 20                   | 40                     | 7                  | 26                 | 1              | 110          |
| 2008               | 5.2                      | 6.67                 | 33.28                | 19.9                   | 19                 | 25.9               | 1              | 110.95       |
| 2007               | 1                        | 4                    | 28.18                | 21.7                   | 14                 | 28.5               | 1              | 98.38        |
| 2006               | 5.13                     | 12.15                | 31.6                 | 26.42                  | 16.6               | 30                 | 2              | 123.90       |
| 2005               | 17                       | 10                   | 23                   | 30                     | 12                 | 27                 | 2              | 121          |
| 2004               | 20                       | 10                   | 20                   | 35                     | 10                 | 28                 | 2              | 125          |

**Source:** School District records.

(1) Information prior to 2004 not available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

AVERAGE NUMBER OF STUDENTS PER TEACHER  
LAST TEN SCHOOL YEARS

| <u>Fiscal<br/>Year</u> | <u>Fairview Park<br/>Average</u> | <u>State<br/>Average</u> |
|------------------------|----------------------------------|--------------------------|
| 2010                   | (1)                              | (1)                      |
| 2009                   | 21.66                            | 18.47                    |
| 2008                   | 21.70                            | 18.60                    |
| 2007                   | 24.00                            | 19.60                    |
| 2006                   | 18.70                            | 18.60                    |
| 2005                   | 13.30                            | 18.50                    |
| 2004                   | 18.00                            | 18.50                    |
| 2003                   | 16.70                            | 16.50                    |
| 2002                   | 16.90                            | 16.90                    |
| 2001                   | 16.50                            | 18.00                    |

**Source:** Ohio Department of Education, EMIS Reports.

(1) Information for fiscal year 2010 not yet available.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**ATTENDANCE AND GRADUATION RATES  
LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year</b> | <b>Fairview Park<br/>Attendance<br/>Rate</b> | <b>State<br/>Average</b> | <b>Fairview Park<br/>Graduation<br/>Rate</b> | <b>State<br/>Average</b> |
|------------------------|----------------------------------------------|--------------------------|----------------------------------------------|--------------------------|
| 2010                   | 95.3%                                        | 95.3%                    | 97.9%                                        | 83.0%                    |
| 2009                   | 95.3%                                        | 94.3%                    | 95.9%                                        | 84.6%                    |
| 2008                   | 95.0%                                        | 94.2%                    | 96.4%                                        | 86.9%                    |
| 2007                   | 95.3%                                        | 94.1%                    | 94.9%                                        | 86.1%                    |
| 2006                   | 95.5%                                        | 94.1%                    | 95.9%                                        | 86.2%                    |
| 2005                   | 95.5%                                        | 94.3%                    | 96.2%                                        | 85.9%                    |
| 2004                   | 95.6%                                        | 94.5%                    | 92.5%                                        | 84.3%                    |
| 2003                   | 95.0%                                        | 94.5%                    | 96.1%                                        | 83.9%                    |
| 2002                   | 95.0%                                        | 94.3%                    | 93.3%                                        | 82.8%                    |
| 2001                   | 94.2%                                        | 93.9%                    | 96.0%                                        | 81.2%                    |

**Source:** Ohio Department of Education Local Report Cards.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

SAT SCORES  
LAST SEVEN SCHOOL YEARS (1)

| School<br>Year | Number<br>of Test<br>Takers | Number<br>of<br>Seniors | Percent<br>of<br>Students | Fairview<br>Park<br>Verbal | Ohio<br>Verbal | National<br>Verbal |
|----------------|-----------------------------|-------------------------|---------------------------|----------------------------|----------------|--------------------|
| 2009-2010      | 23                          | 8                       | N/A                       | 557                        | 538            | 501                |
| 2008-2009      | 35                          | 18                      | N/A                       | 557                        | 537            | 501                |
| 2007-2008      | 47                          | 27                      | 4.00%                     | 550                        | 534            | 502                |
| 2006-2007      | 51                          | 26                      | 3.00%                     | 530                        | 536            | 502                |
| 2005-2006      | 72                          | 57                      | 3.95%                     | 545                        | 538            | 508                |
| 2004-2005      | 48                          | 38                      | 2.62%                     | 536                        | 538            | 508                |
| 2003-2004      | 48                          | 38                      | 2.57%                     | 578                        | 536            | 507                |

**Source:** High School Guidance Office.

(1) No information available prior to 2003.

"N/A" means information not currently available.

| <b>Fairview<br/>Park<br/>Math</b> | <b>Ohio<br/>Math</b> | <b>National<br/>Math</b> | <b>Fairview<br/>Park<br/>Writing</b> | <b>Ohio<br/>Writing</b> | <b>National<br/>Writing</b> |
|-----------------------------------|----------------------|--------------------------|--------------------------------------|-------------------------|-----------------------------|
| 560                               | 548                  | 516                      | 524                                  | 522                     | 492                         |
| 532                               | 546                  | 515                      | 517                                  | 523                     | 493                         |
| 550                               | 544                  | 515                      | 541                                  | 521                     | 494                         |
| 528                               | 542                  | 515                      | 524                                  | 522                     | 494                         |
| 537                               | 542                  | 518                      | N/A                                  | N/A                     | N/A                         |
| 554                               | 542                  | 518                      | N/A                                  | N/A                     | N/A                         |
| 583                               | 541                  | 519                      | N/A                                  | N/A                     | N/A                         |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

ACT COMPOSITE SCORES  
LAST SEVEN SCHOOL YEARS (1)

| <b>School<br/>Year</b> | <b>Number<br/>of Test<br/>Takers</b> | <b>Number of<br/>Seniors</b> | <b>Percent of<br/>Students</b> | <b>Fairview Park<br/>Composite</b> | <b>Ohio<br/>Composite</b> | <b>National<br/>Composite</b> |
|------------------------|--------------------------------------|------------------------------|--------------------------------|------------------------------------|---------------------------|-------------------------------|
| 2009-2010              | 122                                  | 109                          | 89%                            | 21.9                               | 21.8                      | 21.0                          |
| 2008-2009              | 108                                  | 98                           | 91%                            | 22.5                               | 21.7                      | 21.1                          |
| 2007-2008              | 116                                  | 105                          | 91%                            | 22.4                               | 21.7                      | 21.1                          |
| 2006-2007              | 113                                  | 103                          | 69%                            | 22.5                               | 21.6                      | 21.2                          |
| 2005-2006              | 145                                  | 116                          | 77%                            | 22.0                               | 21.4                      | 20.9                          |
| 2004-2005              | 101                                  | 81                           | 52%                            | 21.5                               | 21.4                      | 20.9                          |
| 2003-2004              | 113                                  | 90                           | 56%                            | 21.6                               | 21.4                      | 20.8                          |

**Source:** High School Guidance Office.

(1) No information available prior to 2003.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**SCHOOL DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST SEVEN FISCAL YEARS (1)**

| <u>Type</u>                           | <u>2010</u>  | <u>2009</u>  | <u>2008</u>  | <u>2007</u>  | <u>2006</u>  | <u>2005</u>  | <u>2004</u>  |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Regular instruction:                  |              |              |              |              |              |              |              |
| Elementary classroom teachers         | 43.4         | 42.2         | 41.2         | 34.8         | 43.0         | 53.5         | 56.5         |
| Middle school classroom teachers      | 18.2         | 16.1         | 12.5         | 9.0          | 15.5         | 17.5         | 15.0         |
| High School classroom teachers        | 30.3         | 30.6         | 25.8         | 23.7         | 28.0         | 44.5         | 46.0         |
| Special instruction:                  |              |              |              |              |              |              |              |
| Elementary classroom teachers         | 10.0         | 13.0         | 13.0         | 13.0         | 11.5         | 9.0          | 9.5          |
| Gifted education teachers             | 2.0          | 2.0          | 2.0          | 1.0          | 1.0          | 0.5          | 1.0          |
| Middle school classroom teachers      | 2.4          | 3.0          | 4.0          | 4.0          | 3.0          | 4.0          | 2.5          |
| High school classroom teachers        | 4.9          | 5.8          | 4.0          | 4.0          | 4.0          | 6.5          | 6.0          |
| Vocational instruction:               |              |              |              |              |              |              |              |
| High school classroom teachers        | 2.2          | 2.2          | 2.0          | 2.0          | 1.0          | 4.0          | 2.0          |
| Pupil support services:               |              |              |              |              |              |              |              |
| Guidance counselors                   | 5.0          | 5.0          | 3.9          | 4.0          | 5.0          | 5.0          | 5.5          |
| Librarians                            | 2.0          | 2.0          | 2.0          | 2.0          | 7.0          | 6.0          | 6.0          |
| Library Aids                          | 4.0          | 4.0          | 4.0          | 3.8          | 0.0          | 0.0          | 0.0          |
| Psychologists                         | 2.0          | 2.0          | 2.0          | 0.7          | 1.0          | 2.0          | 2.0          |
| Speech and language pathologists      | 2.0          | 2.0          | 1.6          | 0.0          | 2.0          | 3.0          | 4.0          |
| Non-teaching support staff central    | 1.2          | 1.2          | 1.6          | 1.4          | 2.0          | 3.0          | 4.0          |
| Instructional Support Service:        |              |              |              |              |              |              |              |
| Non-teaching support staff elementary | 18.6         | 19.6         | 16.2         | 16.7         | 10.0         | 10.0         | 8.5          |
| Non-teaching support staff middle     | 6.0          | 9.9          | 6.4          | 7.5          | 4.0          | 3.0          | 3.5          |
| Non-teaching support staff high       | 9.9          | 11.9         | 9.6          | 9.7          | 9.0          | 10.0         | 11.0         |
| Non-teaching support staff central    | 3.0          | 3.0          | 2.0          | 2.0          | 2.0          | 1.0          | 1.0          |
| Administration:                       |              |              |              |              |              |              |              |
| Elementary                            | 2.0          | 2.0          | 2.0          | 2.0          | 4.0          | 5.1          | 5.1          |
| Middle school                         | 1.0          | 1.0          | 1.0          | 1.0          | 2.0          | 2.0          | 2.0          |
| High school                           | 2.0          | 2.0          | 2.0          | 2.0          | 3.0          | 4.0          | 4.5          |
| Central                               | 0.0          | 5.0          | 2.6          | 3.2          | 3.0          | 7.0          | 7.0          |
| Business:                             |              |              |              |              |              |              |              |
| Central                               | 0.9          | 0.9          | 0.0          | 0.0          | 0.0          | 2.0          | 2.0          |
| Fiscal:                               |              |              |              |              |              |              |              |
| Treasurer department                  | 4.0          | 4.0          | 4.0          | 3.5          | 3.5          | 3.5          | 4.0          |
| Operation of plant:                   |              |              |              |              |              |              |              |
| Custodial department                  | 19.3         | 19.3         | 19.9         | 18.1         | 18.0         | 18.5         | 18.0         |
| Maintenance department                | 2.0          | 2.0          | 1.7          | 1.0          | 1.5          | 2.0          | 3.0          |
| Pupil transportation:                 |              |              |              |              |              |              |              |
| Bus drivers                           | 5.5          | 4.5          | 4.7          | 3.6          | 4.5          | 7.0          | 6.5          |
| Bus aides                             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Mechanics                             | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Transportation support staff          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Central:                              |              |              |              |              |              |              |              |
| Community relations                   | 1.0          | 1.0          | 0.5          | 0.1          | 1.0          | 1.0          | 1.0          |
| Technology                            | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Personnel                             | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 0.0          |
| Extracurricular:                      |              |              |              |              |              |              |              |
| Athletic department                   | 17.5         | 16.5         | 15.5         | 15.5         | 15.5         | 21.0         | 20.5         |
| Food service program:                 |              |              |              |              |              |              |              |
| Elementary                            | 4.0          | 4.0          | 3.4          | 2.0          | 1.5          | 3.0          | 2.0          |
| Middle school                         | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| High school cooks                     | 2.4          | 2.4          | 4.0          | 2.0          | 3.5          | 4.0          | 2.5          |
| Central                               | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Adult education/community service:    |              |              |              |              |              |              |              |
| Preschool                             | 1.5          | 2.0          | 2.0          | 2.0          | 2.0          | 1.9          | 1.9          |
| Extended care                         | 10.0         | 10.0         | 20.0         | 20.0         | 20.0         | 25.5         | 23.5         |
| <b>Total</b>                          | <b>242.2</b> | <b>254.1</b> | <b>239.1</b> | <b>218.3</b> | <b>235.0</b> | <b>293.0</b> | <b>289.5</b> |

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee.

(1) Information not available before 2004.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

FREE OR REDUCED LUNCH PROGRAM PERCENTAGES  
LAST FIVE FISCAL YEARS (1)

| <b>Fiscal Year</b> | <b>Students</b> | <b>Students Applicable for Free Lunch</b> | <b>Percentage of Applicable Students for the Free Lunch Program</b> | <b>Students Applicable for Reduced Lunch</b> | <b>Percentage of Applicable Students for the Reduced Lunch Program</b> | <b>Total Students Applicable for the Free and Reduced Lunch Programs</b> | <b>Total Percentage of Applicable Students for the Free and Reduced Programs</b> |
|--------------------|-----------------|-------------------------------------------|---------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| 2010               | 1,763           | 324                                       | 18.38%                                                              | 109                                          | 6.18%                                                                  | 433                                                                      | 24.56%                                                                           |
| 2009               | 1,605           | 256                                       | 15.95%                                                              | 90                                           | 5.61%                                                                  | 346                                                                      | 21.56%                                                                           |
| 2008               | 1,666           | 247                                       | 14.83%                                                              | 83                                           | 4.98%                                                                  | 330                                                                      | 19.81%                                                                           |
| 2007               | 1,699           | 109                                       | 6.42%                                                               | 27                                           | 1.59%                                                                  | 136                                                                      | 8.00%                                                                            |
| 2006               | 1,821           | 273                                       | 14.99%                                                              | 90                                           | 4.94%                                                                  | 363                                                                      | 19.93%                                                                           |

**Source:** "Lunch MR 81 Report for October" obtained from the Ohio Department of Education.

(1) No information available prior to 2006.

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**Mary Taylor, CPA**  
Auditor of State

**FAIRVIEW PARK CITY 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 11, 2011**