



Dave Yost • Auditor of State



**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**  
**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2013**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Grantor Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
School Breakfast Program	N/A	10.553	\$ 24,920		\$ 24,920	
National School Lunch Program	N/A	10.555	<u>159,944</u>	<u>9,502</u>	<u>159,944</u>	<u>9,502</u>
Child Nutrition Cluster			184,864	9,502	184,864	9,502
Total Child Nutrition Cluster			<u>184,864</u>	<u>9,502</u>	<u>184,864</u>	<u>9,502</u>
<b>Total U.S. Department of Agriculture</b>			<u>184,864</u>	<u>9,502</u>	<u>184,864</u>	<u>9,502</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<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) - 2012	N/A	84.010	8,464		19,107	
Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2013	N/A	84.010	<u>203,571</u>		<u>211,663</u>	
Total Title I, Part A Cluster			212,035	-	230,770	-
Special Education Cluster (IDEA):						
Special Education - Grants to States (IDEA, Part B) - 2012	N/A	84.027	43,497		45,417	
Special Education - Grants to States (IDEA, Part B) - 2013	N/A	84.027	<u>376,827</u>		<u>396,035</u>	
Total Special Education - Grants to States (IDEA, Part B)			420,324	-	441,452	-
Special Education - Preschool Grants (IDEA Preschool) - 2012	N/A	84.173	999		1,069	
Special Education - Preschool Grants (IDEA Preschool) - 2013	N/A	84.173	<u>7,663</u>		<u>15,236</u>	
Total Special Education - Preschool Grants (IDEA Preschool)			8,662	-	16,305	-
Total Special Education Cluster (IDEA)			<u>428,986</u>	<u>-</u>	<u>457,757</u>	<u>-</u>
Ohio Resident Educator Program - 2013	N/A	84.395	<u>700</u>		<u>1,750</u>	
Total Ohio Resident Educator Program			700	-	1,750	-
Title II, Part D, Educational Technology State Grants - 2012	N/A	84.318	-		-	
Title II, Part D, Educational Technology State Grants - 2013	N/A	84.318	<u>1,278</u>		<u>-</u>	
Total Education Technology State Grants			1,278	-	-	-
Title III, Part A, English Acquisition State Grants - 2012	N/A	84.365	-		-	
Title III, Part A, English Acquisition State Grants - 2013	N/A	84.365	<u>16,419</u>		<u>18,094</u>	
Total English Language Acquisition Grants			16,419	-	18,094	-
Title II, Part A, Improving Teacher Quality State Grants - 2012	N/A	84.367	-		231	
Title II, Part A, Improving Teacher Quality State Grants - 2013	N/A	84.367	<u>55,807</u>		<u>57,151</u>	
Total Improving Teacher Quality State Grants			55,807	-	57,382	-
<b>Total U.S. Department of Education</b>			<u>715,225</u>	<u>-</u>	<u>765,753</u>	<u>-</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 900,089</u>	<u>\$ 9,502</u>	<u>\$ 950,617</u>	<u>\$ 9,502</u>

*The accompanying notes are an integral part of this schedule.*

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the fair value. The District allocated donated food commodities to the respective 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 2012 to 2013 programs:

CFDA Amount Transferred

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Transferred From 2012 to 2013</u>
Title III, Part A, English Acquisition State Grants	84.365	\$ 1,500
Title II, Part A, Improving Teacher Quality State Grants	84.367	1,574

CFDA – Catalog of Federal Domestic Assistance



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S 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, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 23, 2013.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

### ***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, opining 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*.

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***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 23, 2013



# Dave Yost • Auditor of State

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

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

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited the Fairview Park City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Fairview Park City School District's major federal program for the year ended June 30, 2013. The *Summary of Audit Results* in the accompanying schedule of findings identifies the District's major federal program.

### ***Management's Responsibility***

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for 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*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Fairview Park City School District, Cuyahoga County, Ohio complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2013.

***Report on Internal Control Over Compliance***

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

***Report on the Schedule of Federal Awards Receipts and Expenditures***

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, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 23, 2013. We conducted our audit to opine on the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis 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 management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule 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 schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 23, 2013

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**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2013**

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

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

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.

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# Dave Yost • Auditor of State

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURE

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

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy at its meeting on September 18, 2012 to include prohibiting harassment, intimidation, or bullying of any student "on a school bus" or by an "electronic act".

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

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

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

**Dave Yost**  
Auditor of State

December 23, 2013

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**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**OF THE**

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**FOR THE**

**FISCAL YEAR ENDED JUNE 30, 2013**



Learning to Believe & Achieve

**PREPARED BY  
TREASURER'S DEPARTMENT  
AMY HENDRICKS, CFO/TREASURER**

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Fairview Park, Ohio 44126

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

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2013



Learning to Believe & Achieve

**BRION DEITSCH, SUPERINTENDENT  
AMY HENDRICKS, CFO/TREASURER**

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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, 2013**

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

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

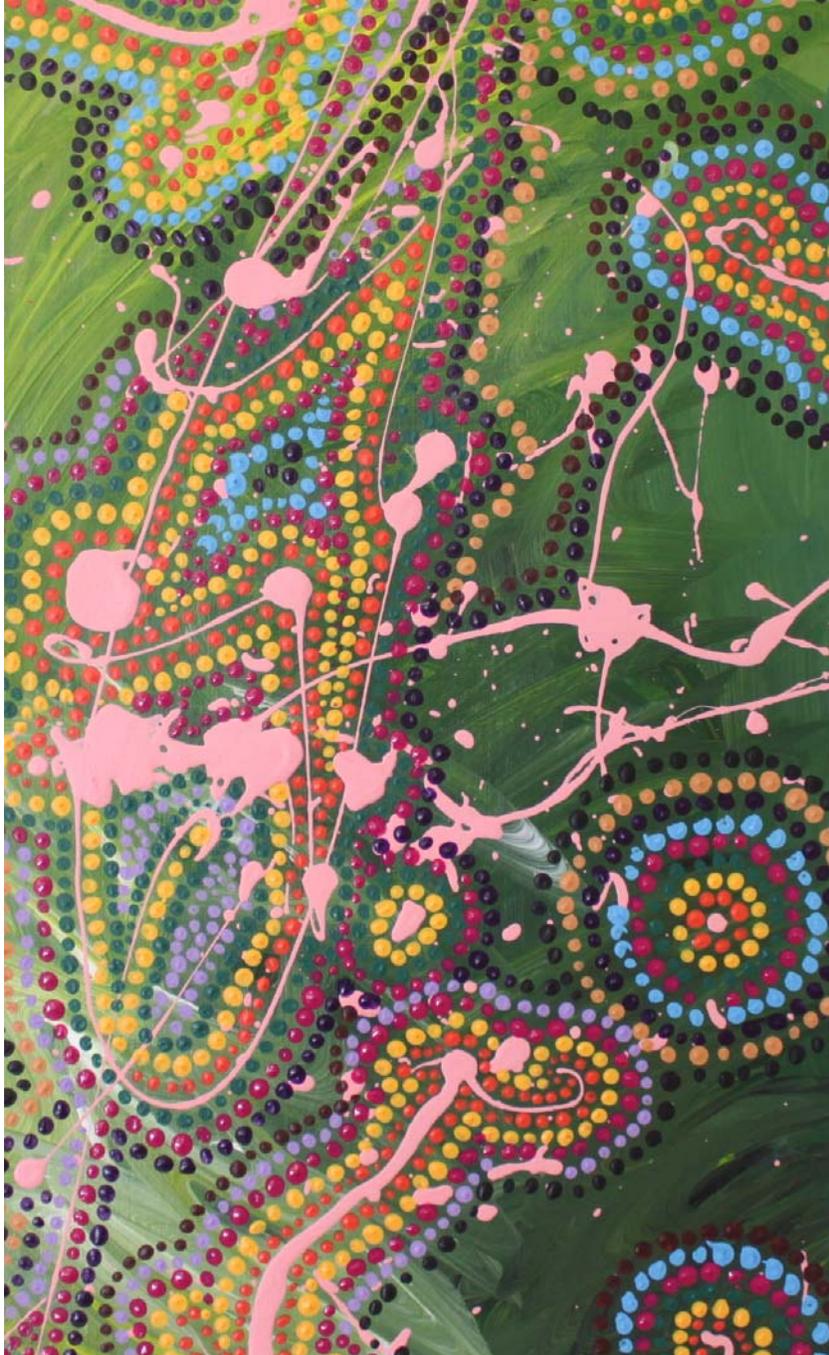
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# INTRODUCTORY SECTION



Artwork by Fairview Park High School Student –

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Learning to Believe & Achieve

# Fairview Park City School District

Brion Deitsch, Superintendent  
Amy Hendricks, Treasurer

21620 Mastick Rd. #A  
Fairview Park, OH 44126  
440.331.5500  
f: 440.356.3546  
[www.fairviewparkschools.org](http://www.fairviewparkschools.org)

December 23, 2013

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, 2013. 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 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 ensure conformance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". 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 North Coast Council, the Ohio Schools' Council Association and the Polaris Career Center are jointly governed organizations. The District's relationship 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 provides education to 1,800 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:

Cash 4 Gold	Brown Fox Florist
Total Nutrition Shop	Salon Lofts
Jersey Mike's Subs - Westgate	OshKosh B'gosh
The Treasures Within	Dress Barn
North Coast Credit Union	Halloween City

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 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.

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.

Within the last three years, the State of Ohio has dramatically changed its public education funding formula three times. State legislators passed House Bill 153 (H.B. 153), which eliminated the Ohio Evidence Based Model funding formula and was replaced with a “bridge” formula. This bridge formula was a temporary mechanism to be used until the State has the opportunity to develop a permanent funding formula. In February, 2013; Governor Kasich introduced H.B. 59, which dramatically changed the components of the state funding formula for public education. Under his plan, the district would experience a 25% increase in state funding for FY14 and FY15. However, in April 2013 the House of Representatives introduced substitute H.B. 59, which dropped the projected increase in state funding for the district from a 25% increase to 6% increase for FY14 and FY15. The district’s funding increase is limited to a 6.5% cap for FY14 and projected 5% for FY15. However, if the cap were to be lifted and the district received the actual funding amount that the state funding formula in H.B. 59 calculated, the district’s state revenue would more than double and increase by just under \$2,000,000.

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 expanded the cycle to a minimum of seven 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 fiscal year 2013 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.
- Evaluation of a fourth phase of the one to one laptop initiative is studying ways to expand the program from grades 5-12 to K-12. The emphasis is on development of alternative means to deliver curriculum to students to align with learning methods and assessment of mastery of subject matter.
- 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 District.
- 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 expenses 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 2013 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 capital 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 Fiscal Officer 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 Fiscal Officer 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 Auditor's Report, providing an assessment of the District's finances for fiscal year 2013 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 Dave Yost, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2013. 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, 2012. 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.

### ***ASBO Certificate of Excellence in Financial Reporting***

The Association of School Business Officials International (ASBO) awards a Certificate of Excellence in Financial Reporting to school districts that publish Comprehensive Annual Financial Reports which substantially conform to the principles and standards of financial reporting as recommended and adopted by the Association of the School Business Officials. The award is granted only after an intensive review of the financial report by an all-expert panel of certified public accountants and practicing school business officials.

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2012. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2013, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

## **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,



Amy L. Hendricks, CFO/Treasurer



Government Finance Officers Association

**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, 2012**

Executive Director/CEO

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## **Fairview Park City School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2012*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO  
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
PRINCIPAL OFFICIALS  
JUNE 30, 2013**

**Board of Education**

Joe Shucofsky – President	- Term (1/01/2012 – 12/31/2015)
Mark St. John – Vice President	- Term (1/01/2010 – 12/31/2013)
Laurie Stauber	- Term (7/31/2012 – 12/31/2013)
Tim Mesaros	- Term (1/01/2012 – 12/31/2015)
Joslyn Dalton	- Term (06/06/2012 – 12/31/2013)

**Superintendent**

Brion Deitsch

**Treasurer/CFO**

Ryan Ghizzoni

Amy Hendricks (effective 10/01/2013)

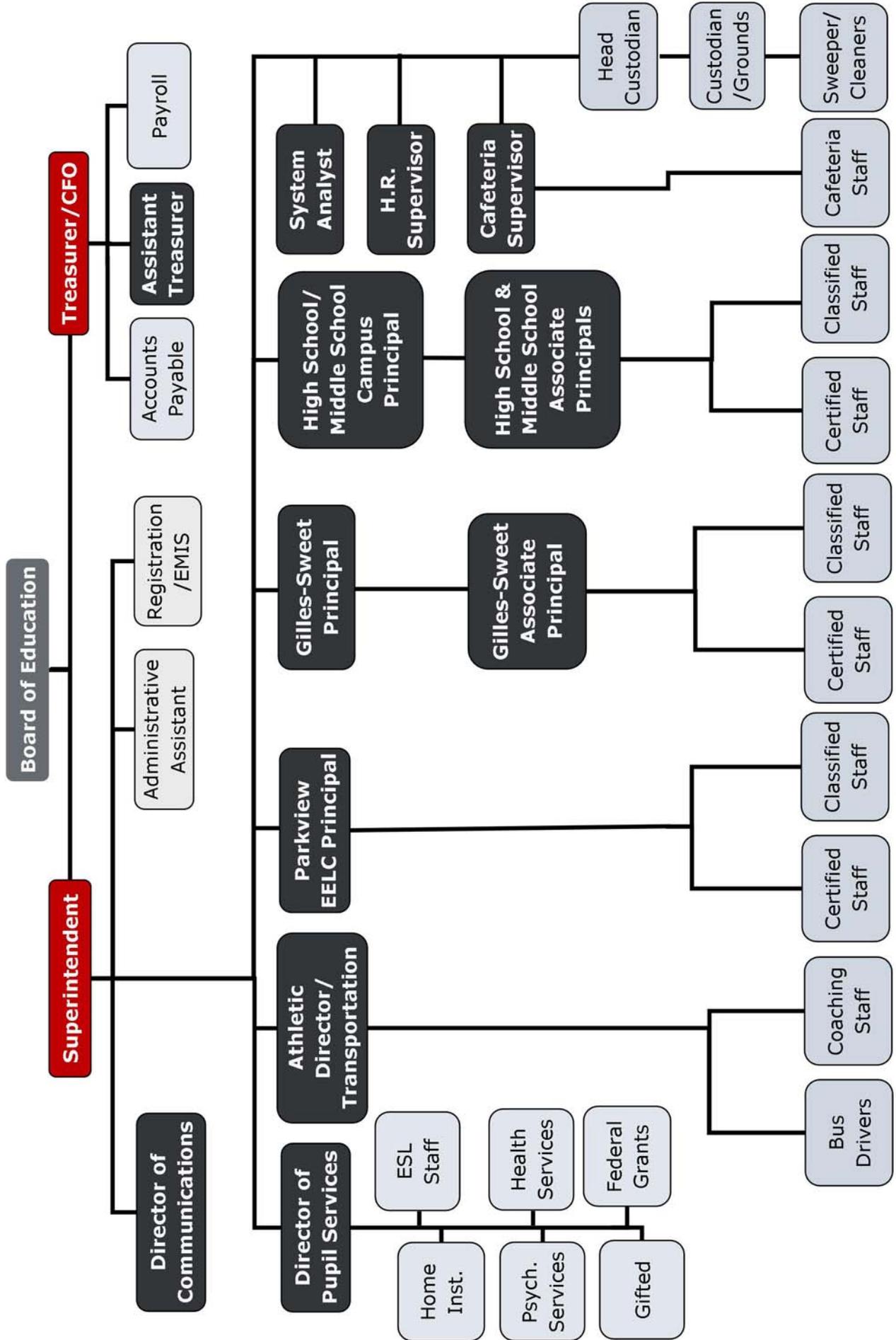
**Department Administrative Staff**

Director of Pupil Services	-	Constance Obrycki
Athletic Director/Transportation Supervisor	-	John Carter
Assistant to the Treasurer	-	Teresa Minerd
Human Resource Supervisor	-	Denise Devine
Food Services Supervisor	-	Laura D’Aiuto
Systems Analyst	-	Edward Sobczynski

**Building Level Administrative Staff**

High School/Middle School Campus Principal	-	Brady Sheets
High School Associate Principal	-	Chris Vicha
Middle School Associate Principal	-	Ray Mohr
Gilles Sweet Elementary Principal	-	Barb Brady
Gilles Sweet Associate Principal	-	Patricia Moran
Kindergarten Principal	-	Constance Obrycki
Early Education Director	-	Jill Davis

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
ORGANIZATIONAL CHART**



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# FINANCIAL SECTION



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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

### ***Report on the Financial Statements***

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 Fairview Park City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

**Opinion**

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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules 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, these statements and schedules are 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.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2013, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 23, 2013

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(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, 2013. 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 2013 are as follows:

- In total, net position increased \$2,204,827. Net position of governmental activities increased \$2,136,566, which represents a 9.07% increase from 2012. Business-type activities net position increased \$68,261 over 2012.
- General revenues accounted for \$21,981,868 in revenue or 90.88% of governmental activities revenues. Program specific revenues in the form of charges for services and sales, operating/capital grants and contributions accounted for \$2,205,744 or 9.12% of governmental activities revenues.
- Total revenues for fiscal year 2013 were \$25,416,323. Of this total, \$24,187,612 was reported in the governmental activities and \$1,228,711 in the business-type activities.
- The District had \$22,051,046 in expenses related to governmental activities; only \$2,205,744 of these expenses was offset by program specific charges for services, operating/capital grants or contributions resulting in a net cost of \$19,845,302 for the District. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$21,981,868 were adequate to provide for these programs.
- The District's major governmental funds are the general fund and the bond retirement fund. The general fund had \$20,502,628 in revenues and \$18,972,240 in expenditures and other financing uses. During fiscal 2013, the general fund's fund balance increased \$1,530,388 from a balance of \$14,045,271 to \$15,575,659.
- The bond retirement fund had \$21,313,415 in revenues and other financing sources and \$21,050,992 in expenditures and other financing uses. During fiscal 2013, the bond retirement fund's fund balance increased \$262,423 from \$2,471,773 to \$2,734,196.

**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 position 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 and bond retirement fund are by far the most significant funds, and the only governmental funds reported as major funds.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)

**Reporting the District as a Whole**

*Statement of Net Position 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 2013?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, 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.

These two statements report the District's net position and changes in that position. This change in net position 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 position 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 position and statement of activities can be found on pages 19-21 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 22 and the analysis of the District's nonmajor enterprise funds begins on page 27. 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 and bond retirement 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 position 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 22-26 of this report.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)

***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 27-29 of this report.

**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 position and changes in fiduciary net position on pages 30 and 31. 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 33-68 of this report.

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2013 and 2012. Certain amounts for fiscal year 2012 have been restated to conform to new reporting standards implemented in fiscal year 2013 (see Note 3.A).

**Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	Restated <u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	Restated <u>2012</u>
<b><u>Assets</u></b>						
Current and other assets	\$ 35,778,824	\$ 34,163,821	\$ (71,857)	\$ (154,751)	\$ 35,706,967	\$ 34,009,070
Capital assets, net	<u>33,832,456</u>	<u>34,644,483</u>	<u>94,072</u>	<u>109,865</u>	<u>33,926,528</u>	<u>34,754,348</u>
Total assets	<u>69,611,280</u>	<u>68,808,304</u>	<u>22,215</u>	<u>(44,886)</u>	<u>69,633,495</u>	<u>68,763,418</u>
<b><u>Deferred outflows</u></b>	<u>1,947,775</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,947,775</u>	<u>-</u>
<b><u>Liabilities</u></b>						
Current liabilities	1,881,141	1,880,496	42,505	36,293	1,923,646	1,916,789
Long-term liabilities	<u>29,867,338</u>	<u>29,018,047</u>	<u>55,818</u>	<u>63,190</u>	<u>29,923,156</u>	<u>29,081,237</u>
Total liabilities	<u>31,748,479</u>	<u>30,898,543</u>	<u>98,323</u>	<u>99,483</u>	<u>31,846,802</u>	<u>30,998,026</u>
<b><u>Deferred inflows</u></b>	<u>14,123,529</u>	<u>14,359,280</u>	<u>-</u>	<u>-</u>	<u>14,123,529</u>	<u>14,359,280</u>
<b><u>Net position</u></b>						
Net investment in capital assets	7,549,500	8,373,342	94,072	109,865	7,643,572	8,483,207
Restricted	2,957,589	2,614,797	-	-	2,957,589	2,614,797
Unrestricted (deficit)	<u>15,179,958</u>	<u>12,562,342</u>	<u>(170,180)</u>	<u>(254,234)</u>	<u>15,009,778</u>	<u>12,308,108</u>
Total net position (deficit)	<u>\$ 25,687,047</u>	<u>\$ 23,550,481</u>	<u>\$ (76,108)</u>	<u>\$ (144,369)</u>	<u>\$ 25,610,939</u>	<u>\$ 23,406,112</u>

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

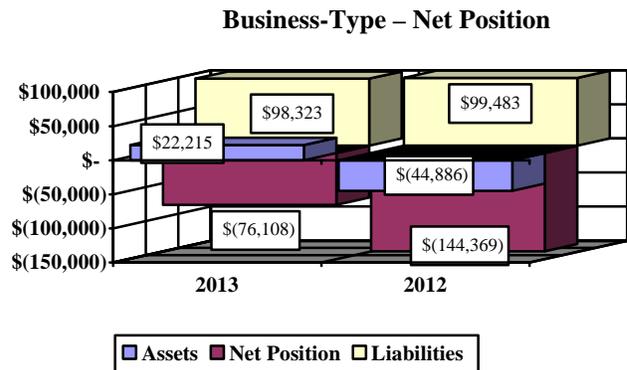
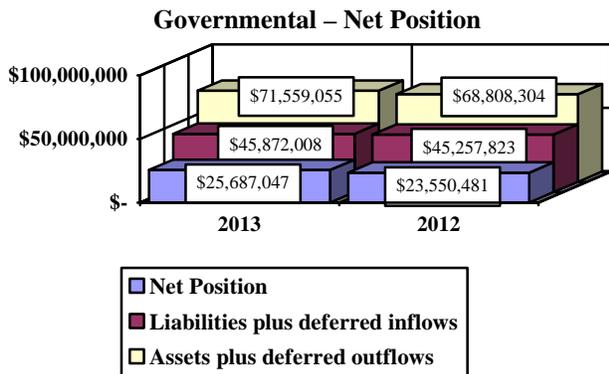
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)**

Capital assets for 2013 decreased due primarily to depreciation expense of \$1,280,922 being more than additions of \$453,102. Current and other assets increased primarily due to an increase in equity in pooled cash and investments of \$1,882,397. Long-term liabilities increased primarily due to the payment of principal on general obligation bonds coupled with new debt issuances in fiscal year 2013. Current liabilities increased primarily due to the increase in accounts and contracts payable.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2013, the District's assets plus deferred outflows exceeded liabilities plus deferred inflows by \$25,610,939. Of this total, \$2,957,589 is restricted in use.

At year-end, capital assets represented 48.72% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. The net investment in capital assets at June 30, 2013, was \$7,643,572. 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 position, \$2,957,589, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is \$15,009,778. The graphs below show the assets plus deferred outflows, liabilities plus deferred inflows and net position of the governmental activities and business-type activities at June 30, 2013 and 2012.



The negative asset balances for the business-type activities in 2013 are the result of internal balances due to interfund loans made from the governmental activities to the business-type activities to support operations.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)**

The table below shows the changes in net position for fiscal year 2013 and 2012.

**Change in Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b><u>Revenues</u></b>						
Program revenues:						
Charges for services and sales	\$ 691,856	\$ 654,264	\$ 1,023,772	\$ 945,863	\$ 1,715,628	\$ 1,600,127
Operating grants and contributions	1,513,888	1,112,626	188,987	202,397	1,702,875	1,315,023
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property taxes	17,125,595	17,864,256	-	-	17,125,595	17,864,256
Grants and entitlements	4,744,664	4,773,368	-	-	4,744,664	4,773,368
Investment earnings	31,082	118,471	-	-	31,082	118,471
Other	<u>80,527</u>	<u>110,185</u>	<u>15,952</u>	<u>10,464</u>	<u>96,479</u>	<u>120,649</u>
Total revenues	<u>24,187,612</u>	<u>24,633,170</u>	<u>1,228,711</u>	<u>1,158,724</u>	<u>25,416,323</u>	<u>25,791,894</u>
<b><u>Expenses</u></b>						
Program expenses:						
Instruction:						
Regular	10,159,477	10,527,461	-	-	10,159,477	10,527,461
Special	2,763,960	2,044,031	-	-	2,763,960	2,044,031
Vocational	101,276	101,336	-	-	101,276	101,336
Other	27,004	26,963	-	-	27,004	26,963
Support services:						
Pupil	1,372,568	1,402,845	-	-	1,372,568	1,402,845
Instructional staff	589,672	1,227,221	-	-	589,672	1,227,221
Board of education	33,499	24,499	-	-	33,499	24,499
Administration	1,465,239	1,525,224	-	-	1,465,239	1,525,224
Fiscal	682,284	808,236	-	-	682,284	808,236
Business	33,442	15,108	-	-	33,442	15,108
Operations and maintenance	1,767,999	1,848,672	-	-	1,767,999	1,848,672
Pupil transportation	636,919	598,342	-	-	636,919	598,342
Central	271,886	703,144	-	-	271,886	703,144
Operation of non-instructional services:						
Other non-instructional services	448,198	440,844	-	-	448,198	440,844
Extracurricular activities	531,641	546,593	-	-	531,641	546,593
Interest and fiscal charges	861,026	1,343,335	-	-	861,026	1,343,335
Bond issuance costs	304,956	-	-	-	304,956	-
Food service operations	-	-	431,845	409,011	431,845	409,011
Day care services	-	-	<u>728,605</u>	<u>732,200</u>	<u>728,605</u>	<u>732,200</u>
Total expenses	<u>22,051,046</u>	<u>23,183,854</u>	<u>1,160,450</u>	<u>1,141,211</u>	<u>23,211,496</u>	<u>24,325,065</u>
Changes in net position	2,136,566	1,449,316	68,261	17,513	2,204,827	1,466,829
Net position at beginning of year	<u>23,550,481</u>	<u>22,101,165</u>	<u>(144,369)</u>	<u>(161,882)</u>	<u>23,406,112</u>	<u>21,939,283</u>
Net position at end of year	<u>\$ 25,687,047</u>	<u>\$ 23,550,481</u>	<u>\$ (76,108)</u>	<u>\$ (144,369)</u>	<u>\$ 25,610,939</u>	<u>\$ 23,406,112</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)**

**Governmental Activities**

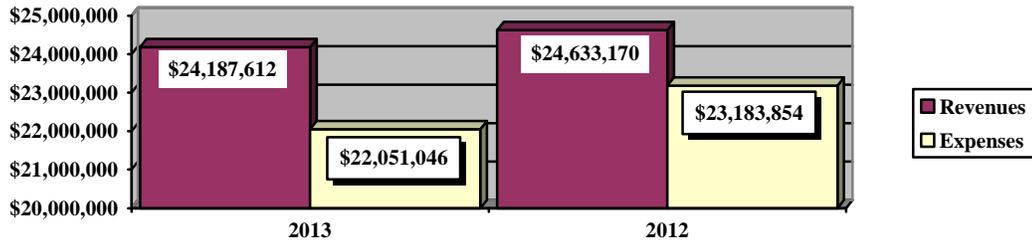
For fiscal year 2013, the net position of the District's governmental activities increased \$2,136,566. Total governmental expenses of \$22,051,046 were offset by program revenues of \$2,205,744 and general revenues of \$21,981,868. Program revenues supported 10.00% of the total governmental expenses. Program revenues increased \$438,854 or 24.84% due to increased program revenues primarily from operating grants and contributions. During fiscal year 2013, the District had an increase IDEA, Part B Special Education funding of approximately \$179,000 and increased Title I funding of approximately \$217,000.

General revenues decreased \$884,412 primarily due to the decrease in the amount of taxes collected during the year on a cash basis. The fluctuation between years is primarily responsible for the variance in general tax revenues.

Governmental activities expenses remained consistent with prior year, decreasing \$1,132,808, or 4.89% from the prior year. Special instruction expenses increased \$719,929, or 35.22%, from fiscal year 2012 primarily due to increased cost related to special education; however, this increase was partially offset by a corresponding decrease in instructional staff support services of \$637,549, or 51.95%.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2013 and 2012.

**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, 2013  
(UNAUDITED)**

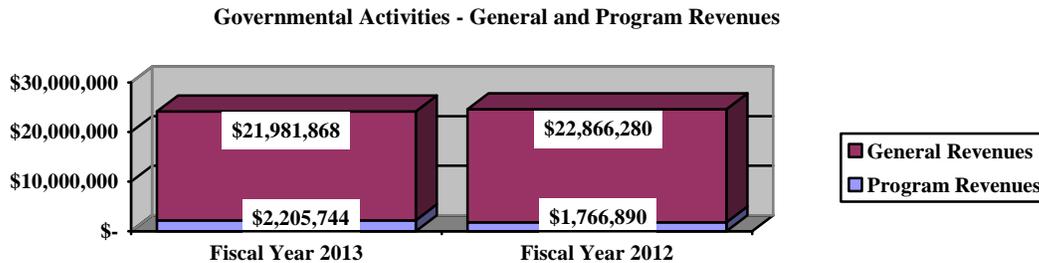
The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2013 and 2012. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

	Total Cost of Services <u>2013</u>	Net Cost of Services <u>2013</u>	Total Cost of Services <u>2012</u>	Net Cost of Services <u>2012</u>
<b>Program expenses:</b>				
<b>Instruction:</b>				
Regular	\$ 10,159,477	\$ 9,680,392	\$ 10,527,461	\$ 10,056,259
Special	2,763,960	2,003,493	2,044,031	1,639,649
Vocational	101,276	93,474	101,336	93,534
Other	27,004	26,220	26,963	24,597
<b>Support services:</b>				
Pupil	1,372,568	1,195,208	1,402,845	1,280,645
Instructional staff	589,672	527,529	1,227,221	1,227,221
Board of education	33,499	33,499	24,499	24,499
Administration	1,465,239	1,456,468	1,525,224	1,520,521
Fiscal	682,284	656,266	808,236	798,261
Business	33,442	33,442	15,108	15,108
Operations and maintenance	1,767,999	1,666,029	1,848,672	1,743,392
Pupil transportation	636,919	601,399	598,342	527,878
Central	271,886	268,309	703,144	694,823
<b>Operation of non-instructional services:</b>				
Other non-instructional services	448,198	16,086	440,844	2,478
Extracurricular activities	531,641	421,506	546,593	424,764
Interest and fiscal charges	861,026	861,026	1,343,335	1,343,335
Bond issuance costs	304,956	304,956	-	-
<b>Total expenses</b>	<b><u>\$ 22,051,046</u></b>	<b><u>\$ 19,845,302</u></b>	<b><u>\$ 23,183,854</u></b>	<b><u>\$ 21,416,964</u></b>

The dependence upon tax revenues during fiscal year 2013 for governmental activities is apparent, as 90.44% of 2013 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 90.00%. 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 2013 and 2012.



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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(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 \$1,228,711 and expenses of \$1,160,450 for fiscal year 2013. 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 22) reported a combined fund balance of \$18,746,578, which is more than last year's fund total of \$16,790,116.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2013 and 2012.

	<u>Fund Balance June 30, 2013</u>	<u>Fund Balance June 30, 2012</u>	<u>Increase</u>
General	\$ 15,575,659	\$ 14,045,271	\$ 1,530,388
Bond retirement	2,734,196	2,471,773	262,423
Other governmental	<u>436,723</u>	<u>273,072</u>	<u>163,651</u>
Total	<u>\$ 18,746,578</u>	<u>\$ 16,790,116</u>	<u>\$ 1,956,462</u>

**General Fund**

The District's general fund balance increased \$1,530,388, which is primarily due to a decrease of \$1,228,411 in support services expenditures.

The table that follows assists in illustrating the financial activities and fund balance of the general fund.

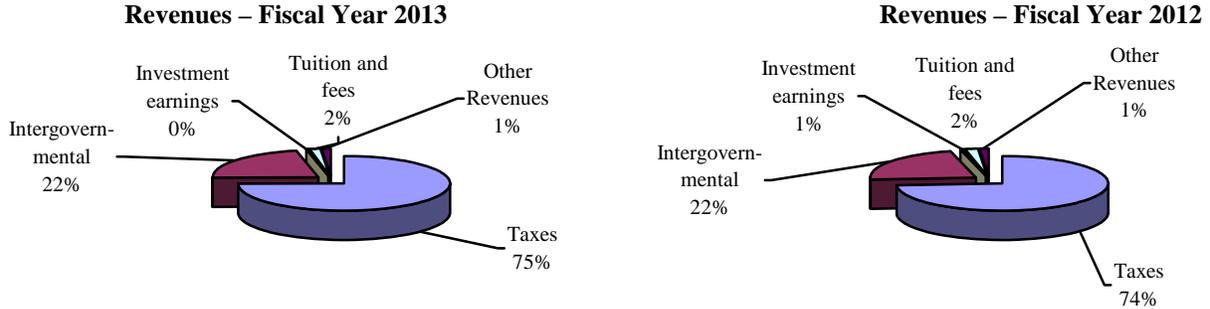
	<u>2013 Amount</u>	<u>2012 Amount</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>				
Property taxes	\$ 15,316,326	\$ 15,013,527	\$ 302,799	2.02 %
Intergovernmental	4,514,049	4,495,505	18,544	0.41 %
Investment earnings	37,139	112,348	(75,209)	(66.94) %
Tuition and fees	420,245	394,839	25,406	6.43 %
Other revenues	<u>214,869</u>	<u>274,412</u>	<u>(59,543)</u>	<u>(21.70) %</u>
Total	<u>\$ 20,502,628</u>	<u>\$ 20,290,631</u>	<u>\$ 211,997</u>	<u>1.04 %</u>

Tuition and fees remained comparable to fiscal year 2012. Tax revenue increased \$302,799 primarily due to an increase in delinquent taxes receivable received during 2013. Investment earnings decreased \$75,209 or 66.94% due to fewer investments and lower interest rates. Other revenues decreased \$59,543 or 21.70% from fiscal year 2012 primarily due to a decrease in miscellaneous revenues such as refunds, reimbursements and monies from other local sources.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)**

The graphs below show the District's revenues, by source, for fiscal year 2013 and 2012:

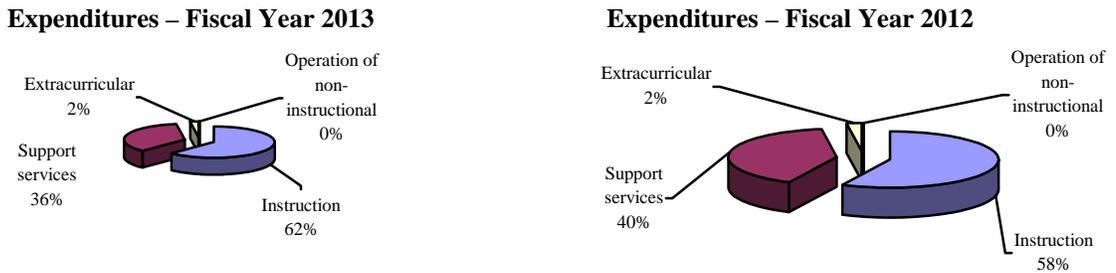


The table that follows assists in illustrating the expenditures of the general fund.

	2013 <u>Amount</u>	2012 <u>Amount</u>	Increase (Decrease)	Percentage Change
<b><u>Expenditures</u></b>				
Instruction	\$ 11,142,996	\$ 10,784,860	\$ 358,136	3.32 %
Support services	6,359,532	7,587,943	(1,228,411)	(16.19) %
Operation of non-instructional services	10,959	172	10,787	6,271.51 %
Extracurricular activities	<u>394,743</u>	<u>437,487</u>	<u>(42,744)</u>	(9.77) %
<b>Total</b>	<u>\$ 17,908,230</u>	<u>\$ 18,810,462</u>	<u>\$ (902,232)</u>	(4.80) %

Due to the District's tight cost control policy expenditures decreased 4.80%. Instruction expenses increased due to increased special education expenditures; however, this increase was partially offset by a decrease in support services instructional staff expenditures. Support services expenditures decreased primarily in the areas of support services - instructional staff, which decreased \$691,029 or 58.42%, and support services – central which decreased \$320,332 or 55.48%. All other expenditures remained consistent with fiscal year 2012.

The graphs below show the District's expenditures, by functional area, for fiscal year 2013 and 2012:



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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)

***Bond Retirement Fund***

The bond retirement fund had \$21,313,415 in revenues and other financing sources and \$21,050,992 in expenditures and other financing uses. During fiscal 2013, the bond retirement fund's fund balance increased \$262,423 from \$2,471,773 to \$2,734,196. During fiscal year 2013, the District issued \$16,539,980 of Series 2012 and Series 2013 General Obligation Refunding Bonds. The bonds were issued to advance refund the callable portion of the Series 2005 School Improvements Bonds. The refunding took place to reduce future debt service payments by approximately \$2.6 million and resulted in an economic gain of approximately \$2.0 million.

***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 2013, 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 budgeted revenue and other financing sources was \$20,755,328. The original budgeted revenue and other financing sources was \$20,409,000. Actual revenue and other financing sources was \$20,755,328. There was no difference between the final budgeted revenues and other financing sources and the actual revenues and other financing sources.

Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$19,168,316. This amount was \$180,204 more than the final budgeted amounts, of this amount \$180,204 was for advances out which are not required to be budgeted. The final budgeted expenditures and other financing uses were decreased \$587,865 from the original budgeted amounts. Overall, fund balance on the budget basis increased \$1,587,012 over the prior year.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2013, the District had \$33,926,528 invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. Of this total, \$33,832,456 was reported in governmental activities and \$94,072 was reported in business-type activities. The following table shows fiscal 2013 balances compared to 2012:

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Land	\$ 218,800	\$ 218,800	\$ -	\$ -	\$ 218,800	\$ 218,800
Land improvements	845,574	907,778	-	-	845,574	907,778
Buildings and improvements	31,726,110	32,366,180	-	-	31,726,110	32,366,180
Furniture, fixtures and equipment	310,463	351,036	94,072	109,865	404,535	460,901
Vehicles	505,206	535,079	-	-	505,206	535,079
Textbooks	226,303	265,610	-	-	226,303	265,610
<b>Total</b>	<b>\$ 33,832,456</b>	<b>\$ 34,644,483</b>	<b>\$ 94,072</b>	<b>\$ 109,865</b>	<b>\$ 33,926,528</b>	<b>\$ 34,754,348</b>

Overall capital assets, net of accumulated depreciation, decreased \$827,820 from fiscal year 2012 to fiscal year 2013. Depreciation expense of \$1,280,922 exceeded capital outlays of \$453,102 during the year. See Note 11 to the basic financial statements for more detail on the District's capital assets.

***Debt Administration***

At June 30, 2013, the District has \$25,304,980 in long-term bonds outstanding. Of this total, \$1,304,464 is due within one year and \$24,000,516 is due within greater than one year. The following table summarizes outstanding long-term debt:

**Outstanding Debt, at Year End**

	<u>Governmental</u>	<u>Governmental</u>
	<u>Activities</u>	<u>Activities</u>
<b>Long Term Debt:</b>	<u>2013</u>	<u>2012</u>
Series 2005 - Refunding Library improvement bonds	\$ 350,000	\$ 805,000
Series 2005 - School improvement bonds	8,470,000	25,175,773
Series 2012 & 2013 - Refunding bonds	16,484,980	-
<b>Total</b>	<b>\$ 25,304,980</b>	<b>\$ 25,980,773</b>

During fiscal year 2013, the District issued refunding bonds to advance refund a portion of the Series 2005 school improvement notes. Payments of principal and interest on the general obligation bonds are made from the bond retirement fund. See Note 16 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, 2013  
(UNAUDITED)**

**Current Financial Related Activities**

As the preceding information shows, the District heavily depends on its property taxpayers. In the November 2012 election, the voters of the District renewed the District's emergency levy that was last renewed in May of 2008. Prior to the renewal, the last full collection year for this levy was scheduled to be in calendar year 2013. The passage of the renewal allowed the District to avoid a decrease in revenue.

The Cuyahoga County Fiscal Office property re-appraisal was completed in calendar year 2012, which caused in the District's Class I – residential real estate property values to be reduced by 3.97%. Furthermore, the District's Class II property value decreased in values by 2.21% from the previous year. Due to the improvement in the housing market in Northeast Ohio and across the country, the District has included a slight increase of .5% for the calendar year 2015 County triennial update and an additional increase of 2% in property values for the calendar year 2018 County property re-appraisal. The District will monitor the "Residential Median Market to Price Ratio" data published by the Ohio Department of Taxation (O.D.T.) on an annual basis to determine if these projections need to be adjusted should the data fluctuate.

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." During calendar year 2009, the County conducted a tri-annual update, which resulted in reductions in residential property due to the district's average appraised residential property ratio in Fairview Park being 105% of the market value on the average residential property sale reported in 2008. The county decreased residential property values by 9% to bring the Fairview Park average appraised residential property ratio closer to ODT recommended range.

In February of 2013, the State of Ohio Governor introduced H.B. 59, which dramatically changed the components of the state funding formula for public education. Under this plan, the District would experience a 25% increase in state funding for fiscal year 2014 and 2015. However, in April 2013 the House of Representatives introduced substitute H.B. 59, which dropped the projected increase in state funding for the District from a 25% increase to 6% increase for fiscal year 2014 and 2015. The District's funding increase is limited to a 6.5% cap for fiscal year 2014 and projected 5% for fiscal year 2015. However, if the cap were to be lifted and the District received the actual funding amount that the state funding formula in H.B. 59 calculated, the District's state revenue would more than double and increase by just under \$2,000,000.

The current legislation for Sub. H.B. 59 provides for several new funding components that were not included in previous funding formulas and substantial increases in existing funding components. The additional funding components the District qualifies for that are outside of the core "Opportunity Grant" (base) funding include:

- K-3 Literacy
- LEP
- Economic Disadvantage
- Gifted Education
- Special Education
- Transportation

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(UNAUDITED)**

While each of these components provide funding for different programs offered by the district, the actual funding benefit each component will generate will not be realized by the District, due to the "Opportunity Grant" (base) funding formula "capping" out in both fiscal years and are included above.

While Sub. H.B. 59 only covers fiscal years 2014 and 2015, the District has projected increases in state funding for fiscal years subsequent to fiscal year 2015. The District has made these projections based on the significant amount of funding it will not receive from the state from the funding formula, due to the funding cap. Therefore, the District anticipates receiving annual increases in state foundation funding for fiscal years subsequent to fiscal year 2015 equal to 2% of the prior year funding level. This calculation is purely based on prior year funding caps and is subject to change as the legislation for those specific fiscal years is introduced.

The projections provided for state funding "inside the cap/guarantee" for fiscal year 2014 and 2015 does not include Special Education Transportation or Preschool Unit Funding. Therefore, for fiscal years 2014 through 2017, these funds are projected to be received in addition to the revenue projections provided by the legislature in Sub. H.B. 59.

On November 3<sup>rd</sup>, 2009, the voters in the State of Ohio approved a constitutional amendment to allow for one casino in Cincinnati, Cleveland, Columbus, and Toledo and distribute to all Ohio Counties a tax on the casinos. 34% of the tax that will be assessed and collected will be distributed directly to public school districts based on their actual enrollment. The first two casinos (Cleveland and Toledo) opened in May 2012 and the first distribution of the taxes generated from those casinos was received in fiscal year 2013.

The District collected approximately \$21 per student for fiscal year 2013 from this tax, which totaled \$38,182 for the District. This revenue was only generated from two of the four casinos for fiscal year 2013. Based on calculations from various experts on this tax and reports issued by the Ohio Department of Taxation, the District is projecting \$50 a student will be collected in casino revenue for future fiscal years. The District will revise this revenue level for future fiscal years, once additional reports are released from the Ohio Department of Taxation indicating what the full per pupil funding amount will be with all four casinos open.

**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: Ms. Amy Hendricks, Treasurer, at Fairview Park City Schools, 21620 Mastick Road, Fairview Park, Ohio 44126.

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

STATEMENT OF NET POSITION  
JUNE 30, 2013

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 18,180,603	\$ 15,676	\$ 18,196,279
Receivables:			
Property taxes . . . . .	17,055,947	-	17,055,947
Accounts . . . . .	6,792	30	6,822
Accrued interest . . . . .	24,179	-	24,179
Intergovernmental . . . . .	413,146	1,710	414,856
Materials and supplies inventory . . . . .	-	8,884	8,884
Internal balance . . . . .	98,157	(98,157)	-
Capital assets:			
Land . . . . .	218,800	-	218,800
Depreciable capital assets, net . . . . .	33,613,656	94,072	33,707,728
Capital assets, net . . . . .	33,832,456	94,072	33,926,528
Total assets . . . . .	69,611,280	22,215	69,633,495
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding . . . . .	1,947,775	-	1,947,775
<b>Liabilities:</b>			
Accounts payable . . . . .	49,688	778	50,466
Contracts payable . . . . .	44,600	-	44,600
Accrued wages and benefits payable . . . . .	1,441,006	25,794	1,466,800
Pension obligation payable . . . . .	216,089	14,262	230,351
Intergovernmental payable . . . . .	53,818	1,671	55,489
Accrued interest payable . . . . .	75,940	-	75,940
Long-term liabilities:			
Due within one year . . . . .	1,867,753	8,281	1,876,034
Due in more than one year . . . . .	27,999,585	47,537	28,047,122
Total liabilities . . . . .	31,748,479	98,323	31,846,802
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	14,123,529	-	14,123,529
<b>Net position:</b>			
Net investment in capital assets . . . . .	7,549,500	94,072	7,643,572
Restricted for:			
Capital projects . . . . .	48,029	-	48,029
Debt service . . . . .	2,635,272	-	2,635,272
Locally funded programs . . . . .	9,352	-	9,352
State funded programs . . . . .	23,137	-	23,137
Federally funded programs . . . . .	214,015	-	214,015
Student activities . . . . .	27,784	-	27,784
Unrestricted (deficit) . . . . .	15,179,958	(170,180)	15,009,778
Total net position (deficit) . . . . .	\$ 25,687,047	\$ (76,108)	\$ 25,610,939

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, 2013

	Expenses	Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
<b>Governmental activities:</b>			
Instruction:			
Regular . . . . .	\$ 10,159,477	\$ 414,852	\$ 64,233
Special . . . . .	2,763,960	33,017	727,450
Vocational . . . . .	101,276	-	7,802
Other . . . . .	27,004	-	784
Support services:			
Pupil . . . . .	1,372,568	-	177,360
Instructional staff . . . . .	589,672	-	62,143
Board of education . . . . .	33,499	-	-
Administration . . . . .	1,465,239	-	8,771
Fiscal . . . . .	682,284	-	26,018
Business . . . . .	33,442	-	-
Operations and maintenance . . . . .	1,767,999	101,970	-
Pupil transportation . . . . .	636,919	35,520	-
Central . . . . .	271,886	1,431	2,146
Operation of non-instructional services			
Other non-instructional services . . . . .	448,198	1,237	430,875
Extracurricular activities . . . . .	531,641	103,829	6,306
Interest and fiscal charges . . . . .	861,026	-	-
Bond issuance costs . . . . .	304,956	-	-
Total governmental activities . . . . .	22,051,046	691,856	1,513,888
<b>Business-Type activities:</b>			
Food service . . . . .	431,845	232,193	188,987
Day care service . . . . .	728,605	791,579	-
Total business-type activities . . . . .	1,160,450	1,023,772	188,987
Totals . . . . .	\$ 23,211,496	\$ 1,715,628	\$ 1,702,875

**General revenues:**

Property taxes levied for	
General purposes . . . . .	
Debt service . . . . .	
Grants and entitlements not restricted	
to specific programs . . . . .	
Investment earnings . . . . .	
Miscellaneous . . . . .	
Total general revenues . . . . .	
Change in net position . . . . .	
<b>Net position (deficit) at beginning of year . . . . .</b>	
<b>Net position (deficit) at end of year . . . . .</b>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue  
and Changes in Net Position**

<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>
\$	(9,680,392)	\$	-	\$ (9,680,392)
	(2,003,493)		-	(2,003,493)
	(93,474)		-	(93,474)
	(26,220)		-	(26,220)
	(1,195,208)		-	(1,195,208)
	(527,529)		-	(527,529)
	(33,499)		-	(33,499)
	(1,456,468)		-	(1,456,468)
	(656,266)		-	(656,266)
	(33,442)		-	(33,442)
	(1,666,029)		-	(1,666,029)
	(601,399)		-	(601,399)
	(268,309)		-	(268,309)
	(16,086)		-	(16,086)
	(421,506)		-	(421,506)
	(861,026)		-	(861,026)
	(304,956)		-	(304,956)
	(19,845,302)		-	(19,845,302)
	-	(10,665)		(10,665)
	-	62,974		62,974
	-	52,309		52,309
	(19,845,302)	52,309		(19,792,993)
	15,093,080	-		15,093,080
	2,032,515	-		2,032,515
	4,744,664	-		4,744,664
	31,082	-		31,082
	80,527	15,952		96,479
	21,981,868	15,952		21,997,820
	2,136,566	68,261		2,204,827
	23,550,481	(144,369)		23,406,112
\$	25,687,047	\$ (76,108)	\$	25,610,939

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

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013

	General	Bond Retirement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 15,169,643	\$ 2,450,065	\$ 550,203	\$ 18,169,911
Receivables:				
Property taxes. . . . .	15,270,337	1,785,610	-	17,055,947
Accounts . . . . .	5,370	-	1,422	6,792
Accrued interest . . . . .	24,179	-	-	24,179
Interfund loans . . . . .	179,790	-	-	179,790
Intergovernmental. . . . .	105,055	-	308,091	413,146
Total assets . . . . .	<u>\$ 30,754,374</u>	<u>\$ 4,235,675</u>	<u>\$ 859,716</u>	<u>\$ 35,849,765</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 39,896	\$ -	\$ 9,792	\$ 49,688
Contracts payable. . . . .	-	-	44,600	44,600
Accrued wages and benefits payable . . . . .	1,411,899	-	29,107	1,441,006
Compensated absences payable . . . . .	80,637	-	-	80,637
Early retirement incentive payable . . . . .	112,699	-	-	112,699
Intergovernmental payable . . . . .	52,684	-	1,134	53,818
Pension obligation payable . . . . .	210,902	-	5,187	216,089
Interfund loans payable. . . . .	-	-	80,565	80,565
Total liabilities. . . . .	<u>1,908,717</u>	<u>-</u>	<u>170,385</u>	<u>2,079,102</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	12,682,652	1,440,877	-	14,123,529
Delinquent property tax revenue not available. . . . .	518,253	60,602	-	578,855
Accrued interest not available. . . . .	5,647	-	-	5,647
Intergovernmental revenue not available. . . . .	63,446	-	252,408	315,854
Miscellaneous revenue not available. . . . .	-	-	200	200
Total deferred inflows of resources . . . . .	<u>13,269,998</u>	<u>1,501,479</u>	<u>252,608</u>	<u>15,024,085</u>
<b>Fund balances:</b>				
Nonspendable:				
Unclaimed monies . . . . .	10,457	-	-	10,457
Restricted:				
Debt service . . . . .	-	2,734,196	-	2,734,196
Capital improvements . . . . .	-	-	3,429	3,429
Non-public schools . . . . .	-	-	32,275	32,275
Special education . . . . .	-	-	14,074	14,074
Targeted academic assistance . . . . .	-	-	285	285
Other purposes. . . . .	-	-	10,302	10,302
Extracurricular . . . . .	-	-	27,784	27,784
Committed:				
Capital improvements . . . . .	-	-	374,441	374,441
Assigned:				
Student instruction . . . . .	55,588	-	-	55,588
Student and staff support. . . . .	160,358	-	-	160,358
Other purposes. . . . .	7,273	-	-	7,273
Unassigned (deficit). . . . .	15,341,983	-	(25,867)	15,316,116
Total fund balances . . . . .	<u>15,575,659</u>	<u>2,734,196</u>	<u>436,723</u>	<u>18,746,578</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 30,754,374</u>	<u>\$ 4,235,675</u>	<u>\$ 859,716</u>	<u>\$ 35,849,765</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 POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2013

<b>Total governmental fund balances</b>	\$	18,746,578
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		33,832,456
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Delinquent property taxes receivable	\$ 578,855	
Accounts receivable	200	
Accrued interest receivable	5,647	
Intergovernmental receivable	315,854	
Total	900,556	900,556
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 position.		9,624
Unamortized premiums on bonds issued are not recognized in the funds.		(3,231,151)
Unamortized deferred charges on debt refundings are not recognized in the funds.		1,947,775
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(75,940)
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	(25,388,566)	
Compensated absences	(1,054,285)	
Total	(26,442,851)	(26,442,851)
<b>Net position of governmental activities</b>	<b>\$</b>	<b>25,687,047</b>

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, 2013

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 15,316,326	\$ 2,076,597	\$ -	\$ 17,392,923
Tuition . . . . .	306,080	-	-	306,080
Transportation fees . . . . .	37,262	-	-	37,262
Earnings on investments . . . . .	37,139	-	274	37,413
Extracurricular . . . . .	67,700	-	103,683	171,383
Classroom materials and fees . . . . .	76,903	-	-	76,903
Rental income . . . . .	101,970	-	-	101,970
Contributions and donations . . . . .	10,778	-	600	11,378
Other local revenues . . . . .	34,421	-	29,560	63,981
Intergovernmental - intermediate . . . . .	15,785	-	-	15,785
Intergovernmental - state . . . . .	4,480,476	346,140	400,895	5,227,511
Intergovernmental - federal . . . . .	17,788	-	733,131	750,919
Total revenues . . . . .	<u>20,502,628</u>	<u>2,422,737</u>	<u>1,268,143</u>	<u>24,193,508</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	8,755,270	-	294,249	9,049,519
Special . . . . .	2,276,207	-	472,879	2,749,086
Vocational . . . . .	97,885	-	14,400	112,285
Other . . . . .	13,634	-	1,016	14,650
Support services:				
Pupil . . . . .	1,244,406	-	146,629	1,391,035
Instructional staff . . . . .	491,867	-	51,834	543,701
Board of education . . . . .	33,499	-	-	33,499
Administration . . . . .	1,439,666	-	6,438	1,446,104
Fiscal . . . . .	633,923	28,768	20,691	683,382
Business . . . . .	33,442	-	-	33,442
Operations and maintenance . . . . .	1,658,461	-	50,396	1,708,857
Pupil transportation . . . . .	567,183	-	125,973	693,156
Central . . . . .	257,085	-	2,474	259,559
Operation of non-instructional services:				
Other non-instructional services . . . . .	10,959	-	435,696	446,655
Extracurricular activities . . . . .	394,743	-	136,313	531,056
Facilities acquisition and construction . . . . .	-	-	409,514	409,514
Debt service:				
Principal retirement . . . . .	-	1,280,000	-	1,280,000
Interest and fiscal charges . . . . .	-	854,092	-	854,092
Bond issuance costs . . . . .	-	304,956	-	304,956
Total expenditures . . . . .	<u>17,908,230</u>	<u>2,467,816</u>	<u>2,168,502</u>	<u>22,544,548</u>
Excess of revenues over (under) expenditures . . . . .	<u>2,594,398</u>	<u>(45,079)</u>	<u>(900,359)</u>	<u>1,648,960</u>
<b>Other financing sources (uses):</b>				
Premium on refunding bonds issued . . . . .	-	2,350,698	-	2,350,698
Issuance of refunding bonds . . . . .	-	16,539,980	-	16,539,980
Payment to refunded bond escrow agent . . . . .	-	(18,583,176)	-	(18,583,176)
Transfers in . . . . .	-	-	1,064,010	1,064,010
Transfers (out) . . . . .	(1,064,010)	-	-	(1,064,010)
Total other financing sources (uses) . . . . .	<u>(1,064,010)</u>	<u>307,502</u>	<u>1,064,010</u>	<u>307,502</u>
Net change in fund balances . . . . .	1,530,388	262,423	163,651	1,956,462
<b>Fund balances at beginning of year . . . . .</b>	<u>14,045,271</u>	<u>2,471,773</u>	<u>273,072</u>	<u>16,790,116</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 15,575,659</u>	<u>\$ 2,734,196</u>	<u>\$ 436,723</u>	<u>\$ 18,746,578</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, 2013

<b>Net change in fund balances - total governmental funds</b>	\$	1,956,462
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 453,102	
Current year depreciation	(1,265,129)	
Total		(812,027)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property tax revenue	(267,328)	
Transportation fees	(1,742)	
Earnings on investments	(6,082)	
Other local revenue	(1,181)	
Intergovernmental revenue	270,437	
Total		(5,896)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		1,280,000
Issuance of refunding bonds are recorded as other financing source in the governmental funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.		
		(16,539,980)
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the fiscal year:		
Bonds refunded	16,540,000	
Deferred charges on debt refundings	2,043,176	
Total		18,583,176
Premiums on bonds issued are recognized as an other financing source in the governmental funds, however, they are amortized over the life of the issuance in the statement of activities.		
		(2,350,698)
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 in the statement of activities:		
Decrease in accrued interest payable	33,306	
Accreted interest on "capital appreciation" bonds	(159,754)	
Amortization of bond premiums	214,915	
Amortization of deferred charges on debt refundings	(95,401)	
Total		(6,934)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
		18,784
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide 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.		
		13,679
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>2,136,566</b>

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, 2013

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 15,008,946	\$ 15,263,639	\$ 15,263,639	\$ -
Tuition . . . . .	301,312	306,425	306,425	-
Transportation fees . . . . .	35,081	35,676	35,676	-
Earnings on investments . . . . .	62,683	63,747	63,747	-
Extracurricular . . . . .	560	570	570	-
Classroom materials and fees . . . . .	75,620	76,903	76,903	-
Rental income . . . . .	99,551	101,240	101,240	-
Other local revenues . . . . .	24,978	25,402	25,402	-
Intergovernmental - intermediate . . . . .	15,522	15,785	15,785	-
Intergovernmental - state . . . . .	4,405,714	4,480,476	4,480,476	-
Intergovernmental - federal . . . . .	15,920	16,190	16,190	-
Total revenues . . . . .	<u>20,045,887</u>	<u>20,386,053</u>	<u>20,386,053</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	8,791,629	8,527,616	8,527,616	-
Special . . . . .	2,355,654	2,284,914	2,284,914	-
Vocational . . . . .	100,772	97,746	97,746	-
Other . . . . .	13,457	13,053	13,053	-
Support services:				
Pupil . . . . .	1,292,682	1,253,863	1,253,863	-
Instructional staff . . . . .	526,609	510,795	510,795	-
Board of education . . . . .	34,642	33,602	33,602	-
Administration . . . . .	1,502,229	1,457,117	1,457,117	-
Fiscal . . . . .	659,387	639,586	639,586	-
Business . . . . .	34,668	33,627	33,627	-
Operations and maintenance . . . . .	1,724,401	1,672,617	1,672,617	-
Pupil transportation . . . . .	601,100	583,049	583,049	-
Central . . . . .	264,030	256,101	256,101	-
Extracurricular activities . . . . .	395,810	383,924	383,924	-
Total expenditures . . . . .	<u>18,297,070</u>	<u>17,747,610</u>	<u>17,747,610</u>	<u>-</u>
Excess of revenues over expenditures . . . . .	<u>1,748,817</u>	<u>2,638,443</u>	<u>2,638,443</u>	<u>-</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	2,688	2,734	2,734	-
Transfers in . . . . .	50,045	50,894	50,894	-
Transfers (out) . . . . .	(1,278,907)	(1,240,502)	(1,240,502)	-
Advances in . . . . .	252,730	257,019	257,019	-
Advances (out) . . . . .	-	-	(180,204)	(180,204)
Sale of capital assets . . . . .	57,650	58,628	58,628	-
Total other financing sources (uses) . . . . .	<u>(915,794)</u>	<u>(871,227)</u>	<u>(1,051,431)</u>	<u>(180,204)</u>
Net change in fund balance . . . . .	833,023	1,767,216	1,587,012	(180,204)
<b>Fund balance at beginning of year . . . . .</b>	<b>13,095,254</b>	<b>13,095,254</b>	<b>13,095,254</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>201,300</b>	<b>201,300</b>	<b>201,300</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b><u>\$ 14,129,577</u></b>	<b><u>\$ 15,063,770</u></b>	<b><u>\$ 14,883,566</u></b>	<b><u>\$ (180,204)</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2013

	<b>Total Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . .	\$ 15,676	\$ 10,692
Receivables:		
Accounts . . . . .	30	-
Intergovernmental. . . . .	1,710	-
Materials and supplies inventory. . . . .	8,884	-
Total current assets . . . . .	26,300	10,692
Noncurrent assets:		
Depreciable capital assets, net . . . . .	94,072	-
Total assets . . . . .	120,372	10,692
<b>Liabilities:</b>		
Accounts payable. . . . .	778	-
Accrued wages and benefits . . . . .	25,794	-
Compensated absences. . . . .	8,281	-
Pension obligation payable. . . . .	14,262	-
Interfund loan payable . . . . .	98,157	1,068
Intergovernmental payable . . . . .	1,671	-
Total current liabilities . . . . .	148,943	1,068
Long-term liabilities:		
Compensated absences payable. . . . .	47,537	-
Total long-term liabilities . . . . .	47,537	-
Total liabilities . . . . .	196,480	1,068
<b>Net position:</b>		
Investment in capital assets . . . . .	94,072	-
Unrestricted (deficit) . . . . .	(170,180)	9,624
Total net position (deficit). . . . .	\$ (76,108)	\$ 9,624

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<b>Total Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Fund</b>
	<u>                    </u>	<u>                    </u>
<b>Operating revenues:</b>		
Sales/charges for services . . . . .	\$ 1,007,510	\$ 79,094
Other . . . . .	15,952	-
Total operating revenues . . . . .	<u>1,023,462</u>	<u>79,094</u>
<b>Operating expenses:</b>		
Personal services . . . . .	760,768	-
Purchased services . . . . .	101,939	65,415
Materials and supplies . . . . .	281,283	-
Other . . . . .	667	-
Depreciation . . . . .	<u>15,793</u>	<u>-</u>
Total operating expenses . . . . .	<u>1,160,450</u>	<u>65,415</u>
Operating income (loss) . . . . .	<u>(136,988)</u>	<u>13,679</u>
<b>Nonoperating revenues:</b>		
Grants and subsidies . . . . .	188,987	-
Federal donated commodities . . . . .	<u>16,262</u>	<u>-</u>
Total nonoperating revenues . . . . .	<u>205,249</u>	<u>-</u>
Change in net position . . . . .	68,261	13,679
<b>Net position (deficit) at beginning of year.</b>	<u>(144,369)</u>	<u>(4,055)</u>
<b>Net position (deficit) at end of year . . . . .</b>	<u>\$ (76,108)</u>	<u>\$ 9,624</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, 2013

	<b>Total Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Fund</b>
	<b>Funds</b>	<b>Service Fund</b>
<b>Cash flows from operating activities:</b>		
Cash received from sales/charges for services. . . . .	\$ 1,007,480	\$ 79,094
Cash received from other operations . . . . .	15,952	-
Cash payments for personal services. . . . .	(764,267)	-
Cash payments for contractual services . . . . .	(101,439)	(65,415)
Cash payments for materials and supplies . . . . .	(265,570)	-
Cash payments for other expenses . . . . .	(667)	-
	(108,511)	13,679
<b>Net cash provided by (used in) operating activities . . . . .</b>		
	(108,511)	13,679
<b>Cash flows from noncapital financing activities:</b>		
Cash received from grants and subsidies. . . . .	188,987	-
Cash received from interfund loans . . . . .	98,157	1,068
Cash used in repayment of interfund loans. . . . .	(183,532)	(4,989)
	103,612	(3,921)
<b>Net cash provided by (used in) noncapital financing activities. . . . .</b>		
	103,612	(3,921)
<b>Net increase (decrease) in cash and cash cash equivalents . . . . .</b>		
	(4,899)	9,758
<b>Cash and cash equivalents at beginning of year . . . .</b>		
	20,575	934
<b>Cash and cash equivalents at end of year . . . . .</b>		
	\$ 15,676	\$ 10,692
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss) . . . . .	\$ (136,988)	\$ 13,679
Adjustments:		
Depreciation. . . . .	15,793	-
Federal donated commodities . . . . .	16,262	-
Changes in assets and liabilities:		
(Increase) in materials and supplies inventory . . . . .	(678)	-
(Increase) in accounts receivable. . . . .	(30)	-
(Increase) in intergovernmental receivable. . . . .	(1,710)	-
Increase in accounts payable . . . . .	629	-
Increase in accrued wages and benefits . . . . .	1,536	-
(Decrease) in intergovernmental payable. . . . .	(89)	-
(Decrease) in compensated absences payable. . . . .	(7,372)	-
Increase in pension obligation payable. . . . .	4,136	-
	4,136	-
<b>Net cash provided by (used in) operating activities. . . . .</b>		
	\$ (108,511)	\$ 13,679

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2013

	<b>Private-Purpose Trust</b>	
	<b>Scholarship</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and investments . . . .	\$ 3,612,814	\$ 381,176
Receivables:		
Accrued interest. . . . .	15,523	-
Total assets. . . . .	3,628,337	\$ 381,176
<b>Liabilities:</b>		
Accounts payable. . . . .	-	\$ 726
Due to students. . . . .	-	60,315
Undistributed monies. . . . .	-	320,135
Total liabilities. . . . .	-	\$ 381,176
<b>Net position:</b>		
Held in trust for scholarships . . . . .	3,628,337	
Total net position. . . . .	\$ 3,628,337	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<b>Private-Purpose Trust</b>
	<b>Scholarship</b>
<b>Additions:</b>	
Interest . . . . .	\$ 12,432
Total additions. . . . .	12,432
 <b>Deductions:</b>	
Scholarships awarded . . . . .	43,685
Change in net position . . . . .	(31,253)
<b>Net position at beginning of year. . . . .</b>	<b>3,659,590</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 3,628,337</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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 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 83 classified employees, 127 certificated full-time teaching personnel, and 14 administrators who provide services to 1,800 students and other community members.

The Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government 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 of the District.

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; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) 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. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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*

North Coast Council

The District is a member of the North Coast Council (NCC) which was formed when the Lakeshore Northeast Ohio Computer Association and the Lake Erie Educational Computer Association merged during fiscal year 2012. NCC was organized for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among 34 member districts. Each of the governments of these schools supports the NCC based on a per pupil charge. The District contributed \$82,867 to NCC during fiscal year 2013. NCC is governed by a nine member Board of Directors consisting of superintendents from member school districts. Financial information can be obtained by contacting the Treasurer at the Cuyahoga County Board of Education, who serves as fiscal agent, at 5700 West Canal Road, Valley View, Ohio 44125.

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 (Council) is a jointly governed organization among 126 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 an annual participation fee. Each school district member's 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 is the policy making authority of the Council. The Board meets monthly September to 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 2013, the District paid \$1,360 to the Council for annual membership and other fees. 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, 2013**

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

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. Compass Energy has been selected as the new supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 143 participants in the program including the Fairview Park City School District. 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.

*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 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.

*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 plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the District's major governmental funds:

General fund -The general fund is used to account for and report all financial resources not accounted for and reported 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

*Bond retirement fund* - The bond retirement fund is used to account for and report resources that are restricted, committed or assigned to expenditure for principal and interest related to 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.

Other governmental funds of the District are used to account for (a) financial resources that are restricted or committed to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

*PROPRIETARY FUNDS*

Proprietary funds focus on the determination of operating income/loss, changes in net position, 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 flexible spending account for employee benefits.

*FIDUCIARY FUNDS*

Fiduciary fund reporting focuses on net position and changes in net position. 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 managed activities, District agency and workers' compensation.

**B. Basis of Presentation**

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

Government-wide Financial Statements - The statement of net position 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. Generally, interfund transactions are eliminated for reporting on the government-wide financial statements; however, interfund services provided and used are not eliminated for reporting on the government-wide financial statements.

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.

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, current deferred outflows of resources, current liabilities and current inflows of resources, 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 deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

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 inflows of resources, 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.

*Deferred Inflows of Resources and Deferred Outflows of Resources* - A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as deferred inflows of resources. Grants not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at June 30, 2013, are recorded as deferred inflows of resources on the governmental fund financial statements.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

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

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 2013, investments included Federal Home Loan Bank (FHLB) bonds, Federal Farm Credit Bank (FFCB) bonds, Federal Home Loan Mortgage Corporation (FHLMC) bonds, FHLMC notes, Federal National Mortgage Association (FNMA) bonds, FNMA notes, U.S. Government treasury bills and notes, commercial paper, negotiable certificates of deposit, U.S. Government money market mutual funds, nonnegotiable certificates of deposit and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating 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, 2013.

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 2013 amounted to \$37,139 which includes \$7,060 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.

**E. 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 used. Inventories are accounted for using the consumption method. Inventory consists of expendable supplies held for consumption, donated food and purchased food.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

**F. 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 position, 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 position 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 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>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>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

**G. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, 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.

**H. 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

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

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.

**I. 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.

**J. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

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

**K. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its 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 applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**L. 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.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

**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 a flexible benefits plan for employees. 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.

**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 2013.

**P. 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.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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

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.

**Q. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 16.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**R. Budget Stabilization Arrangement**

The District has established a budget stabilization reserve in accordance with authority established by State law. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Education. Expenditures out of the budget stabilization reserve can only be made to offset future budget deficits. At June 30, 2013, the balance in the budget stabilization reserve was \$373,830. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2013, the District has implemented GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements", GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements", GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities", and GASB Statement No. 66, "Technical Corrections-2012".

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 60 addresses issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. An SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a "facility") in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. The implementation of GASB Statement No. 60 did not have an effect on the financial statements of the District.

GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement amends the criteria for reporting component units as if they were part of the primary government in certain circumstances. Finally, the Statement also clarifies the reporting of equity interests in legally separate organizations. The implementation of GASB Statement No. 61 did not have an effect on the financial statements of the District.

GASB Statement No. 62 codifies accounting and financial reporting guidance contained in pre-November 30, 1989 FASB and AICPA pronouncements in an effort to codify all sources of GAAP for State and local governments so that they derive from a single source. The implementation of GASB Statement No. 62 did not have an effect on the financial statements of the District.

GASB Statement No. 63 provides financial and reporting guidance for *deferred outflows of resources* and *deferred inflows of resources* which are financial statement elements that are distinct from assets and liabilities. GASB Statement No. 63 standardizes the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's *net position*. The implementation of GASB Statement No. 63 has changed the presentation of the District's financial statements to incorporate the concepts of net position, deferred outflows of resources and deferred inflows of resources; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as *deferred outflows of resources* or *deferred inflows of resources*, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 65 also provides other financial reporting guidance related to the impact of the financial statement elements *deferred outflows of resources* and *deferred inflows of resources*, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. For the District, the implementation of GASB Statement No. 65 has changed (1) the classification of certain items, including the deferral of property taxes levied for the subsequent fiscal year, previously reported as liabilities to *deferred inflows of resources*, (2) the classification of unamortized deferred charges on debt refunding transactions from a reduction of liabilities to *deferred outflows of resources*, and (3) the reporting of debt issuance costs to an expense in the period incurred rather than amortized over the term of the related debt issuance. The implementation of GASB Statement No. 65 had no effect on beginning net position/fund balance.

GASB Statement No. 66 improves accounting and financial reporting by resolving conflicting guidance that resulted from the issuance of two pronouncements; GASB Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*" and GASB Statement No. 62, "*Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA pronouncements*". The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the District.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

**B. Deficit Fund Balances/Net Position**

Fund balances/net position at June 30, 2013 included the following individual fund deficits:

	<u>Deficit</u>
<u>Nonmajor governmental funds</u>	
Ohio Resident Educator Program	\$ 1,750
Title I	23,818
IDEA Part B	299
 <u>Nonmajor enterprise fund</u>	
Day care services	165,706

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 resulted from 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;

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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);
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, 2013, 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".

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Deposits**

At June 30, 2013 the carrying amount of the District's deposits was \$8,742,641, including \$3,463,621 in non-negotiable certificate of deposits. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2013, \$4,218,731 of the District's \$9,026,632 bank balance was covered by Federal Depository Insurance (FDIC) and \$4,807,901 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.

**C. Investments**

As of June 30, 2013, 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	\$ 1,746,082	\$ 942,086	\$ -	\$ -	\$ -	\$ 803,996
FFCB bonds	1,508,117	-	-	-	-	1,508,117
FNMA notes	503,765	-	503,765	-	-	-
FNMA bonds	3,014,271	276,740	203,539	456,659	409,924	1,667,409
FHLMC notes	746,865	-	-	-	-	746,865
FHLMC bonds	2,345,526	-	203,098	102,901	758,085	1,281,442
U.S. Treasury bills and notes	747,063	100,781	445,295	-	51,696	149,291
Commercial paper	324,522	324,522	-	-	-	-
Negotiable CD's	747,937	498,077	-	-	249,860	-
U.S. Government money market mutual funds	184,001	184,001	-	-	-	-
STAR Ohio	1,579,379	1,579,379	-	-	-	-
	<u>\$ 13,447,528</u>	<u>\$ 3,905,586</u>	<u>\$ 1,355,697</u>	<u>\$ 559,560</u>	<u>\$ 1,469,565</u>	<u>\$ 6,157,120</u>

The weighted average maturity of investments is 1.67 years.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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, 2013, the decrease in fair value of investments was \$37,562 which is reported as a component of 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 and U.S. Treasury securities were rated AA+ 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's investments in commercial paper were rated A-1+ and P-1 Standard & Poor's and Moody's Investor Services, respectively. The negotiable certificates of deposit were fully covered by the FDIC. The District has no investment policy that would further limit the investment choices.

**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, U.S Treasury securities and commercial paper 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 investments in federal agency securities, U.S. Treasury bills and notes and U.S. government money market mutual funds represent 80.28 percent of the District's total investments. All other investments not explicitly guaranteed by the U.S. government are 19.72 percent of the District's total investments.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Investments at year end were as follows:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLB bonds	\$ 1,746,082	12.98
FFCB bonds	1,508,117	11.21
FNMA notes	503,765	3.75
FNMA bonds	3,014,271	22.42
FHLMC notes	746,865	5.55
FHLMC bonds	2,345,526	17.44
U.S. Treasury bills and notes	747,063	5.56
Commercial paper	324,522	2.41
Negotiable CD's	747,937	5.56
U.S. Government money market mutual funds	184,001	1.37
STAR Ohio	<u>1,579,379</u>	<u>11.75</u>
	<u>\$13,447,528</u>	<u>100.00</u>

**H. Reconciliation of Cash and Investments to the Statement of Net Position**

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 position as of June 30, 2013:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 8,742,641
Investments	13,447,528
Cash on hand	<u>100</u>
Total	<u>\$ 22,190,269</u>
<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 18,180,603
Business-type activities	15,676
Private-purpose trust fund	3,612,814
Agency fund	<u>381,176</u>
Total	<u>\$ 22,190,269</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 5 - INTERFUND TRANSFERS AND BALANCES**

**A. Interfund Transfers**

During fiscal year 2013, interfund transfers were as follows:

Transfers from general fund to:

Nonmajor governmental funds	\$ 1,064,010
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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 above was made from the general fund to the Permanent Improvement fund (a nonmajor governmental fund).

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, 2013 consist of the following:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	\$ 80,565
General fund	Nonmajor enterprise funds	98,157
General fund	Internal service fund	<u>1,068</u>
Total		<u>\$ 179,790</u>

The primary purpose of interfund balances is to cover costs in a specific fund where revenues were not received by June 30 but are expected to be received within the next year. 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 position.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**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 and public utility property. Real property tax revenues received in calendar year 2013 represent the collection of calendar year 2012 taxes. Real property taxes received in calendar year 2013 were levied after April 1, 2012, on the assessed values as of January 1, 2012, 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 2013 represent the collection of calendar year 2012 taxes. Public utility real and personal property taxes received in calendar year 2013 became a lien on December 31, 2011, were levied after April 1, 2012, 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.

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2013, are available to finance fiscal year 2013 operations. The amount available as an advance at June 30, 2013 was \$2,068,888 in the general fund and \$284,088 in the bond retirement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2012 was \$2,016,745 in the general fund and \$284,719 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.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2013 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 deferred inflows.

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 reported as a deferred inflow.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 6 - PROPERTY TAXES - (Continued)**

The assessed values upon which the fiscal year 2013 taxes were collected are:

	2012 Second Half Collections		2013 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 350,580,950	98.95	\$ 336,463,920	98.82
Public utility personal	<u>3,709,930</u>	<u>1.05</u>	<u>4,011,650</u>	<u>1.18</u>
Total	<u>\$ 354,290,880</u>	<u>100.00</u>	<u>\$ 340,475,570</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 97.60		\$ 97.70	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2013 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 position follows:

<b>Governmental activities:</b>	
Property taxes	\$ 17,055,947
Accounts	6,792
Intergovernmental	413,146
Accrued interest	<u>24,179</u>
Total governmental activities	<u>\$ 17,500,064</u>
<b>Business-type activities:</b>	
Accounts	\$ 30
Intergovernmental	<u>1,710</u>
Total business-type activities	<u>\$ 1,740</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, 2013

**NOTE 8 - 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 Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., provides building and personal property insurance as well as commercial inland marine insurance. The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., also provides public employee dishonesty coverage (commercial crime coverage). The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., provides boiler and machinery insurance. The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., 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 Travelers Casualty and Surety Company of America Insurance Company. During fiscal year 2013, the District had the following coverage in effect:

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage Amount</u>
Argonaut Insurance	Building and Contents (\$1,000 deductible)	\$75,625,843
Argonaut Insurance	Extra Expense Coverage	1,000,000
Argonaut Insurance	Boiler and machinery (\$1,000 deductible)	75,625,843
Cincinnati Insurance	Crime Insurance (\$1,000 deductible)	250,000
Argonaut Insurance	Vehicles (\$1,000 deductible)	5,000,000
Argonaut Insurance	General Liability (per occurrence)	1,000,000
Argonaut Insurance	General Liability (aggregate)	3,000,000
Argonaut 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 8 - RISK MANAGEMENT - (Continued)**

**B. Workers' Compensation**

The District participated in the PROCOMP Management Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool for calendar year 2013 (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 2013, the District provided 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 87% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$390.53, \$742.01 and \$1,288.77, respectively, in fiscal year 2013. For full-time classified employees, the District paid 92.32% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$410.38, \$779.71 and \$1,354.24, respectively, in fiscal year 2013. 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 \$448.89 in fiscal year 2013.

Dental coverage was provided through MetLife. For full-time certified employees and administrators, the District paid over 87% of the single monthly premium, over 93% for two-person coverage and over 96% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$33.33, \$64.83 and \$112.54, respectively, in fiscal year 2013. For full-time classified employees and administrators, the District paid over 87% of the single monthly premium, over 93% for two-person coverage and over 96% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$33.33, \$64.83 and \$112.54, respectively, in fiscal year 2013. 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. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$38.33 in fiscal year 2013.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 8 - RISK MANAGEMENT - (Continued)**

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 \$5.00 for fiscal year 2013. Administrators received \$125,000 in coverage with the District paying 100% of the monthly premium which was \$12.50 for fiscal year 2013. Day care employees received \$12,500 in coverage with the District paying 100% of the monthly premium which was \$1.30 for fiscal year 2013.

**NOTE 9 - 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. The Superintendent and Treasurer's vacation accumulation is dictated by their contracts.

**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 50% 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, 2013**

**NOTE 9 - 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 1<sup>st</sup> and no later than January 15<sup>th</sup> of the year following retirement, and the second payment will be made between January 1<sup>st</sup> and January 15<sup>th</sup> of the second year following retirement. At June 30, 2013, the District had \$112,699 recorded as a liability for retirement incentives. The full liability is due for payment in fiscal year 2014.

**NOTE 10 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District’s commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$ 172,070
Other governmental	361,501
Total	<u>\$ 533,571</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 11 - CAPITAL ASSETS**

Governmental capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2013</u>
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 218,800	\$ -	\$ -	\$ 218,800
Total capital assets, not being depreciated	<u>218,800</u>	<u>-</u>	<u>-</u>	<u>218,800</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	1,651,702	-	-	1,651,702
Buildings and improvements	42,642,590	365,346	-	43,007,936
Furniture, fixtures and equipment	2,299,966	15,249	-	2,315,215
Vehicles	1,021,451	72,507	-	1,093,958
Textbooks	<u>1,673,417</u>	<u>-</u>	<u>-</u>	<u>1,673,417</u>
Total capital assets, being depreciated	<u>49,289,126</u>	<u>453,102</u>	<u>-</u>	<u>49,742,228</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(743,924)	(62,204)	-	(806,128)
Buildings and improvements	(10,276,410)	(1,005,416)	-	(11,281,826)
Furniture, fixtures and equipment	(1,948,930)	(55,822)	-	(2,004,752)
Vehicles	(486,372)	(102,380)	-	(588,752)
Textbooks	<u>(1,407,807)</u>	<u>(39,307)</u>	<u>-</u>	<u>(1,447,114)</u>
Total accumulated depreciation	<u>(14,863,443)</u>	<u>(1,265,129)</u>	<u>-</u>	<u>(16,128,572)</u>
Total capital assets, being depreciated, net	<u>34,425,683</u>	<u>(812,027)</u>	<u>-</u>	<u>33,613,656</u>
Governmental activities capital assets, net	<u>\$ 34,644,483</u>	<u>\$ (812,027)</u>	<u>\$ -</u>	<u>\$ 33,832,456</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 11 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 1,179,807
<u>Support services:</u>	
Pupil	346
Instructional staff	43,891
Administration	6,261
Operations and maintenance of plant	1,257
Pupil transportation	17,847
Central	14,527
Extracurricular	<u>1,193</u>
Total depreciation expense	<u>\$ 1,265,129</u>

Business-type capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<b>Business-type activities:</b>				
<i>Capital assets, being depreciated:</i>				
Furniture, fixtures and equipment	\$ 354,288	\$ -	\$ -	\$ 354,288
Total capital assets, being depreciated	<u>354,288</u>	<u>-</u>	<u>-</u>	<u>354,288</u>
<i>Less: accumulated depreciation</i>				
Furniture, fixtures and equipment	<u>(244,423)</u>	<u>(15,793)</u>	<u>-</u>	<u>(260,216)</u>
Total accumulated depreciation	<u>(244,423)</u>	<u>(15,793)</u>	<u>-</u>	<u>(260,216)</u>
Total capital assets, being depreciated, net	<u>109,865</u>	<u>(15,793)</u>	<u>-</u>	<u>94,072</u>
Business-type activities capital assets, net	<u>\$ 109,865</u>	<u>\$ (15,793)</u>	<u>\$ -</u>	<u>\$ 94,072</u>

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 12 - 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](http://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 2013, 13.05 percent and 0.05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to 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, 2013, 2012 and 2011 were \$418,358, \$430,132 and \$376,676, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

**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 website at [www.strsoh.org](http://www.strsoh.org), under "*Publications*".

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 12 - PENSION PLANS - (Continued)**

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 2013, 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, 2013, 2012 and 2011 were \$1,215,486, \$1,222,636 and \$1,199,772, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011. Contributions to the DC and Combined Plans for fiscal year 2013 were \$43,179 made by the District and \$30,842 made by the plan members.

**NOTE 13 - 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 Section 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 2013 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income and the 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](http://www.ohsers.org), under "Employers/Audit Resources".

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)**

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 2013, 0.16 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 2013, the actuarially determined amount was \$20,525.

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, 2013, 2012 and 2011 were \$54,803, \$80,392 and \$89,065, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2013, this actuarially required allocation was 0.74 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012, and 2011 were \$23,632, \$25,401 and \$24,240, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

**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](http://www.strsoh.org), under "Publications" 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 2013, 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, 2013, 2012 and 2011 were \$93,499, \$94,049 and \$92,290, respectively; 100 percent has been contributed for fiscal years 2013, 2012 and 2011.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 14 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

**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 15 - 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 16 - LONG-TERM OBLIGATIONS**

The changes in the District's long-term obligations during fiscal year 2013 were as follows:

	Balance <u>June 30, 2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2013</u>	Amounts Due In <u>One Year</u>
<b>Governmental activities:</b>					
Series 2005 Refunding Library Improvement Bonds					
Serial Bond - 3.00% - 5.00%	\$ 805,000	\$ -	\$ (455,000)	\$ 350,000	\$ 350,000
Series 2005 School Improvement Bonds					
Serial Bond - 3.00% - 5.00%	15,350,000	-	(6,880,000)	8,470,000	765,000
Term Bonds - 5.00%	9,660,000	-	(9,660,000)	-	-
Capital Appreciation Bonds	165,773	-	(165,773)	-	-
Series 2012 & 2013 Refunding Bonds					
Serial Bond - 1.00% - 3.50%	-	16,420,000	(55,000)	16,365,000	145,000
Capital Appreciation Bonds	-	119,980	-	119,980	44,464
Total Bonds Payable before Deferrals	<u>25,980,773</u>	<u>16,539,980</u>	<u>(17,215,773)</u>	<u>25,304,980</u>	<u>1,304,464</u>
Deferrals for:					
Issuance Premiums	<u>1,095,368</u>	<u>2,350,698</u>	<u>(214,915)</u>	<u>3,231,151</u>	<u>214,915</u>
Total Bonds Payable	<u>27,076,141</u>	<u>18,890,678</u>	<u>(17,430,688)</u>	<u>28,536,131</u>	<u>1,519,379</u>
Accretion of Capital Appreciation Bonds	528,059	159,754	(604,227)	83,586	77,041
Retirement Incentive	-	163,699	(51,000)	112,699	112,699
Compensated Absences	<u>1,413,847</u>	<u>141,182</u>	<u>(420,107)</u>	<u>1,134,922</u>	<u>158,634</u>
Total Governmental Long-Term Obligations	<u>29,018,047</u>	<u>19,355,313</u>	<u>(18,506,022)</u>	<u>29,867,338</u>	<u>1,867,753</u>
<b>Business-type activities:</b>					
Compensated Absences	<u>63,190</u>	<u>-</u>	<u>(7,372)</u>	<u>55,818</u>	<u>8,281</u>
Total	<u>\$ 29,081,237</u>	<u>\$ 19,355,313</u>	<u>\$ (18,513,394)</u>	<u>\$ 29,923,156</u>	<u>\$ 1,876,034</u>

Compensated absences will be paid from the fund from which the employees' salaries are paid. Compensated absences will be paid from the general fund and termination benefits fund which is combined and reported with the general fund on a GAAP-basis. Retirement incentive payments were paid from the termination benefits fund which is combined and reported with the general fund on a GAAP-basis.

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, 2013**

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

Series 2005 Refunding Library Improvement 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, 2013, the amount of defeased debt outstanding, but removed from the statement of net position amounted to \$350,000.

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 matured 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.

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.

The \$350,000 balance of the Library Improvement General Obligation Bonds at June 30, 2013 is not included in the District's calculation of Net Investment in Capital Assets since the District did not acquired any capital assets related to this bond issue.

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. During fiscal year 2013, \$16,540,000 of the Series 2005 School Improvement General Obligation Bonds was advance refunded with proceeds from the Series 2012 and Series 2013 Refunding Bonds described below.

The original issue was 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. During fiscal year 2013, \$16,540,000 of the current interest bonds were advanced refunded. The balance of the remaining Series 2005 current interest bonds was \$8,470,000 at June 30, 2013. Interest payments on the remaining current interest bonds are due on June 1 and December 1 of each year with a final stated maturity of December 1, 2023.

On December 1, 2012, \$165,773 of the capital appreciation bonds matured at an accreted value of \$770,000 which represents the 100 percent of the principal, plus accrued interest to the redemption date. This maturity represents the final capital appreciation bonds on the Series 2005 issue. There are no remaining Series 2005 capital appreciation bonds due at June 30, 2013.

Series 2012 and Series 2013 Refunding General Obligation Bonds

On July 18, 2012 and January 3, 2013, the District issued a total of \$16,539,980 of general obligation bonds (Series 2012 and Series 2013 Refunding Bonds) to advance refund the callable of the Series 2005 School Improvement current interest bonds (both term and serial bonds). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2013, is \$16,540,000.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 16 - LONG-TERM OBLIGATIONS - (Continued)**

The refunding issue is comprised of both current interest bonds, par value \$16,420,000, and capital appreciation bonds par value \$119,980. The interest rates on the current interest bonds range from 1.00% to 3.50%. The capital appreciation bonds mature on December 1 of each year 2013 through 2022 and on December 1, 2029 (coupon rates ranging from 1.047% to 2.40% and effective interest rates ranging from 61.3% to 78.6%) at redemption prices equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$3,525,000. Total accreted interest of \$83,586 has been included in the statement of net position at June 30, 2013.

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.

The reacquisition price exceeded the net carrying amount of the old debt by \$2,043,176. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This advance refunding was undertaken to reduce the combined total debt service payments over the next 12 years by \$2,603,483 and resulted in an economic gain of \$1,995,054.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2013 are as follows:

Fiscal Year Ending,	Serial and Term Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 1,260,000	\$ 769,313	\$ 44,494	\$ 60,506	\$ 1,304,494	\$ 829,819
2015	925,000	727,991	23,769	81,231	948,769	809,222
2016	950,000	697,211	12,698	92,302	962,698	789,513
2017	980,000	664,590	7,106	102,894	987,106	767,484
2018	885,000	630,090	13,212	226,788	898,212	856,878
2019 - 2023	4,660,000	2,564,468	18,687	1,486,313	4,678,687	4,050,781
2024 - 2028	7,005,000	1,724,731	-	-	7,005,000	1,724,731
2029 - 2033	6,725,000	902,893	14	1,354,986	6,725,014	2,257,879
2034	<u>1,795,000</u>	<u>29,618</u>	<u>-</u>	<u>-</u>	<u>1,795,000</u>	<u>29,618</u>
Total	<u>\$ 25,185,000</u>	<u>\$ 8,710,905</u>	<u>\$ 119,980</u>	<u>\$ 3,405,020</u>	<u>\$ 25,304,980</u>	<u>\$12,115,925</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, 2013, are a voted debt margin of \$8,072,017 (including available funds of \$2,734,196) and an unvoted debt margin of \$340,476.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

**NOTE 17 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) 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 the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

**Net Change in Fund Balance**

	<u>General Fund</u>
Budget basis	\$ 1,587,012
Net adjustment for revenue accruals	31,796
Net adjustment for expenditure accruals	25,057
Net adjustment for other sources/uses	(112,099)
Funds budgeted elsewhere	(195,868)
Adjustment for encumbrances	194,490
GAAP basis	<u>\$ 1,530,388</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the special trusts fund, the uniform school supplies fund, the public school support fund, the summer school fund and the termination benefits fund.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**NOTE 18 - SET-ASIDES**

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year. The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2012	
Current year set-aside requirement	294,159
Current year offsets	<u>(294,159)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2014	<u>\$ -</u>
Set-aside balance June 30, 2013	<u>\$ -</u>

**NOTE 19 – SIGNIFICANT SUBSEQUENT EVENTS**

Subsequent to fiscal year end, the District joined the Great Lakes Council of Governments (the “COG”) for the purpose of obtaining employee group medical and dental benefits. The District was named fiscal agent for the COG.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### General Fund

The general fund is used to account for and report all financial resources not accounted for and reported 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

### Other Major Fund

**Bond Retirement** - The bond retirement fund is used to account for and report resources that are restricted, committed or assigned to expenditure for principal and interest related to 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.

**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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
Total revenues and other financing sources	\$ 2,361,126	\$ 2,423,775	\$ 62,649
Total expenditures and other financing uses	2,160,764	2,160,764	-
Net change in fund balance	200,362	263,011	62,649
Fund balance at beginning of year	2,187,054	2,187,054	-
Fund balance at end of year	<u>\$ 2,387,416</u>	<u>\$ 2,450,065</u>	<u>\$ 62,649</u>

# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for and report specific revenue sources that are restricted or committed to an expenditure for a specific purpose. Following is a description of the District's nonmajor special revenue funds:

**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.

**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.

**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.

**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.

**Ohio Resident Educator Program** - This fund accounts for the Ohio Resident Educator Program which provides new teachers support beginning with a mentor and extending to additional professional support during their first years of teaching. The program provides new teachers with opportunities to reflect on how their instruction and assessment practices impact student learning.

**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.

**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.

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS**

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**Nonmajor Special Revenue Funds**

(Continued)

**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.

**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.

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

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

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

**Summer School** - This fund is used to account for operations of the District's summer school program.

**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.

**Special Trusts** - This fund is used to account for assets held by the school district for various activities of the District which there are no external restrictions on the use of resources and for which the Board of Education has not placed any constraints on the use of the resources.

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

**Nonmajor Capital Projects Funds**

Capital Projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or/and other capital assets. Following is a description of the nonmajor capital projects fund:

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS**

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**Nonmajor Capital Projects Funds**

(Continued)

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

**Building** - This fund accounts for and reports resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. 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.

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

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 123,279	\$ 426,924	\$ 550,203
Receivables:			
Accounts . . . . .	200	1,222	1,422
Intergovernmental . . . . .	308,091	-	308,091
Total assets . . . . .	\$ 431,570	\$ 428,146	\$ 859,716
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 4,116	\$ 5,676	\$ 9,792
Contracts payable . . . . .	-	44,600	44,600
Accrued wages and benefits . . . . .	29,107	-	29,107
Interfund loans payable . . . . .	80,565	-	80,565
Intergovernmental payable . . . . .	1,134	-	1,134
Pension obligation payable . . . . .	5,187	-	5,187
Total liabilities . . . . .	120,109	50,276	170,385
<b>Deferred inflows of resources:</b>			
Miscellaneous revenue not available . . . . .	200	-	200
Intergovernmental revenue not available . . . . .	252,408	-	252,408
Total deferred inflows of resources . . . . .	252,608	-	252,608
<b>Fund Balances:</b>			
Restricted:			
Capital improvements . . . . .	-	3,429	3,429
Non-public schools . . . . .	32,275	-	32,275
Special education . . . . .	14,074	-	14,074
Targeted academic assistance . . . . .	285	-	285
Other purposes . . . . .	10,302	-	10,302
Extracurricular . . . . .	27,784	-	27,784
Committed:			
Capital improvements . . . . .	-	374,441	374,441
Unassigned (deficit) . . . . .	(25,867)	-	(25,867)
Total fund balances . . . . .	58,853	377,870	436,723
Total liabilities and fund balances . . . . .	\$ 431,570	\$ 428,146	\$ 859,716

**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, 2013

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ 249	\$ 25	\$ 274
Extracurricular . . . . .	101,220	2,463	103,683
Contributions and donations . . . . .	600	-	600
Other local revenues . . . . .	8,426	21,134	29,560
Intergovernmental - state . . . . .	400,895	-	400,895
Intergovernmental - federal . . . . .	733,131	-	733,131
	<u>1,244,521</u>	<u>23,622</u>	<u>1,268,143</u>
<b>Total revenue . . . . .</b>			
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	55,029	239,220	294,249
Special . . . . .	472,879	-	472,879
Vocational . . . . .	-	14,400	14,400
Other . . . . .	1,016	-	1,016
Support services:			
Pupil . . . . .	146,629	-	146,629
Instructional staff . . . . .	51,834	-	51,834
Administration . . . . .	6,438	-	6,438
Fiscal . . . . .	20,691	-	20,691
Operations and maintenance . . . . .	-	50,396	50,396
Pupil transportation . . . . .	-	125,973	125,973
Central . . . . .	2,474	-	2,474
Operation of non-instructional services:			
Other non-instructional services . . . . .	435,696	-	435,696
Extracurricular activities . . . . .	136,313	-	136,313
Facilities acquisition and construction . . . . .	-	409,514	409,514
	<u>1,328,999</u>	<u>839,503</u>	<u>2,168,502</u>
<b>Total expenditures . . . . .</b>			
Excess of expenditures over revenues . . . . .	<u>(84,478)</u>	<u>(815,881)</u>	<u>(900,359)</u>
<b>Other financing sources:</b>			
Transfers in . . . . .	10	1,064,000	1,064,010
	<u>10</u>	<u>1,064,000</u>	<u>1,064,010</u>
<b>Total other financing sources . . . . .</b>			
Net change in fund balances . . . . .	(84,468)	248,119	163,651
<b>Fund balances at beginning of year . . . . .</b>	<u>143,321</u>	<u>129,751</u>	<u>273,072</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 58,853</u>	<u>\$ 377,870</u>	<u>\$ 436,723</u>

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2013

	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>School Net Professional Development</u>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 9,151	\$ 29,964	\$ 39,096	\$ 562
Receivables:				
Accounts . . . . .	200	-	-	-
Intergovernmental . . . . .	1	10	143	-
Total assets. . . . .	<u>\$ 9,352</u>	<u>\$ 29,974</u>	<u>\$ 39,239</u>	<u>\$ 562</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 1,980	\$ 119	\$ -
Accrued wages and benefits . . . . .	-	180	4,774	-
Interfund loans payable . . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	4	246	-
Pension obligation payable. . . . .	-	26	1,825	-
Total liabilities. . . . .	<u>-</u>	<u>2,190</u>	<u>6,964</u>	<u>-</u>
<b>Deferred inflows of resources:</b>				
Miscellaneous revenue not available. . . . .	200	-	-	-
Intergovernmental revenue not available . . . . .	-	-	-	-
Total deferred inflows of resources . . . . .	<u>200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>				
Restricted:				
Non-public schools . . . . .	-	-	32,275	-
Special education . . . . .	-	-	-	-
Targeted academic assistance. . . . .	-	-	-	-
Other purposes . . . . .	9,152	-	-	562
Extracurricular . . . . .	-	27,784	-	-
Unassigned (deficit) . . . . .	-	-	-	-
Total fund balances (deficits). . . . .	<u>9,152</u>	<u>27,784</u>	<u>32,275</u>	<u>562</u>
Total liabilities, deferred inflows and fund	<u>\$ 9,352</u>	<u>\$ 29,974</u>	<u>\$ 39,239</u>	<u>\$ 562</u>

<b>Poverty Aid</b>	<b>Ohio Resident Educator Program</b>	<b>IDEA, Part B Special Education</b>	<b>Limited English Proficiency</b>	<b>Title I</b>	<b>Drug Free Schools</b>
\$ 132	\$ -	\$ 32,347	\$ 457	\$ 10,476	\$ 18
-	-	-	-	-	-
-	-	146,775	1,925	130,232	-
<u>\$ 132</u>	<u>\$ -</u>	<u>\$ 179,122</u>	<u>\$ 2,382</u>	<u>\$ 140,708</u>	<u>\$ 18</u>
\$ -	\$ -	\$ 180	\$ -	\$ 1,527	\$ -
-	-	2,664	-	20,716	-
-	1,750	51,555	275	18,568	-
-	-	98	-	669	-
-	-	361	-	2,841	-
-	1,750	54,858	275	44,321	-
-	-	-	-	-	-
-	-	110,190	1,669	120,205	-
-	-	110,190	1,669	120,205	-
-	-	-	-	-	-
-	-	14,074	-	-	-
-	-	-	-	-	-
132	-	-	438	-	18
-	-	-	-	-	-
-	(1,750)	-	-	(23,818)	-
132	(1,750)	14,074	438	(23,818)	18
<u>\$ 132</u>	<u>\$ -</u>	<u>\$ 179,122</u>	<u>\$ 2,382</u>	<u>\$ 140,708</u>	<u>\$ 18</u>

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2013

	<b>Early Childhood Education Development</b>	<b>Improving Teacher Quality</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 845	\$ 231	\$ 123,279
Receivables:			
Accounts . . . . .	-	-	200
Intergovernmental . . . . .	28,838	167	308,091
Total assets. . . . .	<u>\$ 29,683</u>	<u>\$ 398</u>	<u>\$ 431,570</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 310	\$ -	\$ 4,116
Accrued wages and benefits . . . . .	773	-	29,107
Interfund loans payable . . . . .	8,417	-	80,565
Intergovernmental payable . . . . .	4	113	1,134
Pension obligation payable . . . . .	134	-	5,187
Total liabilities. . . . .	<u>9,638</u>	<u>113</u>	<u>120,109</u>
Miscellaneous revenue not available . . . . .	-	-	200
Intergovernmental revenue not available . . . . .	20,344	-	252,408
	<u>20,344</u>	<u>-</u>	<u>252,608</u>
<b>Fund Balances:</b>			
Restricted:			
Non-public schools . . . . .	-	-	32,275
Special education . . . . .	-	-	14,074
Targeted academic assistance . . . . .	-	285	285
Other purposes . . . . .	-	-	10,302
Extracurricular . . . . .	-	-	27,784
Unassigned (deficit) . . . . .	(299)	-	(25,867)
Total fund balances (deficits). . . . .	<u>(299)</u>	<u>285</u>	<u>58,853</u>
Total liabilities and fund balances . . . . .	<u>\$ 29,683</u>	<u>\$ 398</u>	<u>\$ 431,570</u>

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**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, 2013

	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Data Communication</u>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ 249	\$ -
Extracurricular . . . . .	-	101,220	-	-
Contributions and donations . . . . .	-	600	-	-
Other local revenues . . . . .	2,693	5,733	-	-
Intergovernmental - state . . . . .	-	-	393,695	7,200
Intergovernmental - federal . . . . .	-	-	-	-
<b>Total revenue.</b> . . . .	<u>2,693</u>	<u>107,553</u>	<u>393,944</u>	<u>7,200</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	-	-
Special . . . . .	-	-	-	-
Other . . . . .	1,016	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	-	-	7,200
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Central . . . . .	2,473	-	-	-
Operation of non-instructional services:				
Other non-instructional services . . . . .	-	573	405,801	-
Extracurricular activities . . . . .	-	136,313	-	-
<b>Total expenditures</b> . . . . .	<u>3,489</u>	<u>136,886</u>	<u>405,801</u>	<u>7,200</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(796)	(29,333)	(11,857)	-
<b>Other financing sources:</b>				
Transfers in . . . . .	10	-	-	-
<b>Total other financing sources.</b> . . . .	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(786)	(29,333)	(11,857)	-
<b>Fund balances (deficit) at beginning of year</b> . . . . .	<u>9,938</u>	<u>57,117</u>	<u>44,132</u>	<u>-</u>
<b>Fund balances (deficit) at end of year</b> . . . .	<u>\$ 9,152</u>	<u>\$ 27,784</u>	<u>\$ 32,275</u>	<u>\$ -</u>

<u>School Net Professional Development</u>	<u>Poverty Aid</u>	<u>Ohio Resident Educator Program</u>	<u>IDEA, Part B Special Education</u>	<u>Stimulus Title II D</u>	<u>Limited English Proficiency</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	422,516	-	16,594
-	-	-	422,516	-	16,594
-	-	-	-	-	-
-	-	-	236,244	-	17,491
-	-	-	-	-	-
-	-	-	146,629	-	-
776	-	1,750	23,807	-	-
-	-	-	911	-	-
-	-	-	12,230	-	522
-	-	-	-	1	-
-	-	-	20,583	-	-
-	-	-	-	-	-
776	-	1,750	440,404	1	18,013
(776)	-	(1,750)	(17,888)	(1)	(1,419)
-	-	-	-	-	-
-	-	-	-	-	-
(776)	-	(1,750)	(17,888)	(1)	(1,419)
1,338	132	-	31,962	1	1,857
<u>\$ 562</u>	<u>\$ 132</u>	<u>\$ (1,750)</u>	<u>\$ 14,074</u>	<u>\$ -</u>	<u>\$ 438</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, 2013

	<u>Title I</u>	<u>Drug Free Schools</u>	<u>Early Childhood Education Development</u>	<u>Improving Teacher Quality</u>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ -	\$ -
Extracurricular . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Intergovernmental - state . . . . .	-	-	-	-
Intergovernmental - federal . . . . .	221,655	-	16,559	55,807
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue . . . . .	221,655	-	16,559	55,807
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	-	55,029
Special . . . . .	203,706	-	15,438	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	17,000	-	1,074	227
Administration . . . . .	5,527	-	-	-
Fiscal . . . . .	5,830	-	458	1,651
Central . . . . .	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services . . . . .	8,449	-	-	290
Extracurricular activities . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	240,512	-	16,970	57,197
Excess (deficiency) of revenues over (under) expenditures . . . . .	(18,857)	-	(411)	(1,390)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources . . . . .	-	-	-	-
Net change in fund balances . . . . .	(18,857)	-	(411)	(1,390)
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	(4,961)	18	112	1,675
<b>Fund balances (deficit) at end of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ (23,818)	\$ 18	\$ (299)	\$ 285

**Total  
Nonmajor  
Special Revenue  
Funds**

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\$ 249  
101,220  
600  
8,426  
400,895  
733,131

---

1,244,521

---

55,029  
472,879  
1,016

146,629  
51,834  
6,438  
20,691  
2,474

435,696  
136,313

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1,328,999

---

(84,478)

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10

---

10

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(84,468)

143,321

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\$ 58,853

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**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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Other Grants Fund</u></b>			
Total revenues and other financing sources	\$ 2,703	\$ 2,703	\$ -
Total expenditures and other financing uses	<u>3,889</u>	<u>6,415</u>	<u>(2,526)</u>
Net change in fund balance	(1,186)	(3,712)	(2,526)
Fund balance at beginning of year	10,914	10,914	-
Prior year encumbrances appropriated	<u>1,949</u>	<u>1,949</u>	<u>-</u>
Fund balance at end of year	<u>\$ 11,677</u>	<u>\$ 9,151</u>	<u>\$ (2,526)</u>
<b><u>District Managed Student Activity Fund</u></b>			
Total revenues and other financing sources	\$ 107,553	\$ 107,553	\$ -
Total expenditures and other financing uses	<u>146,623</u>	<u>146,623</u>	<u>-</u>
Net change in fund balance	(39,070)	(39,070)	-
Fund balance at beginning of year	19,193	19,193	-
Prior year encumbrances appropriated	<u>40,020</u>	<u>40,020</u>	<u>-</u>
Fund balance at end of year	<u>\$ 20,143</u>	<u>\$ 20,143</u>	<u>\$ -</u>
<b><u>Auxiliary Services Fund</u></b>			
Total revenues and other financing sources	\$ 394,276	\$ 393,944	\$ (332)
Total expenditures and other financing uses	<u>448,774</u>	<u>448,444</u>	<u>330</u>
Net change in fund balance	(54,498)	(54,500)	(2)
Fund balance at beginning of year	43,072	43,072	-
Prior year encumbrances appropriated	<u>16,205</u>	<u>16,205</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,779</u>	<u>\$ 4,777</u>	<u>\$ (2)</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Data Communication Fund</u></b>			
Total revenues and other financing sources	\$ 7,200	\$ 7,200	\$ -
Total expenditures and other financing uses	<u>7,200</u>	<u>7,200</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>School Net Professional Development Fund</u></b>			
Total expenditures and other financing uses	<u>\$ 834</u>	<u>\$ 776</u>	<u>\$ 58</u>
Net change in fund balance	(834)	(776)	58
Fund balance at beginning of year	530	530	-
Prior year encumbrances appropriated	<u>808</u>	<u>808</u>	<u>-</u>
Fund balance at end of year	<u>\$ 504</u>	<u>\$ 562</u>	<u>\$ 58</u>
<b><u>Poverty Aid Fund</u></b>			
Fund balance at beginning of year	<u>\$ 132</u>	<u>\$ 132</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 132</u>	<u>\$ 132</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b><u>Ohio Resident Educator Program</u></b>			
Total revenues and other financing sources	\$ 1,750	\$ 1,750	\$ -
Total expenditures and other financing uses	<u>1,750</u>	<u>1,750</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>IDEA, Part B Special Education</u></b>			
Total revenues and other financing sources	\$ 471,879	\$ 471,879	\$ -
Total expenditures and other financing uses	<u>473,799</u>	<u>538,017</u>	<u>(64,218)</u>
Net change in fund balance	(1,920)	(66,138)	(64,218)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	<u>66,138</u>	<u>66,138</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 64,218</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (64,218)</u></u>
<b><u>Stimulus Title II D Fund</u></b>			
Total revenues and other financing sources	\$ 1,277	\$ 1,277	\$ -
Total expenditures and other financing uses	<u>-</u>	<u>1,290</u>	<u>(1,290)</u>
Net change in fund balance	1,277	(13)	(1,290)
Fund balance at beginning of year	13	13	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,290</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1,290)</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Limited English Proficiency Fund</u></b>			
Total revenues and other financing sources	\$ 16,694	\$ 16,694	\$ -
Total expenditures and other financing uses	<u>18,194</u>	<u>18,194</u>	<u>-</u>
Net change in fund balance	(1,500)	(1,500)	-
Fund balance at beginning of year	<u>1,857</u>	<u>1,857</u>	<u>-</u>
Fund balance at end of year	<u>\$ 357</u>	<u>\$ 357</u>	<u>\$ -</u>
<b><u>Title I Fund</u></b>			
Total revenues and other financing sources	\$ 230,603	\$ 230,603	\$ -
Total expenditures and other financing uses	<u>241,246</u>	<u>241,246</u>	<u>-</u>
Net change in fund balance	(10,643)	(10,643)	-
Fund balance at beginning of year	4,062	4,062	-
Prior year encumbrances appropriated	<u>6,581</u>	<u>6,581</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Drug Free Schools Fund</u></b>			
Fund balance at beginning of year	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 18</u>	<u>\$ 18</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Early Childhood Education Development'</u></b>			
Total revenues and other financing sources	\$ 17,079	\$ 17,079	\$ -
Total expenditures and other financing uses	<u>17,150</u>	<u>17,372</u>	<u>(222)</u>
Net change in fund balance	(71)	(293)	(222)
Fund balance at beginning of year	-	-	-
Prior year encumbrances appropriated	<u>293</u>	<u>293</u>	<u>-</u>
Fund balance at end of year	<u>\$ 222</u>	<u>\$ -</u>	<u>\$ (222)</u>
<b><u>Improving Teacher Quality Fund</u></b>			
Total revenues and other financing sources	\$ 55,807	\$ 55,807	\$ -
Total expenditures and other financing uses	<u>57,481</u>	<u>57,481</u>	<u>-</u>
Net change in fund balance	(1,674)	(1,674)	-
Fund balance at beginning of year	1,220	1,220	-
Prior year encumbrances appropriated	<u>585</u>	<u>585</u>	<u>-</u>
Fund balance at end of year	<u>\$ 131</u>	<u>\$ 131</u>	<u>\$ -</u>
<b><u>Public School Support Fund</u></b>			
Total revenues and other financing sources	\$ 80,181	\$ 80,181	\$ -
Total expenditures and other financing uses	<u>83,002</u>	<u>83,002</u>	<u>-</u>
Net change in fund balance	(2,821)	(2,821)	-
Fund balance at beginning of year	42,407	42,407	-
Prior year encumbrances appropriated	<u>1,224</u>	<u>1,224</u>	<u>-</u>
Fund balance at end of year	<u>\$ 40,810</u>	<u>\$ 40,810</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Summer School Fund</u></b>			
Fund balance at beginning of year	\$ 4,822	\$ 4,822	\$ -
Fund balance at end of year	<u>\$ 4,822</u>	<u>\$ 4,822</u>	<u>\$ -</u>
<b><u>Termination Benefits Fund</u></b>			
Total revenues and other financing sources	\$ 150,000	\$ 150,000	\$ -
Total expenditures and other financing uses	<u>442,455</u>	<u>442,455</u>	<u>-</u>
Net change in fund balance	(292,455)	(292,455)	-
Fund balance at beginning of year	<u>351,488</u>	<u>351,488</u>	<u>-</u>
Fund balance at end of year	<u>\$ 59,033</u>	<u>\$ 59,033</u>	<u>\$ -</u>
<b><u>Special Trusts Fund</u></b>			
Total revenues and other financing sources	\$ 5,012	\$ 5,012	\$ -
Total expenditures and other financing uses	<u>3,625</u>	<u>3,625</u>	<u>-</u>
Net change in fund balance	1,387	1,387	-
Fund balance at beginning of year	14,690	14,690	-
Prior year encumbrances appropriated	<u>478</u>	<u>478</u>	<u>-</u>
Fund balance at end of year	<u>\$ 16,555</u>	<u>\$ 16,555</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Uniform School Supplies</u></b>			
Total expenditures and other financing uses	\$ 52,957	\$ 52,957	\$ -
Net change in fund balance	(52,957)	(52,957)	-
Fund balance at beginning of year	48,902	48,902	-
Prior year encumbrances appropriated	4,055	4,055	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2013

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 423,495	\$ 3,429	\$ 426,924
Receivables:			
Accounts . . . . .	1,222	-	1,222
Total assets. . . . .	<u>\$ 424,717</u>	<u>\$ 3,429</u>	<u>\$ 428,146</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 5,676	\$ -	\$ 5,676
Contracts payable. . . . .	44,600	-	44,600
Total liabilities. . . . .	50,276	-	50,276
<b>Fund Balances:</b>			
Restricted:			
Capital improvements . . . . .	-	3,429	3,429
Committed:			
Capital improvements . . . . .	374,441	-	374,441
Total fund balances . . . . .	374,441	3,429	377,870
Total liabilities and fund balances . . . . .	<u>\$ 424,717</u>	<u>\$ 3,429</u>	<u>\$ 428,146</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2013

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ -	\$ 25	\$ 25
Extracurricular . . . . .	2,463	-	2,463
Other local revenues . . . . .	19,209	1,925	21,134
	<u>21,672</u>	<u>1,950</u>	<u>23,622</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	239,220	-	239,220
Vocational . . . . .	14,400	-	14,400
Support services:			
Operations and maintenance . . . . .	50,396	-	50,396
Pupil transportation . . . . .	125,973	-	125,973
Facilities acquisition and construction . . . . .	392,826	16,688	409,514
	<u>822,815</u>	<u>16,688</u>	<u>839,503</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(801,143)</u>	<u>(14,738)</u>	<u>(815,881)</u>
<b>Other financing sources:</b>			
Transfers in . . . . .	1,064,000	-	1,064,000
Total other financing sources . . . . .	<u>1,064,000</u>	<u>-</u>	<u>1,064,000</u>
Net change in fund balances . . . . .	262,857	(14,738)	248,119
<b>Fund balances at beginning of year . . . . .</b>	<u>111,584</u>	<u>18,167</u>	<u>129,751</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 374,441</u>	<u>\$ 3,429</u>	<u>\$ 377,870</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Permanent Improvement Fund</u></b>			
Total revenues and other financing sources	\$ 1,084,450	\$ 1,084,450	\$ -
Total expenditures and other financing uses	<u>1,102,560</u>	<u>1,102,560</u>	<u>-</u>
Net change in fund balance	(18,110)	(18,110)	-
Fund balance at beginning of year	74,767	74,767	-
Prior year encumbrances appropriated	<u>41,051</u>	<u>41,051</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 97,708</u></u>	<u><u>\$ 97,708</u></u>	<u><u>\$ -</u></u>
<b><u>Building Fund</u></b>			
Total revenues and other financing sources	\$ 1,950	\$ 1,950	\$ -
Total expenditures and other financing uses	<u>16,688</u>	<u>16,688</u>	<u>-</u>
Net change in fund balance	(14,738)	(14,738)	-
Fund balance at beginning of year	<u>18,167</u>	<u>18,167</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 3,429</u></u>	<u><u>\$ 3,429</u></u>	<u><u>\$ -</u></u>

# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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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.

### 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 Flex Benefits Plan** - This fund accounts for a flexible benefits plan offered to District employees.

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**  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
JUNE 30, 2013

	<b>Food Service</b>	<b>Day Care Services</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and investments . . .	\$ 9,028	\$ 6,648	\$ 15,676
Receivables:			
Accounts . . . . .	30	-	30
Intergovernmental. . . . .	404	1,306	1,710
Materials and supplies inventory. . . . .	8,884	-	8,884
Total current assets . . . . .	<u>18,346</u>	<u>7,954</u>	<u>26,300</u>
Noncurrent assets:			
Depreciable capital assets, net . . . . .	94,072	-	94,072
Total assets. . . . .	<u>112,418</u>	<u>7,954</u>	<u>120,372</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	74	704	778
Accrued wages and benefits . . . . .	5,130	20,664	25,794
Compensated absences. . . . .	-	8,281	8,281
Pension obligation payable. . . . .	6,443	7,819	14,262
Interfund loan payable . . . . .	-	98,157	98,157
Intergovernmental payable . . . . .	440	1,231	1,671
Total current liabilities . . . . .	<u>12,087</u>	<u>136,856</u>	<u>148,943</u>
Long-term liabilities:			
Compensated absences payable. . . . .	10,733	36,804	47,537
Total long-term liabilities . . . . .	<u>10,733</u>	<u>36,804</u>	<u>47,537</u>
Total liabilities . . . . .	<u>22,820</u>	<u>173,660</u>	<u>196,480</u>
<b>Net position:</b>			
Invested in capital assets . . . . .	94,072	-	94,072
Unrestricted (deficit) . . . . .	(4,474)	(165,706)	(170,180)
Total net position (deficit) . . . . .	<u>\$ 89,598</u>	<u>\$ (165,706)</u>	<u>\$ (76,108)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Food Service</u>	<u>Day Care Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating revenues:</b>			
Sales/charges for services . . . . .	\$ 215,931	\$ 791,579	\$ 1,007,510
Other . . . . .	-	15,952	15,952
	<hr/>	<hr/>	<hr/>
Total operating revenues . . . . .	215,931	807,531	1,023,462
<b>Operating expenses:</b>			
Personal services . . . . .	199,874	560,894	760,768
Purchased services . . . . .	4,343	97,596	101,939
Materials and supplies . . . . .	211,168	70,115	281,283
Other . . . . .	667	-	667
Depreciation . . . . .	15,793	-	15,793
	<hr/>	<hr/>	<hr/>
Total operating expenses . . . . .	431,845	728,605	1,160,450
Operating income (loss) . . . . .	<hr/> (215,914)	<hr/> 78,926	<hr/> (136,988)
<b>Nonoperating revenues:</b>			
Grants and subsidies . . . . .	188,987	-	188,987
Federal donated commodities . . . . .	16,262	-	16,262
	<hr/>	<hr/>	<hr/>
Total nonoperating revenues . . . . .	205,249	-	205,249
Change in net position . . . . .	(10,665)	78,926	68,261
<b>Net position (deficit) at beginning of year</b>	<hr/> 100,263	<hr/> (244,632)	<hr/> (144,369)
<b>Net position (deficit) at end of year . . . .</b>	<hr/> <u>\$ 89,598</u>	<hr/> <u>\$ (165,706)</u>	<hr/> <u>\$ (76,108)</u>

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Food Service</u>	<u>Day Care Services</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Cash flows from operating activities:</b>			
Cash received from sales/charges for services. . . . .	\$ 215,901	\$ 791,579	\$ 1,007,480
Cash received from other operations . . . . .	-	15,952	15,952
Cash payments for personal services. . . . .	(208,042)	(556,225)	(764,267)
Cash payments for contractual services . . . . .	(4,343)	(97,096)	(101,439)
Cash payments for materials and supplies . . . . .	(195,659)	(69,911)	(265,570)
Cash payments for other expenses . . . . .	(667)	-	(667)
Net cash provided by (used in) operating activities . . . . .	<u>(192,810)</u>	<u>84,299</u>	<u>(108,511)</u>
<b>Cash flows from noncapital financing activities:</b>			
Cash received from grants and subsidies. . . . .	188,987	-	188,987
Cash received from interfund loans . . . . .	-	98,157	98,157
Cash used in repayment of interfund loans. . . . .	-	(183,532)	(183,532)
Net cash provided by (used in) noncapital financing activities. . . . .	<u>188,987</u>	<u>(85,375)</u>	<u>103,612</u>
Net increase decrease in cash and cash cash equivalents . . . . .	(3,823)	(1,076)	(4,899)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>12,851</b>	<b>7,724</b>	<b>20,575</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b><u>\$ 9,028</u></b>	<b><u>\$ 6,648</u></b>	<b><u>\$ 15,676</u></b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ (215,914)	\$ 78,926	\$ (136,988)
Adjustments:			
Depreciation. . . . .	15,793	-	15,793
Federal donated commodities . . . . .	16,262	-	16,262
Changes in assets and liabilities:			
(Increase) in materials and supplies inventory . . . . .	(678)	-	(678)
(Increase) in accounts receivable. . . . .	(30)	-	(30)
(Increase) in intergovernmental receivable. . . . .	(404)	(1,306)	(1,710)
Increase (decrease) in accounts payable . . . . .	(75)	704	629
Increase in accrued wages and benefits . . . . .	220	1,316	1,536
(Decrease) in intergovernmental payable. . . . .	(16)	(73)	(89)
Increase (decrease) in compensated absences payable . . . . .	(9,701)	2,329	(7,372)
Increase in pension obligation payable . . . . .	1,733	2,403	4,136
Net cash provided by (used in) operating activities . . . . .	<u>\$ (192,810)</u>	<u>\$ 84,299</u>	<u>\$ (108,511)</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Food Services Fund</u></b>			
Total revenues and other financing sources	\$ 404,889	\$ 404,889	\$ -
Total expenses and other financing uses	<u>412,006</u>	<u>412,006</u>	<u>-</u>
Net change in fund equity	(7,117)	(7,117)	-
Fund equity at beginning of year	9,210	9,210	-
Prior year encumbrances appropriated	<u>3,641</u>	<u>3,641</u>	<u>-</u>
Fund equity at end of year	<u>\$ 5,734</u>	<u>\$ 5,734</u>	<u>\$ -</u>
<b><u>Day Care Services Fund</u></b>			
Total revenues and other financing sources	\$ 906,169	\$ 906,169	\$ -
Total expenses and other financing uses	<u>725,571</u>	<u>909,105</u>	<u>(183,534)</u>
Net change in fund equity	180,598	(2,936)	(183,534)
Fund equity at beginning of year	2,065	2,065	-
Prior year encumbrances appropriated	<u>5,155</u>	<u>5,155</u>	<u>-</u>
Fund equity at end of year	<u>\$ 187,818</u>	<u>\$ 4,284</u>	<u>\$ (183,534)</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b><u>Employee Flex Benefits Plan</u></b>			
Total revenues and other financing sources	\$ 80,162	\$ 80,162	\$ -
Total expenses and other financing uses	<u>65,415</u>	<u>70,404</u>	<u>(4,989)</u>
Net change in fund equity	14,747	9,758	(4,989)
Fund equity at beginning of year	<u>934</u>	<u>934</u>	<u>-</u>
Fund equity at end of year	<u>\$ 15,681</u>	<u>\$ 10,692</u>	<u>\$ (4,989)</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, 2013

	<u>Budgeted Amounts</u>		<b>Variance with Final Budget Positive (Negative)</b>
	<u>Final</u>	<u>Actual</u>	
<b><u>Endowment Trust Fund</u></b>			
Total revenues and other financing sources	\$ 58,959	\$ 58,959	\$ -
Total expenditures and other financing uses	<u>62,913</u>	<u>62,913</u>	<u>-</u>
Net change in fund equity	(3,954)	(3,954)	-
Fund equity at beginning of year	3,582,188	3,582,188	-
Prior year encumbrances appropriated	<u>16,472</u>	<u>16,472</u>	<u>-</u>
Fund equity at end of year	<u>\$ 3,594,706</u>	<u>\$ 3,594,706</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, 2013

	<b>Beginning Balance June 30, 2012</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance June 30, 2013</b>
<b><u>District Agency</u></b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 95,096	\$ 2,424,169	\$ 2,454,330	\$ 64,935
Total assets . . . . .	\$ 95,096	\$ 2,424,169	\$ 2,454,330	\$ 64,935
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 95,096	\$ 2,424,169	\$ 2,454,330	\$ 64,935
Total liabilities. . . . .	\$ 95,096	\$ 2,424,169	\$ 2,454,330	\$ 64,935
<b><u>Workers' Compensation</u></b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 222,963	\$ 102,066	\$ 69,829	\$ 255,200
Total assets . . . . .	\$ 222,963	\$ 102,066	\$ 69,829	\$ 255,200
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 222,963	\$ 102,066	\$ 69,829	\$ 255,200
Total liabilities. . . . .	\$ 222,963	\$ 102,066	\$ 69,829	\$ 255,200
<b><u>Student Managed Activities</u></b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 64,771	\$ 63,128	\$ 66,858	\$ 61,041
Total assets . . . . .	\$ 64,771	\$ 63,128	\$ 66,858	\$ 61,041
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 1,270	\$ 726	\$ 1,270	\$ 726
Due to students . . . . .	63,501	62,402	65,588	60,315
Total liabilities. . . . .	\$ 64,771	\$ 63,128	\$ 66,858	\$ 61,041
<b><u>Totals</u></b>				
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 382,830	\$ 2,589,363	\$ 2,591,017	\$ 381,176
Total assets . . . . .	\$ 382,830	\$ 2,589,363	\$ 2,591,017	\$ 381,176
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 1,270	\$ 726	\$ 1,270	\$ 726
Undistributed monies . . . . .	318,059	2,526,235	2,524,159	320,135
Due to students . . . . .	63,501	62,402	65,588	60,315
Total liabilities. . . . .	\$ 382,830	\$ 2,589,363	\$ 2,591,017	\$ 381,176

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# STATISTICAL SECTION



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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> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>106-119</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>120-125</b>
<b>Debt Capacity</b> 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>126-131</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>132-133</b>
<b>Operating Information</b> 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>133-144</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 POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2013 (1)</u>	<u>2012 (1)</u>	<u>2011</u>	<u>2010</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 7,549,500	\$ 8,373,342	\$ -	\$ -
Invested in capital assets, net of related debt	-	-	9,202,452	6,393,963
Restricted for:				
Capital projects	48,029	18,167	95,693	1,261,175
Debt service	2,635,272	2,467,211	2,344,828	2,443,764
Locally funded programs	9,352	9,938	10,985	39,180
State funded programs	23,137	37,313	128,670	112,716
Federally funded programs	214,015	25,051	171,206	54,051
Student activities	27,784	57,117	38,907	22,248
Public school support	-	-	-	65,549
Other purposes	-	-	-	22,416
Special Revenue	-	-	-	-
Set Asides	-	-	-	364,682
Unrestricted (deficit)	15,179,958	12,562,342	10,108,424	10,795,395
Total governmental activities net position	<u>25,687,047</u>	<u>23,550,481</u>	<u>22,101,165</u>	<u>21,575,139</u>
<b>Business-type activities</b>				
Net investment in capital assets	94,072	109,865	-	-
Invested in capital assets	-	-	130,266	11,878
Unrestricted (deficit)	<u>(170,180)</u>	<u>(254,234)</u>	<u>(292,148)</u>	<u>(311,466)</u>
Total business-type activities net position	<u>(76,108)</u>	<u>(144,369)</u>	<u>(161,882)</u>	<u>(299,588)</u>
<b>Primary government</b>				
Net investment in capital assets	7,643,572	8,483,207	-	-
Invested in capital assets, net of related debt	-	-	9,332,718	6,405,841
Restricted for:				
Capital projects	48,029	18,167	95,693	1,261,175
Debt service	2,635,272	2,467,211	2,344,828	2,443,764
Locally funded programs	9,352	9,938	10,985	39,180
State funded programs	23,137	37,313	128,670	112,716
Federally funded programs	214,015	25,051	171,206	54,051
Student activities	27,784	57,117	38,907	22,248
Public school support	-	-	-	65,549
Other purposes	-	-	-	22,416
Special Revenue	-	-	-	-
Set Asides	-	-	-	364,682
Unrestricted (deficit)	15,009,778	12,308,108	9,816,276	10,483,929
Total primary government net position	<u>\$ 25,610,939</u>	<u>\$ 23,406,112</u>	<u>\$ 21,939,283</u>	<u>\$ 21,275,551</u>

**Source:** School District financial records.

(1) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,067,939	3,115,203	19,694,843	2,895,485	6,533,198	6,454,502
1,954,926	2,715,093	-	-	-	205
2,374,692	2,266,165	248,507	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
133,881	145,131	304,764	304,764	392,581	308,424
364,682	364,682	364,682	-	-	-
10,924,003	9,190,897	(8,009,371)	(603,882)	(3,392,298)	(3,092,206)
<u>19,820,123</u>	<u>17,797,171</u>	<u>12,603,425</u>	<u>2,596,367</u>	<u>3,533,481</u>	<u>3,670,925</u>
-	-	-	-	-	-
14,988	17,816	20,643	23,471	26,298	-
<u>(189,365)</u>	<u>(12,444)</u>	<u>629</u>	<u>(9,366)</u>	<u>(35,345)</u>	<u>(117,889)</u>
<u>(174,377)</u>	<u>5,372</u>	<u>21,272</u>	<u>14,105</u>	<u>(9,047)</u>	<u>(117,889)</u>
-	-	-	-	-	-
4,082,927	3,133,019	19,715,486	2,918,956	6,559,496	6,454,502
1,954,926	2,715,093	-	-	-	205
2,374,692	2,266,165	248,507	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
133,881	145,131	304,764	304,764	392,581	308,424
364,682	364,682	364,682	-	-	-
10,734,638	9,178,453	(8,008,742)	(613,248)	(3,427,643)	(3,210,095)
<u>\$ 19,645,746</u>	<u>\$ 17,802,543</u>	<u>\$ 12,624,697</u>	<u>\$ 2,610,472</u>	<u>\$ 3,524,434</u>	<u>\$ 3,553,036</u>

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

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Expenses</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Governmental activities:				
Instruction:				
Regular	\$ 10,159,477	\$ 10,527,461	\$ 10,442,452	\$ 10,359,053
Special	2,763,960	2,044,031	2,124,180	2,608,089
Vocational	101,276	101,336	88,669	172,084
Other instructional	27,004	26,963	24,695	6,538
Support services:				
Pupil	1,372,568	1,402,845	1,261,354	1,092,469
Instructional staff	589,672	1,227,221	1,406,625	1,297,713
Board of education	33,499	24,499	27,523	30,939
Administration	1,465,239	1,525,224	1,437,284	1,491,518
Fiscal	682,284	808,236	857,173	868,247
Business	33,442	15,108	20,454	201,637
Operations and maintenance	1,767,999	1,848,672	1,952,349	2,018,495
Pupil transportation	636,919	598,342	630,610	709,469
Central	271,886	703,144	602,701	585,207
Operation of non-instructional services:				
Other non-instructional services	448,198	440,844	567,715	523,037
Extracurricular activities	531,641	546,593	556,263	454,972
Interest and fiscal charges	861,026	1,343,335	1,413,555	1,528,481
Bond issuance costs	304,956	-	-	-
Total governmental activities expenses	<u>22,051,046</u>	<u>23,183,854</u>	<u>23,413,602</u>	<u>23,947,948</u>
Business-type activities:				
Food service	431,845	409,011	385,275	415,012
Day care services	728,605	732,200	677,048	725,270
Total business-type activities expenses	<u>1,160,450</u>	<u>1,141,211</u>	<u>1,062,323</u>	<u>1,140,282</u>
Total primary government expenses	<u>23,211,496</u>	<u>24,325,065</u>	<u>24,475,925</u>	<u>25,088,230</u>

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	9,734,851	\$ 7,894,286	\$ 6,904,558	\$ 9,875,549	\$ 9,032,971	\$ 8,904,119
	3,068,363	2,696,239	2,475,614	2,846,548	2,268,896	2,272,917
	17,430	5,070	160,020	264,185	263,564	220,483
	15,305	31,041	25,479	89,072	63,463	50,001
	1,202,917	1,073,956	1,094,099	1,339,071	1,219,170	1,141,693
	1,764,724	1,228,859	1,228,523	1,323,560	1,304,437	1,227,243
	27,381	21,868	19,398	20,235	18,703	13,285
	1,361,033	1,157,334	918,746	1,396,018	1,210,899	1,102,402
	741,625	682,164	698,716	573,589	658,326	630,072
	219,281	57,978	23,176	24,882	29,590	63,239
	2,156,645	1,809,402	1,871,949	2,020,131	2,089,659	2,301,251
	703,411	1,110,868	524,392	578,268	578,576	510,430
	244,236	228,198	160,140	153,966	157,075	126,464
	637,148	469,812	636,714	537,553	515,554	571,843
	613,848	386,666	419,166	658,994	668,006	590,856
	1,441,200	1,679,026	1,380,019	1,659,845	185,695	188,960
	-	-	-	-	-	-
	<u>23,949,398</u>	<u>20,532,767</u>	<u>18,540,709</u>	<u>23,361,466</u>	<u>20,264,584</u>	<u>19,915,258</u>
	345,918	315,287	222,957	564,054	411,975	279,944
	925,404	863,641	861,174	803,623	794,509	803,614
	<u>1,271,322</u>	<u>1,178,928</u>	<u>1,084,131</u>	<u>1,367,677</u>	<u>1,206,484</u>	<u>1,083,558</u>
	<u>25,220,720</u>	<u>21,711,695</u>	<u>19,624,840</u>	<u>24,729,143</u>	<u>21,471,068</u>	<u>20,998,816</u>

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

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Program Revenues</b>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 414,852	\$ 405,162	\$ 369,546	\$ 373,012
Special	33,017	11,753	-	-
Vocational	-	-	-	-
Other instructional	-	1,712	2,257	3,435
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	479	11,063
Board of education	-	-	-	-
Administration	-	1,872	-	-
Fiscal	-	-	-	-
Business	-	-	-	-
Operations and maintenance	101,970	104,119	103,635	87,782
Pupil transportation	35,520	33,382	21,541	19,363
Central	1,431	-	230	307
Operation of non-instructional services:				
Other non-instructional services	1,237	172	1,750	6,258
Extracurricular activities	103,829	96,092	117,699	99,970
Operating grants and contributions:				
Instruction:				
Regular	64,233	66,040	189,310	86,014
Special	727,450	392,629	654,196	673,625
Vocational	7,802	7,802	7,802	7,744
Adult/Continuing	-	-	-	-
Other instructional	784	654	290	-
Support services:				
Pupil	177,360	122,200	144,588	146,765
Instructional staff	62,143	-	77,163	101,288
Board of education	-	-	-	-
Administration	8,771	2,831	17,816	20,605
Fiscal	26,018	9,975	18,249	14,596
Operations and maintenance	-	1,161	130,747	78,839
Pupil transportation	-	37,082	-	38,444
Central	2,146	8,321	5,030	5,170
Operation of non-instructional services:				
Other non-instructional services	430,875	438,194	519,233	527,822
Extracurricular activities	6,306	25,737	1,193	125
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Support services:				
Instructional staff	-	-	-	-
Pupil transportation	-	-	-	-
Operations and maintenance	-	-	1,256	-
Total governmental program revenues	<u>2,205,744</u>	<u>1,766,890</u>	<u>2,384,010</u>	<u>2,302,227</u>
Business-type activities:				
Charges for services and sales:				
Food service	232,193	199,724	179,685	193,762
Day care services	791,579	746,139	686,999	637,749
Operating grants and contributions:				
Food service	188,987	202,397	175,548	145,805
Total business-type activities program revenues	<u>1,212,759</u>	<u>1,148,260</u>	<u>1,042,232</u>	<u>977,316</u>
Total primary government program revenue	<u>3,418,503</u>	<u>2,915,150</u>	<u>3,426,242</u>	<u>3,279,543</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	(19,845,302)	(21,416,964)	(21,029,592)	(21,645,721)
Business-type activities	52,309	7,049	(20,091)	(162,966)
Total primary government net expense	<u>(19,792,993)</u>	<u>(21,409,915)</u>	<u>(21,049,683)</u>	<u>(21,808,687)</u>

	2009	2008	2007	2006	2005	2004
\$	262,454	\$ 272,244	\$ 305,364	\$ 408,350	\$ 295,774	\$ 469,616
	53,948	61,418	7,000	-	-	37,854
	333	939	-	-	-	6,825
	-	408	-	14,597	17,230	1,514
	20,926	22,968	-	31,231	-	44,468
	31,346	5,663	-	-	27,740	31,781
	530	540	1,510	1,515	4,713	-
	27,200	28,527	2,445	121,329	238,058	313,865
	14,731	15,969	-	-	-	6,191
	4,098	1,423	-	-	-	1,463
	47,017	43,932	144,419	-	-	38,855
	12,392	11,152	6,328	38,974	110,021	13,186
	6,587	5,466	-	-	-	528
	7,636	14,748	19,573	-	-	20,174
	100,987	98,290	99,590	101,819	47,317	148,206
	63,267	60,335	70,533	76,432	85,321	87,404
	405,537	319,520	294,779	301,995	271,229	411,774
	3,133	-	66,019	51,943	40,966	60,338
	-	-	1,240	-	-	-
	17,258	6,743	15,592	-	-	-
	163,928	249,076	239,775	218,654	202,280	17,981
	38,154	87,891	30,546	58,587	35,216	57,387
	-	-	6,858	-	-	-
	16,607	-	-	-	-	-
	9,352	-	-	-	-	-
	-	-	-	-	-	-
	-	-	7,020	-	3,917	-
	6,695	6,624	-	-	-	-
	556,617	525,936	525,529	520,874	509,752	473,888
	-	-	-	-	-	1,723
	-	-	150,000	-	16,065	-
	-	-	-	-	-	5,670
	-	-	-	-	15,000	15,000
	-	6,510	-	-	-	-
	-	-	-	-	-	-
	1,870,733	1,846,322	1,994,120	1,946,300	1,920,599	2,265,691
	211,747	144,409	122,413	265,835	285,370	167,272
	688,074	841,474	858,810	836,309	807,963	727,942
	125,262	111,834	51,752	125,519	137,208	47,072
	1,025,083	1,097,717	1,032,975	1,227,663	1,230,541	942,286
	2,895,816	2,944,039	3,027,095	3,173,963	3,151,140	3,207,977
	(22,078,665)	(18,686,445)	(16,546,589)	(21,415,166)	(18,343,985)	(17,649,567)
	(246,239)	(81,211)	(51,156)	(140,014)	24,057	(141,272)
	(22,324,904)	(18,767,656)	(16,597,745)	(21,555,180)	(18,319,928)	(17,790,839)

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

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 15,093,080	\$ 15,697,755	\$ 14,008,337	\$ 15,773,158
Debt service	2,032,515	2,166,501	1,933,450	2,117,387
Grants and entitlements not restricted to specific programs	4,744,664	4,773,368	5,173,969	5,217,461
Investment earnings	31,082	118,471	127,727	223,267
Miscellaneous	80,527	110,185	57,879	69,464
Transfers	-	-	-	-
Total governmental activities	<u>21,981,868</u>	<u>22,866,280</u>	<u>21,301,362</u>	<u>23,400,737</u>
Business-type activities:				
Miscellaneous	15,952	10,464	36,709	37,755
Transfers	-	-	-	-
Non-operating (revenues):				
Proceeds from sale of capital assets	-	-	-	-
Total business-type activities	<u>15,952</u>	<u>10,464</u>	<u>36,709</u>	<u>37,755</u>
Total primary government	<u>21,997,820</u>	<u>22,876,744</u>	<u>21,338,071</u>	<u>23,438,492</u>
<b>Change in Net Position</b>				
Governmental activities	2,136,566	1,449,316	271,770	1,755,016
Business-type activities	<u>68,261</u>	<u>17,513</u>	<u>16,618</u>	<u>(125,211)</u>
Total primary government	<u>\$ 2,204,827</u>	<u>\$ 1,466,829</u>	<u>\$ 288,388</u>	<u>\$ 1,629,805</u>

**Source:** School District financial records.

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	16,115,346	\$ 16,016,359	\$ 16,103,726	\$ 13,669,113	\$ 13,885,074	\$ 14,593,350
	2,116,467	2,070,148	2,110,733	1,493,351	478,714	535,625
	5,288,005	4,819,377	4,240,208	4,141,356	4,241,506	4,211,150
	513,033	905,764	1,925,490	1,209,937	153,109	46,092
	68,766	97,534	120,947	107,831	105,675	113,874
	-	(28,992)	-	(143,536)	(84,785)	-
	<u>24,101,617</u>	<u>23,880,190</u>	<u>24,501,104</u>	<u>20,478,052</u>	<u>18,779,293</u>	<u>19,500,091</u>
	66,490	36,319	14,150	14,920	-	-
	-	28,992	-	143,536	84,785	-
	-	-	-	4,710	-	-
	<u>66,490</u>	<u>65,311</u>	<u>14,150</u>	<u>163,166</u>	<u>84,785</u>	<u>-</u>
	<u>24,168,107</u>	<u>23,945,501</u>	<u>24,515,254</u>	<u>20,641,218</u>	<u>18,864,078</u>	<u>19,500,091</u>
	2,022,952	5,193,745	7,954,515	(937,114)	435,308	1,850,524
	(179,749)	(15,900)	(37,006)	23,152	108,842	(141,272)
\$	<u>1,843,203</u>	<u>5,177,845</u>	<u>7,917,509</u>	<u>(913,962)</u>	<u>544,150</u>	<u>1,709,252</u>

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

PROGRAM REVENUES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Governmental activities:</b>				
Instruction:				
Regular	\$ 479,085	\$ 471,202	\$ 558,856	\$ 459,026
Special	760,467	404,382	654,196	673,625
Vocational	7,802	7,802	7,802	7,744
Adult/Continuing	-	-	-	-
Other instructional	784	2,366	2,547	3,435
Support services:				
Pupil	177,360	122,200	144,588	146,765
Instructional staff	62,143	-	77,642	112,351
Board of education	-	-	-	-
Administration	8,771	4,703	17,816	20,605
Fiscal	26,018	9,975	18,249	14,596
Business	-	-	-	-
Operations and maintenance	101,970	105,280	235,638	166,621
Pupil transportation	35,520	70,464	21,541	57,807
Central	3,577	8,321	5,260	5,477
Operation of non-instructional services:				
Other non-instructional services	432,112	438,366	520,983	534,080
Extracurricular activities	110,135	121,829	118,892	100,095
<b>Total governmental activities</b>	<u>2,205,744</u>	<u>1,766,890</u>	<u>2,384,010</u>	<u>2,302,227</u>
<b>Business-type activities:</b>				
Food service	421,180	402,121	355,233	339,567
Day care services	791,579	746,139	686,999	637,749
<b>Total business-type activities</b>	<u>1,212,759</u>	<u>1,148,260</u>	<u>1,042,232</u>	<u>977,316</u>
<b>Total primary government</b>	<u>\$ 3,418,503</u>	<u>\$ 2,915,150</u>	<u>\$ 3,426,242</u>	<u>\$ 3,279,543</u>

Source: School District financial records.

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$	325,721	\$ 332,579	\$ 375,897	\$ 484,782	\$ 397,160	\$ 557,020
	459,485	380,938	301,779	301,995	271,229	455,298
	3,466	939	66,019	51,943	40,966	67,163
	-	-	1,240	-	-	-
	17,258	7,151	15,592	14,597	17,230	1,514
	184,854	272,044	239,775	249,885	202,280	62,449
	69,500	93,554	180,546	58,587	77,956	104,168
	530	540	8,368	1,515	4,713	-
	43,807	28,527	2,445	121,329	238,058	313,865
	24,083	15,969	-	-	-	6,191
	4,098	1,423	-	-	-	1,463
	47,017	43,932	144,419	-	-	38,855
	12,392	17,662	13,348	38,974	113,938	13,186
	13,282	12,090	-	-	-	528
	564,253	540,684	545,102	520,874	509,752	494,062
	100,987	98,290	99,590	101,819	47,317	149,929
	<u>1,870,733</u>	<u>1,846,322</u>	<u>1,994,120</u>	<u>1,946,300</u>	<u>1,920,599</u>	<u>2,265,691</u>
	337,009	256,243	174,165	391,354	422,578	214,344
	688,074	841,474	858,810	836,309	807,963	727,942
	<u>1,025,083</u>	<u>1,097,717</u>	<u>1,032,975</u>	<u>1,227,663</u>	<u>1,230,541</u>	<u>942,286</u>
\$	<u>2,895,816</u>	<u>\$ 2,944,039</u>	<u>\$ 3,027,095</u>	<u>\$ 3,173,963</u>	<u>\$ 3,151,140</u>	<u>\$ 3,207,977</u>

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

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

	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>
General Fund:				
Committed	\$ -	\$ 10,234	\$ 178,302	\$ -
Assigned	223,219	294,570	326,450	-
Nonspendable	10,457	7,605	-	-
Unassigned	15,341,983	13,732,862	12,512,850	-
Reserved	-	-	-	2,889,744
Unreserved (deficit)	-	-	-	9,225,324
	<u>15,575,659</u>	<u>14,045,271</u>	<u>13,017,602</u>	<u>12,115,068</u>
Total general fund				
All Other Governmental Funds:				
Restricted	2,822,345	2,638,222	2,652,841	-
Committed	374,441	111,584	299,333	-
Unassigned (deficit)	(25,867)	(4,961)	(129)	-
Reserved	-	-	-	1,120,673
Unreserved (deficit), reported in:				
Special revenue funds	-	-	-	(27,915)
Debt service funds	-	-	-	2,122,537
Capital projects funds	-	-	-	616,222
	<u>3,170,919</u>	<u>2,744,845</u>	<u>2,952,045</u>	<u>3,831,517</u>
Total all other governmental funds				
Total governmental funds	<u>\$ 18,746,578</u>	<u>\$ 16,790,116</u>	<u>\$ 15,969,647</u>	<u>\$ 15,946,585</u>

**Source:** School District financial records.

(1) The District implemented GASB Statement 54 in fiscal year 2011.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,089,568	2,604,233	2,581,171	1,974,419	2,607,649	3,361,446
<u>9,066,925</u>	<u>7,599,626</u>	<u>3,976,489</u>	<u>194,327</u>	<u>(636,533)</u>	<u>(537,177)</u>
<u>12,156,493</u>	<u>10,203,859</u>	<u>6,557,660</u>	<u>2,168,746</u>	<u>1,971,116</u>	<u>2,824,269</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
661,129	733,740	6,682,603	614,617	377,824	171,019
166,615	261,212	229,768	214,666	278,466	255,425
2,045,656	2,011,929	2,007,092	1,829,141	819,722	747,052
<u>965,628</u>	<u>2,416,869</u>	<u>4,985,364</u>	<u>26,351,410</u>	<u>(272,039)</u>	<u>285,233</u>
<u>3,839,028</u>	<u>5,423,750</u>	<u>13,904,827</u>	<u>29,009,834</u>	<u>1,203,973</u>	<u>1,458,729</u>
<u>\$ 15,995,521</u>	<u>\$ 15,627,609</u>	<u>\$ 20,462,487</u>	<u>\$ 31,178,580</u>	<u>\$ 3,175,089</u>	<u>\$ 4,282,998</u>

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

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Revenues</b>				
From local sources:				
Taxes	\$ 17,392,923	\$ 17,083,443	\$ 17,064,594	\$ 17,595,767
Intergovernmental	5,994,215	6,084,947	6,736,014	6,835,178
Tuition	306,080	266,691	195,792	207,506
Earnings on investments	37,413	113,069	121,957	208,581
Extracurricular	171,383	155,419	160,095	153,008
Charges for services	-	-	-	-
Classroom materials and fees	76,903	96,508	136,074	135,664
Rental income	101,970	104,119	103,635	87,782
Customer sales and services	-	-	-	-
Contributions and donations	11,378	33,545	11,041	13,469
Other local revenues	101,243	155,159	79,420	104,694
Total revenues	<u>24,193,508</u>	<u>24,092,900</u>	<u>24,608,622</u>	<u>25,341,649</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	9,049,519	9,472,929	9,292,770	9,406,536
Special	2,749,086	2,054,128	2,127,551	2,723,835
Vocational	112,285	101,336	88,669	172,084
Other	14,650	15,954	24,695	6,538
Support services:				
Pupil	1,391,035	1,418,673	1,253,749	1,121,925
Instructional staff	543,701	1,191,611	1,382,636	1,304,854
Board of education	33,499	24,499	27,523	30,939
Administration	1,446,104	1,525,693	1,434,797	1,557,313
Fiscal	683,382	807,897	852,313	861,725
Business	33,442	15,108	37,798	184,293
Operations and maintenance	1,708,857	1,714,845	1,809,114	2,014,311
Pupil transportation	693,156	714,197	535,905	736,858
Central	259,559	586,819	598,003	576,868
Operation of non-instructional services:				
Other non-instructional services	446,655	440,733	562,698	519,876
Extracurricular activities	531,056	545,067	554,880	454,972
Facilities acquisition and construction	409,514	263,660	1,573,926	1,263,770
Issuance costs	304,956	-	-	-
Debt service:				
Principal retirement	1,280,000	1,210,000	1,265,000	1,185,000
Interest and fiscal charges	854,092	1,174,282	1,197,228	1,268,888
Total expenditures	<u>22,544,548</u>	<u>23,277,431</u>	<u>24,619,255</u>	<u>25,390,585</u>
Excess of revenues over (under) expenditures	<u>1,648,960</u>	<u>815,469</u>	<u>(10,633)</u>	<u>(48,936)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,064,010	452,500	1,126,578	2,546,391
Transfers (out)	(1,064,010)	(452,500)	(1,092,883)	(2,546,391)
Sale of assets	-	5,000	-	-
General obligation bonds issued	-	-	-	-
Refunding bonds issued	16,539,980	-	-	-
Premium on bonds	2,350,698	-	-	-
Payment refunded bond escrow agent	(18,583,176)	-	-	-
Total other financing sources (uses)	<u>307,502</u>	<u>5,000</u>	<u>33,695</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,956,462</u>	<u>\$ 820,469</u>	<u>\$ 23,062</u>	<u>\$ (48,936)</u>
Debt service as a percentage of noncapital expenditures	9.66%	10.35%	10.63%	10.22%

**Source:** School District financial records.

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

	2009	2008	2007	2006	2005	2004
\$	18,168,781	\$ 18,215,926	\$ 17,908,931	\$ 15,155,771	\$ 14,120,388	\$ 15,142,130
	6,497,091	6,058,755	5,640,961	5,369,843	5,463,813	5,332,497
	314,045	320,322	284,113	327,730	203,301	160,538
	513,033	905,764	1,849,715	1,209,937	153,109	46,092
	183,195	157,585	164,835	236,449	166,754	201,997
	-	-	-	-	236,439	287,212
	-	-	-	-	54,153	54,564
	115,447	107,987	144,419	102,244	-	-
	-	-	-	44,363	-	-
	14,548	15,744	-	-	-	-
	68,766	97,534	114,794	112,318	104,966	217,857
	<u>25,874,906</u>	<u>25,879,617</u>	<u>26,107,768</u>	<u>22,558,655</u>	<u>20,502,923</u>	<u>21,442,887</u>
	8,778,083	8,164,321	7,539,460	8,759,003	8,966,247	8,453,660
	3,004,012	2,823,014	2,611,307	2,656,532	2,466,075	2,258,529
	17,430	5,070	196,241	252,072	263,564	220,483
	15,305	31,041	25,479	90,271	63,462	48,091
	1,167,004	1,162,803	1,257,308	1,208,232	1,262,717	1,127,305
	1,654,506	1,272,959	1,228,741	1,235,230	1,316,040	1,182,035
	27,381	21,868	19,398	20,235	18,703	13,285
	1,336,634	1,150,542	1,056,596	1,088,483	1,169,552	1,171,696
	742,080	678,772	653,957	580,953	652,933	623,677
	219,281	57,978	23,176	24,882	29,590	63,239
	2,271,267	1,776,897	1,744,105	1,917,837	2,121,366	2,260,446
	640,776	1,138,995	479,562	563,147	546,265	512,385
	240,556	226,286	154,605	164,209	153,829	122,657
	603,912	494,444	545,938	576,530	509,614	555,286
	609,636	393,906	392,708	662,119	665,031	589,050
	1,765,933	8,862,724	16,697,008	2,609,671	733,020	22,849
	-	-	-	323,735	-	-
	1,145,000	1,110,000	860,000	194,252	400,000	395,000
	1,268,198	1,303,883	1,338,272	1,445,436	185,388	188,877
	<u>25,506,994</u>	<u>30,675,503</u>	<u>36,823,861</u>	<u>24,372,829</u>	<u>21,523,396</u>	<u>19,808,550</u>
	<u>367,912</u>	<u>(4,795,886)</u>	<u>(10,716,093)</u>	<u>(1,814,174)</u>	<u>(1,020,473)</u>	<u>1,634,337</u>
	402,013	650,529	111,987	322,589	507,668	344,455
	(402,013)	(689,521)	(111,987)	(466,126)	(595,077)	(344,455)
	-	-	-	-	-	-
	-	-	-	28,499,992	-	-
	-	-	-	2,729,999	-	-
	-	-	-	1,587,906	-	-
	-	-	-	(2,856,695)	-	-
	-	(38,992)	-	29,817,665	(87,409)	-
\$	<u>367,912</u>	<u>(4,834,878)</u>	<u>(10,716,093)</u>	<u>28,003,491</u>	<u>(1,107,882)</u>	<u>1,634,337</u>
	10.20%	11.45%	10.92%	7.53%	2.83%	2.95%

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

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

Collection Year	<u>Tangible Personal Property</u>					
	<u>Real Property</u>		<u>Public Utility</u>		<u>General Business</u>	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2013	\$ 336,463,920	\$ 961,325,486	\$ 4,011,650	\$ 4,558,693	\$ -	\$ -
2012	350,580,950	1,001,659,857	3,709,930	4,215,830	-	-
2011	356,225,970	1,017,788,486	3,580,770	4,069,057	-	-
2010	355,779,330	1,016,512,371	3,498,100	3,975,114	566,680	-
2009	387,103,710	1,106,010,600	3,279,780	3,727,023	1,941,250	-
2008	381,078,160	1,088,794,743	3,124,260	3,550,295	2,961,371	47,381,936
2007	383,651,250	1,096,146,428	4,854,800	5,516,818	2,537,878	13,535,349
2006	351,888,370	1,010,185,514	5,810,780	6,603,159	3,610,219	14,440,876
2005	353,424,430	1,002,346,571	5,695,270	6,471,898	4,394,927	18,312,196
2004	350,680,800	940,227,400	6,063,330	6,890,148	5,363,328	22,347,200

**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.

(1) The effective tax rate has been replaced by the direct tax rate for all years covered by this schedule.

**Source:** Office of the Fiscal Officer, Cuyahoga County

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Ratio</b>	<b>Direct Tax Rate (1)</b>
\$ 340,475,570	\$ 965,884,179	35.25%	\$ 97.70
354,290,880	1,005,875,687	35.22%	97.60
359,806,740	1,021,857,543	35.21%	97.27
359,844,110	1,020,487,485	35.26%	97.27
392,324,740	1,109,737,623	35.35%	95.97
387,163,791	1,139,726,974	33.97%	95.87
391,043,928	1,115,198,595	35.06%	95.47
361,309,369	1,031,229,549	35.04%	95.47
363,514,627	1,027,130,665	35.39%	90.77
362,107,458	969,464,748	37.35%	86.17

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

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

Tax Year/ Collection Year	Direct Tax Rates				Overlapping Tax Rates		Total Levy
	Voted		Unvoted	Total Direct	County Levy	City Levy	
	General	Bond					
2012/2013	86.10	7.03	4.57	97.70	20.80	11.80	130.30
2011/2012	86.00	7.03	4.57	97.60	20.80	11.80	130.20
2010/2011	85.77	6.93	4.57	97.27	20.60	11.80	129.67
2009/2010	85.77	6.93	4.57	97.27	20.60	11.80	129.67
2008/2009	85.17	6.23	4.57	95.97	20.60	11.80	128.37
2007/2008	85.17	6.13	4.57	95.87	20.20	11.80	127.87
2006/2007	84.87	6.03	4.57	95.47	20.20	11.80	127.47
2005/2006	84.47	6.43	4.57	95.47	20.30	11.80	127.57
2004/2005	84.67	1.53	4.57	90.77	20.30	11.80	122.87
2003/2004	79.97	1.63	4.57	86.17	19.40	11.80	117.37

**Source:** Cuyahoga County Fiscal Officer's Office - Data is presented on a calendar year basis consistent with the County Fiscal Officer's method of maintaining the information. Composite Reduction Factor (DTE515) report for tax year 2012.

**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>
2013	\$ 20,507,201	\$ 19,663,016	95.88%	\$ 384,089	\$ 20,047,105	97.76%
2012	20,373,581	19,710,953	96.75%	548,602	20,259,555	99.44%
2011	20,793,529	19,732,467	94.90%	504,382	20,236,849	97.32%
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%

**Source:** Office of the Fiscal Officer, 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, 2012 AND DECEMBER 31, 2003

<b>December 31, 2012</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Real Estate Assessed Value</b>
Z and Sons Limited	\$ 5,930,960	1	1.76%
Fairview Shopping Center Corporation	3,580,990	2	1.06%
Cleveland Electric Illuminating Company	3,087,620	3	0.92%
Lawn Village Incorporated	2,404,290	4	0.71%
200 West Apartments	1,765,680	5	0.52%
West Valley Medical	1,764,950	6	0.52%
Stallard-Schrier Family Limited Partnership	917,560	7	0.27%
McGowan Real Estate	906,570	8	0.27%
Fairview Realty Invest Ltd.	840,710	9	0.25%
Puzzitiello Rocco H Jr. Trs	728,250	10	0.22%
<b>Totals</b>	<b>\$ 21,927,580</b>		<b>6.50%</b>
<b>Toal Assessed Valuation</b>	<b>\$ 336,463,920</b>		

<b>December 31, 2003</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	\$ 6,688,680	1	1.91%
Fairview Shopping Center Corporation	4,015,900	2	1.15%
Lawn Village, Inc.	2,444,930	3	0.70%
200 West Apartments	2,005,890	4	0.57%
Stallard-Schrier Family Ltd. Partnership	951,940	5	0.27%
Puzzitiello Rocco H Jr. Trust	919,840	6	0.26%
North Solon Office	918,750	7	0.26%
Fairview Realty Invest Ltd.	910,390	8	0.26%
<b>Totals</b>	<b>\$ 18,856,320</b>		<b>5.38%</b>
<b>Toal Assessed Valuation</b>	<b>\$ 350,680,800</b>		

**Source:** Office of the Fiscal Officer, Cuyahoga County

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

PRINCIPAL TAXPAYERS  
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY TAX  
DECEMBER 31, 2012 AND DECEMBER 31, 2003

<b>December 31, 2012</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.	\$ 3,087,620	1	76.97%
East Ohio Gas Co.	695,360	2	17.33%
American Transmission Systems	228,670	3	5.70%
<b>Totals</b>	<b>\$ 4,011,650</b>		<b>100.00%</b>
<b>Toal Assessed Valuation</b>	<b>\$ 4,011,650</b>		

<b>December 31, 2003</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.	\$ 2,152,780	1	18.84%
Ohio Bell Telephone Company	1,965,220	2	17.20%
Tops Markets LLC	737,510	3	6.45%
Golf Galaxy, Inc.	300,090	4	2.63%
Cox Cable Cleveland	208,430	5	1.82%
Quadax, Inc.	168,400	6	1.47%
Great Lakes Companies, Inc.	137,880	7	1.21%
Reserve Network Inc.	130,000	8	1.14%
Citicorp Vendor Finance Inc.	127,930	9	1.12%
Xerox Corp.	123,480	10	1.08%
<b>Totals</b>	<b>\$ 6,051,720</b>		<b>52.95%</b>
<b>Toal Assessed Valuation</b>	<b>\$ 11,426,658</b>		

**Source:** Office of the Fiscal Officer, Cuyahoga County

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

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
ATTRIBUTABLE TO GOVERNMENTAL ACTIVITIES  
JUNE 30, 2013

	<b>Debt Attributable to Governmental Activities</b>	<b>Percentage Applicable to School District (1)</b>	<b>Amount of Direct and Overlapping Debt</b>
<b>Overlapping debt:</b>			
City of Fairview Park	\$ 26,343,567	94.29%	\$ 24,839,676
Cuyahoga County	456,029,488	1.19%	5,422,321
Regional Transit Authority	<u>151,916,808</u>	1.19%	<u>1,806,334</u>
Total overlapping debt	634,289,863		32,068,331
<b>Direct debt</b>	<u>28,619,717</u>	100.00%	<u>28,619,717</u>
<b>Total direct and overlapping debt</b>	<u>\$ 662,909,580</u>		<u>\$ 60,688,048</u>

**Source:** Office of the Fiscal Officer, 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 2012 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 Obligation Bonds (1)</u>	<u>Percentage of Total Personal Income (2)</u>		<u>Per Capita (2)</u>
2013	\$	28,619,717	5.75%	\$	1,701
2012		27,604,200	5.55%		1,641
2011		28,683,343	5.77%		1,705
2010		29,758,438	6.44%		1,694
2009		30,773,718	6.66%		1,751
2008		31,792,498	6.88%		1,809
2007		32,574,235	7.05%		1,854
2006		33,510,010	7.25%		1,907
2005		3,654,252	0.79%		208
2004		3,669,993	0.79%		209

**Source:** School District financial records.

(1) Includes 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) Estimated Actual Value of Taxable Property	General Bonded Debt			Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
			General Bonded Debt Outstanding (4)	Resources Available to Pay Principal (3)	Net General Bonded Debt		
2013	16,826	\$ 965,884,179	\$ 28,619,717	\$ 2,734,196	\$ 25,885,521	2.68%	1,538
2012	16,826	1,005,875,687	27,604,200	2,471,773	25,132,427	2.50%	1,494
2011	16,826	1,021,857,543	28,683,343	2,457,586	26,225,757	2.57%	1,559
2010	17,572	1,020,487,485	29,758,438	2,442,316	27,316,122	2.68%	1,555
2009	17,572	1,109,737,623	30,773,718	2,372,936	28,400,782	2.56%	1,616
2008	17,572	1,139,726,974	31,792,498	2,276,690	29,515,808	2.59%	1,680
2007	17,572	1,115,198,595	32,574,235	2,250,270	30,323,965	2.72%	1,726
2006	17,572	1,031,229,549	33,510,010	2,044,406	31,465,604	3.05%	1,791
2005	17,572	1,027,130,665	3,654,252	886,766	2,767,486	0.27%	157
2004	17,572	969,464,748	3,669,993	838,432	2,831,561	0.29%	161

**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.
- (3) Represents the fund balance of the bond retirement fund. Portion specific to principal and interest cannot be determined. Entire balance may be applied to principal.
- (4) Includes unamortized premiums and accreted interest on capital appreciation bonds.

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

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

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Voted</u></b>				
Assessed Valuation	\$ 340,475,570	\$ 354,290,880	\$ 359,806,740	\$ 359,844,110
Debt Limit - 9% of assessed value	\$ 30,642,801	\$ 31,886,179	\$ 32,382,607	\$ 32,385,970
Amount of debt applicable to debt limit:				
General obligation bonds (1)	25,304,980	25,980,773	26,624,993	27,659,992
Less amount available in debt service	(2,734,196)	(2,471,773)	(2,457,586)	(2,442,316)
Total	22,570,784	23,509,000	24,167,407	25,217,676
Overall debt margin	\$ 8,072,017	\$ 8,377,179	\$ 8,215,200	\$ 7,168,294
Total net debt applicable to limit as a percentage of debt limit	73.66%	73.73%	74.63%	77.87%
<b><u>Unvoted</u></b>				
Debt margin - .10% of assessed value	\$ 340,476	\$ 354,291	\$ 359,807	\$ 359,844
Amount of debt applicable	-	-	-	-
Unvoted debt margin	\$ 340,476	\$ 354,291	\$ 359,807	\$ 359,844

**Source:** School District financial records.

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

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<u>\$ 392,324,740</u>	<u>\$ 387,163,791</u>	<u>\$ 391,043,298</u>	<u>\$ 361,309,369</u>	<u>\$ 363,514,623</u>	<u>\$ 362,107,458</u>
<u>\$ 35,309,227</u>	<u>\$ 34,844,741</u>	<u>\$ 35,193,897</u>	<u>\$ 32,517,843</u>	<u>\$ 32,716,316</u>	<u>\$ 32,589,671</u>
30,212,992	29,989,992	31,099,992	31,959,992	3,865,000	3,669,993
<u>(2,372,936)</u>	<u>(2,276,690)</u>	<u>(2,250,270)</u>	<u>(2,044,406)</u>	<u>(886,766)</u>	<u>(838,432)</u>
<u>27,840,056</u>	<u>27,713,302</u>	<u>28,849,722</u>	<u>29,915,586</u>	<u>2,978,234</u>	<u>2,831,561</u>
<u>\$ 7,469,171</u>	<u>\$ 7,131,439</u>	<u>\$ 6,344,175</u>	<u>\$ 2,602,257</u>	<u>\$ 29,738,082</u>	<u>\$ 29,758,110</u>
78.85%	79.53%	81.97%	92.00%	9.10%	8.69%
<u>\$ 392,325</u>	<u>\$ 387,164</u>	<u>\$ 391,043</u>	<u>\$ 361,309</u>	<u>\$ 363,515</u>	<u>\$ 362,107</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 392,325</u>	<u>\$ 387,164</u>	<u>\$ 391,043</u>	<u>\$ 361,309</u>	<u>\$ 363,515</u>	<u>\$ 362,107</u>

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

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

<b>Year</b>	<b>Fairview Park Population (1)</b>	<b>Average Personal Income (1)</b>	<b>Per Capita Personal Income (1)</b>	<b>Cuyahoga County Unemployment Rate</b>
2013	16,826	\$ 497,477,516	\$ 29,566	7.3%
2012	16,826	497,477,516	29,566	6.9%
2011	16,826	497,477,516	29,566	7.9%
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%

(1) 2002-2010: U. S. Census Bureau - 2000 Census. 2011: U.S. Census Bureau - 2010 Census.

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

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND SEVEN YEARS AGO

		<b>2012</b>	
<b>Employer</b>	<b>Nature of Business</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>
Fairview Park CSD	School District	407	6.36%
Cleveland Metroparks System	Metroparks System	236	3.69%
Cuyahoga County	County Government	184	2.87%
ASRC Areospace Corporation	Engineering and Information Technology	139	2.17%
Riser Foods	Retail	139	2.17%
McGowan & Company	Health Care Services	95	1.48%
Cuyahoga County Board of Education	County Government	82	1.28%
Cleveland Clinic Foundation	Hospital & Health Services	71	1.11%
Westside Cardiology	Hospital & Health Services (Consulting)	61	0.95%
Reserves Network	Employment Services	46	0.72%
Total		<u>1,460</u>	<u>22.80%</u>
Total employment within the District (1)		<u>6,401</u>	

		<b>2005 (2)</b>	
<b>Employer</b>	<b>Nature of Business</b>	<b>Number of Employees</b>	<b>Percentage of Total Employment</b>
City of Fairview Park	City	573	6.36%
Dillard's Inc.	Department Store	350	3.89%
Fairview Park CSD	School District	301	3.34%
Avadax Inc.	Data Entry Services	300	3.33%
Kohl's	Department Store	100	1.11%
Apple American LP	Restaurant	75	0.83%
Healthcare Circle Inc.	Home Health Care Services	75	0.83%
St. Angela Merici School	School	70	0.78%
Cuyahoga County Library	Library	60	0.67%
Strang Corp.	Restaurant	55	0.61%
Freedom Management Corp.	Bankers	55	0.61%
Total		<u>2,014</u>	<u>22.36%</u>
Total employment within the District (1)		<u>9,004</u>	

**Source:** For 2012 the number of employees were obtained from W-2's from RITA. For 2005 Cuyahoga County Library database.

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

(2) Information prior to 2005 is not available.

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

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

**Parkview Intermediate School**

Constructed in 1952, 1959, 1966  
Total Building Square Footage 40,086  
Enrollment Grades - Preschool, Day Care, Kindergarten  
Student Capacity - 500  
Regular Instruction Classrooms - 5  
Regular Instruction Teachers - 4.5  
Special Instruction Teachers - 1.5

**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 - 35  
Regular Instruction Teachers - 36  
Special Instruction Teachers - 3

**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 - 12  
Regular Instruction Teachers - 12  
Special Instruction Teachers - 2

**Gilles Sweet Elementary School**

Constructed in 2007  
Total Building Square Footage 104,987  
Enrollment Grades - K - 6  
Student Capacity - 882  
Regular Instruction Classrooms - 32  
Regular Instruction Teachers - 32  
Special Instruction Teachers - 5

**Source:** School District records.

Latest information available

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

PER PUPIL COST  
LAST TEN 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>
2013	\$ 22,051,046	1,800	\$ 12,251	-8.3%	127.0	14.2
2012	23,183,854	1,736	13,355	0.4%	119.0	14.6
2011	23,413,602	1,760	13,303	-2.1%	126.0	14.0
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

**Source:** School District records.

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

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

ENROLLMENT STATISTICS  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Elementary Schools (1)</b>	<b>Middle School Enrollment</b>	<b>High School</b>	<b>Totals</b>
2013	943	277	580	1,800
2012	907	243	586	1,736
2011	915	244	601	1,760
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

**Source:** Ohio Department of Education.

**(1)** Includes Kindergarten enrollment.

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

FULL-TIME EQUIVALENT SCHOOL DISTRICT TEACHERS BY EDUCATION  
LAST TEN 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>
2013	7.00	6.00	24.00	49.00	4.00	17.00	4.00	111.00
2012	4.00	8.50	17.50	49.00	4.00	24.00	5.00	112.00
2011	7.50	5.00	22.50	44.56	4.00	24.26	4.00	111.82
2010	10.75	5.42	25.00	32.80	4.00	31.00	4.00	112.97
2009	10.00	6.00	20.00	40.00	7.00	26.00	1.00	110.00
2008	5.20	6.67	33.28	19.90	19.00	25.90	1.00	110.95
2007	1.00	4.00	28.18	21.70	14.00	28.50	1.00	98.38
2006	5.13	12.15	31.60	26.42	16.60	30.00	2.00	123.90
2005	17.00	10.00	23.00	30.00	12.00	27.00	2.00	121.00
2004	20.00	10.00	20.00	35.00	10.00	28.00	2.00	125.00

**Source:** School District records.

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

AVERAGE NUMBER OF STUDENTS PER TEACHER  
LAST TEN SCHOOL YEARS

<u>Fiscal Year</u>	<u>Fairview Park Average</u>	<u>State Average</u>
2013	(1)	(1)
2012	(1)	(1)
2011	(1)	(1)
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

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

(1) Information for fiscal year 2013, 2012, 2011 and 2010 not available.

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

ATTENDANCE AND GRADUATION RATES  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Fairview Park Attendance Rate</u>	<u>State Average</u>	<u>Fairview Park Graduation Rate</u>	<u>State Average</u>
2013	94.8%	94.2%	92.0%	81.3%
2012	(1)	(1)	(1)	(1)
2011	95.6%	94.5%	98.6%	84.3%
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%

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

(1) Information for fiscal year 2012 not available.

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

SAT SCORES  
LAST TEN SCHOOL YEARS (1)

<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Fairview Park Verbal</b>	<b>Ohio Verbal</b>	<b>National Verbal</b>
2012-2013	29	15	4.96%	548	548	496
2011-2012	28	14	4.80%	561	538	496
2010-2011	N/A	N/A	N/A	N/A	N/A	N/A
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.

"N/A" means information not currently available.

<b>Fairview Park Math</b>	<b>Ohio Math</b>	<b>National Math</b>	<b>Fairview Park Writing</b>	<b>Ohio Writing</b>	<b>National Writing</b>
545	556	514	528	531	488
588	548	514	561	522	488
N/A	N/A	N/A	N/A	N/A	N/A
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 TEN SCHOOL YEARS (1)

<b>School Year</b>	<b>Number of Test Takers</b>	<b>Number of Seniors</b>	<b>Percent of Students</b>	<b>Fairview Park Composite</b>	<b>Ohio Composite</b>	<b>National Composite</b>
2012-2013	96	68	16%	22.1	21.8	20.9
2011-2012	103	95	70%	22.5	21.8	21.0
2010-2011	96	93	65%	21.2	21.8	21.1
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.

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

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

<u>Type</u>	<u>2013</u>	<u>2012</u>	<u>2011</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	36.5	38.6	39.9	43.4	42.2	41.2	34.8	43.0	53.5	56.5
Middle school classroom teachers	12.0	11.0	13.5	18.2	16.1	12.5	9.0	15.5	17.5	15.0
High School classroom teachers	24.6	24.8	27.7	30.3	30.6	25.8	23.7	28.0	44.5	46.0
Special instruction:										
Elementary classroom teachers	6.5	10.6	10.6	10.0	13.0	13.0	13.0	11.5	9.0	9.5
Gifted education teachers	1.4	1.0	1.0	2.0	2.0	2.0	1.0	1.0	0.5	1.0
Middle school classroom teachers	2.0	2.0	2.0	2.4	3.0	4.0	4.0	3.0	4.0	2.5
High school classroom teachers	3.0	4.5	4.5	4.9	5.8	4.0	4.0	4.0	6.5	6.0
Vocational instruction:										
High school classroom teachers	1.8	1.5	1.5	2.2	2.2	2.0	2.0	1.0	4.0	2.0
Pupil support services:										
Guidance counselors	3.9	5.0	5.0	5.0	5.0	3.9	4.0	5.0	5.0	5.5
Librarians	2.0	2.0	2.0	2.0	2.0	2.0	2.0	7.0	6.0	6.0
Library Aids	2.5	2.7	2.7	4.0	4.0	4.0	3.8	0.0	0.0	0.0
Psychologists	2.0	2.0	2.0	2.0	2.0	2.0	0.7	1.0	2.0	2.0
Speech and language pathologists	2.0	2.0	2.0	2.0	2.0	1.6	0.0	2.0	3.0	4.0
Non-teaching support staff central	1.0	1.0	1.0	1.2	1.2	1.6	1.4	2.0	3.0	4.0
Instructional Support Service:										
Non-teaching support staff elementary	23.3	22.6	22.6	18.6	19.6	16.2	16.7	10.0	10.0	8.5
Non-teaching support staff middle	10.0	10.0	10.0	6.0	9.9	6.4	7.5	4.0	3.0	3.5
Non-teaching support staff high	11.0	10.8	11.9	9.9	11.9	9.6	9.7	9.0	10.0	11.0
Non-teaching support staff central	2.9	2.9	3.0	3.0	3.0	2.0	2.0	2.0	1.0	1.0
Administration:										
Elementary	3.0	3.0	3.0	2.0	2.0	2.0	2.0	4.0	5.1	5.1
Middle school	1.5	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0
High school	2.0	2.5	2.5	2.0	2.0	2.0	2.0	3.0	4.0	4.5
Central	3.2	3.3	4.3	0.0	5.0	2.6	3.2	3.0	7.0	7.0
Business:										
Central	0.5	0.5	0.5	0.9	0.9	0.0	0.0	0.0	2.0	2.0
Fiscal:										
Treasurer department	4.0	4.0	4.0	4.0	4.0	4.0	3.5	3.5	3.5	4.0
Operation of plant:										
Custodial department	14.8	15.7	17.0	19.3	19.3	19.9	18.1	18.0	18.5	18.0
Maintenance department	1.8	1.8	2.0	2.0	2.0	1.7	1.0	1.5	2.0	3.0
Pupil transportation:										
Bus drivers	5.4	5.6	5.1	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	0.0	0.0
Mechanics	-	0.0	0.0	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	0.0	0.0
Central:										
Community relations	0.2	1.0	1.0	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	1.0	1.0	1.0
Personnel	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0
Extracurricular:										
Athletic department	17.5	17.5	17.5	17.5	16.5	15.5	15.5	15.5	21.0	20.5
Food service program:										
Elementary	3.5	3.5	3.1	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	0.0	0.0
High school cooks	2.4	2.4	2.4	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	0.0	0.0
Adult education/community service:										
Preschool	2.0	2.0	2.0	1.5	2.0	2.0	2.0	2.0	1.9	1.9
Extended care	10.0	14.0	14.0	10.0	10.0	20.0	20.0	20.0	25.5	23.5
<b>Total</b>	<u>222.2</u>	<u>234.8</u>	<u>244.3</u>	<u>242.2</u>	<u>254.1</u>	<u>239.1</u>	<u>218.3</u>	<u>235.0</u>	<u>293.0</u>	<u>289.5</u>

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

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

FREE OR REDUCED LUNCH PROGRAM PERCENTAGES  
LAST EIGHT 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>
2013	1,800	407	22.61%	107	5.94%	514	28.55%
2012	1,736	385	22.18%	102	5.88%	487	28.06%
2011	1,760	361	20.51%	114	6.48%	475	26.99%
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.



# Dave Yost • 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 7, 2014**