



Rea & associates a *brighter* way

Chagrin Falls Exempted Village School District Cuyahoga County, Ohio

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

For the Fiscal Year Ended
June 30, 2014



Dave Yost • Auditor of State

Board of Education
Chagrin Falls Exempted Village School District
400 E Washington St
Chagrin Falls, OH 44022

We have reviewed the *Independent Auditor's Report* of the Chagrin Falls Exempted Village School District, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period July 1, 2013 through June 30, 2014. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

January 13, 2015

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
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June 30, 2014

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December 10, 2014

To Board of Education and Management
Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
400 E. Washington Street
Chagrin Falls, OH 44022

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the "School District") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 10, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.
Medina, Ohio

December 10, 2014

To Board of Education and Management
Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
400 E. Washington Street
Chagrin Falls, OH 44022

**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by OMB Circular A-133**

Report on Compliance for Each Major Federal Program

We have audited Chagrin Falls Exempted Village School District's, Cuyahoga County, Ohio (the "School District") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2014. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of the School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of the School District as of and for the year ended June 30, 2014, and have issued our report thereon dated December 10, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Rea & Associates, Inc.

Medina, Ohio

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended June 30, 2014

Federal Grantor/Pass-through Grantor Program Title	CFDA Number	Program Year	Federal Receipts	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION				
(Passed through Ohio Department of Education)				
Special Education Cluster:				
Special Education - Grants to States	84.027	2013	\$ 45,169	\$ 53,474
Special Education - Grants to States	84.027	2014	<u>277,480</u>	<u>266,722</u>
Total Special Education - Grants to States			<u>322,649</u>	<u>320,196</u>
Special Education - Preschool Grants	84.173	2014	<u>9,802</u>	<u>9,802</u>
Total Special Education Cluster			<u>332,450</u>	<u>329,998</u>
Title I - Grants to Local Educational Agencies	84.010	2013	18,669	18,715
Title I - Grants to Local Educational Agencies	84.010	2014	<u>99,187</u>	<u>97,206</u>
Total Title I - Grants to Local Educational Agencies			<u>117,856</u>	<u>115,921</u>
Title II-A - Improving Teacher Quality	84.367	2013	548	0
Title II-A - Improving Teacher Quality	84.367	2014	<u>26,176</u>	<u>25,922</u>
Total Title II-A - Improving Teacher Quality			<u>26,724</u>	<u>25,922</u>
ARRA - Race to the Top	84.395	2013	350	350
ARRA - Race to the Top	84.395	2014	<u>16,980</u>	<u>19,472</u>
Total Race to the Top			<u>17,330</u>	<u>19,822</u>
Total U. S. Department of Education			<u>494,361</u>	<u>491,663</u>
U. S. DEPARTMENT OF AGRICULTURE				
(Passed through Ohio Department of Education)				
Child Nutrition Cluster:				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program	10.555	2013	21,187	21,187
Cash Assistance:				
National School Lunch Program	10.555	2013	<u>42,094</u>	<u>42,094</u>
Total Child Nutrition Cluster			<u>63,281</u>	<u>63,281</u>
Total US Department of Agriculture			<u>63,281</u>	<u>63,281</u>
U. S. DEPARTMENT OF TRANSPORTATION				
(Passed through Ohio Department of Transportation)				
Safe Route to Schools	20.205	2011	18,650	0
Total US Department of Transportation			<u>18,650</u>	<u>0</u>
Total Federal Financial Assistance			<u>\$ 576,292</u>	<u>\$ 554,944</u>

See accompanying notes to this schedule.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2014

Note A – Significant Accounting Policies

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

Note B - Child Nutrition Cluster

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

Note C – Food Donation Program

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

Note D – Ohio Bureau of Workers' Compensation

Ohio's workers' compensation system serves as an insurance program for both employers and employees alike. For those who contribute premiums, the Ohio Bureau of Workers' Compensation (BWC) covers the payment of compensation and medical costs related to industrial accidents and diseases. The BWC invested contributions over a three-year period which generated a greater than anticipated return. In May 2013, the Ohio BWC Board of Directors authorized a \$1 billion rebate for more than 210,000 public and private entities paying into Ohio's workers' compensation system. Each employer's rebate reflected 56% of what they were billed during the last policy period (2011 calendar year for public-taxing districts). Approximately \$113 million of the \$1 billion rebate went to local governments around the state. The School District did not properly allocate the rebate using the 2011 calendar year BWC expenditures. The audit team determined the amount that should have been allocated to federal funds is less than \$500. This amount is trivial and will not be reported in the schedule of federal expenditures of federal awards as a result.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Findings and Questioned Costs
OMB Circular A-133, Section .505
June 30, 2014

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

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

None noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
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None noted

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

**Comprehensive
Annual Financial Report**

For the Fiscal Year Ended June 30, 2014

Prepared by

Treasurer's Office
Anne Spano
Treasurer/CFO

**INTRODUCTORY
SECTION**

Chagrin Falls Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2014
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Chagrin Falls Exempted Village Schools

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Superintendent
ANNE SPANO
Treasurer/CFO

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MARY KAY O'TOOLE
President
MICHAEL F. HOGAN
Vice President
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ANNE B. THOMAS, Ph.D.
ROBERT H. WEBER

December 10, 2014

Board of Education Members and Residents of the Chagrin Falls Exempted Village School District

We are pleased to submit to you the Chagrin Falls Exempted Village School District's Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2014. This CAFR includes an audit opinion from the independent accounting firm of Rea and Associates, Inc. and conforms to generally accepted accounting principles as applicable to governmental entities. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Chagrin Falls Exempted Village School District with comprehensive financial data in a format of which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the local villages and cities comprising the School District, the Cuyahoga and Geauga County Public Libraries, major taxpayers, financial rating services, and other interested parties.

The School District

The Chagrin Falls Exempted Village School District is located in both Cuyahoga and Geauga counties in northeastern Ohio, approximately thirteen miles east of the City of Cleveland. The School District's territory encompasses the entire territory of Chagrin Falls Township and the Villages of Chagrin Falls, Bentleyville, South Russell, and a portion of the territories of the Village of Moreland Hills and the Townships of Bainbridge and Russell. The School District operates one elementary school (built in 1968 – PreK – grade 3), one intermediate school (built in 1914 – grades 4-6), one middle school (built in 1999 – grades 7-8) and a high school (built in 1960 – grades 9-12). Current enrollment (for the 2013-2014 school year) is 1,975, and enrollment projections show that enrollment will remain steady over the next ten years (no substantial growth or reductions).

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

The Reporting Entity

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

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

Major Initiatives

The 126th graduating class of the Chagrin Falls Exempted Village Schools was recognized during ceremonies this past June. Like their predecessors, this class has excelled academically, artistically and athletically—continuing the fine tradition of excellence expected by our community.

The foundation of our school district's future was considerably strengthened by the work completed over the past year. The Chagrin Falls Board of Education and Chagrin Falls Education Association reached a three-year contract settlement that was a fair resolution for both sides, something to be proud of during this difficult time in education. The agreement improves the overall stability of the district moving forward. Continuing to recognize the excellence of all our staff members, the district named its Teacher (Lisa Janson) and Staff Member (Carla Guseilo) of the Year, as well as continued the monthly "Master of Service Award" for classified staff.

Chagrin Falls Exempted Village Schools' Report Card shows that the district has an all-time high Performance Index score of 110.3, which equates to an A. This was achieved through improved School Performance Index scores, which increased in all buildings from last school year, with Gurney Elementary earning a 111.4, Chagrin Falls Intermediate School earning a 108.5, Chagrin Falls Middle School earning a 108.9, and Chagrin Falls High School earning a 113.6. The District Report Card also reflects continued success in meeting all Indicators (A) and significant improvement in Reading subgroup populations (including Students with Disabilities and Economically Disadvantaged Students), as evidenced in an improved Annual Measurable Objective - Gap Closing grade, of a B (from a D in 2012-13). The District Report Card also reflects an increase in Progress of our Gifted Students, improving from a C in 2012-13 to a B in 2013-14 and the Overall Progress for ALL students maintaining an A, indicating continued growth. We are very pleased each building improved which contributed to our achievement of the highest Performance Index score in our district's history. In addition, we are proud of our continually improving value-added data.

Overall as a district, math teachers in the Chagrin Falls Exempted Village Schools implemented new materials aligned to the Common Core State Standards for Mathematics this past year. Students are learning using new models and methods to think about and solve problems.

The district also engaged more than 100 community, student and staff members in a comprehensive strategic planning process. This plan was shared with the Chagrin Falls Board of Education at the June work session and focuses on providing a high quality, personalized education for all students. We shared this plan with the broader community in our annual report and during the opening of the 2014-2015 school year.

The Chagrin Falls Exempted Village Schools recognizes the importance of strong business and school partnerships within our community. The district has a number of formal and informal partnerships, as well as a strong tradition of local support through both people and materials over the years. In an effort to maximize the spirit of that partnership and learn more about our multifaceted business community, the district has formed a Superintendent's Business Advisory Committee. The committee has met three times so far and many new partnerships are being formed with local businesses.

In July, the district was notified that the Ohio Department of Education approved a \$640,000 Straight A Grant that has now dramatically accelerated the strategic plan in the area of technology. The grant has provided necessary infrastructure upgrades that were necessary to move forward with 1:1 technology in grades 3-12 offsetting these expenditures locally. In addition, Chagrin Falls Exempted Village Schools won two #BestEdTechAwards sponsored by the Ohio Educational Technology Conference. Mike Daugherty won the "Technology Coordinator Innovator Award" for his exceptional leadership and forward thinking. The district also earned the distinction of having the best 1:1 program in the State of Ohio.

The district completed the facility master planning process that recently concluded with a community-wide survey. This information was gathered to provide the district facilities committee and Board of Education with a better understanding of the perceptions and interest of our community specific to facility issues. The Board focused on all of this information over the summer and made decisions on appropriate next steps for the district. The district is now in the predesign process with an architect and in continual communication with residents.

In February 2014, the district launched a recognition program asking for people in the community to submit names of individuals who have made a difference in less than 100 words. The program first began on Twitter, and then a link to the nomination was placed on the district website, e-communications, and local newspapers. These individuals were soon called "difference makers" and the campaign was titled, "Who Cares." The response was overwhelming. More than 70 teachers, community members, students, and staff were treated to breakfast and recognized publicly on March 6 in the Performing Arts Center.

Chagrin Falls Exempted Village Schools was the first district in Ohio to install a new emergency radio system that connects the schools and safety forces. The district received a grant through the Ohio School Facilities Commission's School Security Grant Program in November to place the Multi-Agency Radio Communications (MARC) system in each of the four school buildings. Installation took place in April 2014. The MARC system is part of a state-wide initiative to make sure safety forces can communicate with each other and with other government entities in case of an emergency.

In September 2014, the district released the quality profile that provides a perspective on the achievements of our district beyond standardized testing. The Quality Profile examines the elements, including results on standardized testing measures of a quality public education, as defined by residents of the community. Its content is divided into six categories: academics, arts, student leadership and activities, fiscal stewardship, parent and community involvement and student services.

As proud as we are of our students' achievements, our staff continues to demonstrate success and excellence. Numerous teachers continue to develop themselves professionally through post-graduate course work and seminars. The collective efforts of our students, parents, staff and community made this another great year in Chagrin Falls Exempted Village Schools.

Chagrin Falls High School

Chagrin Falls High School, with an enrollment of 627 students, is a four-year comprehensive high school that continues to be recognized as a National School of Excellence. This past year, Chagrin Falls High School was recognized in the top 100 schools by *Newsweek* magazine. It placed at number 66, third among Ohio high schools on the list. The school came in at 216 in 2013. This recognition acknowledges not only the strong academic program provided to our students due to the support of our community but also an indication of the high number of motivated students we have accessing the highest level of academic rigor. In addition to being named to the *Newsweek* ranking, The “Daily Beast,” an online news source reaching 17 million readers a month, ranked Chagrin Falls High School as one of the top high schools in the country. Chagrin Falls High School ranked 114th in the country. The high school made the “Top 25 in the Midwest” list, with a rank of 15. They were the only school in the Cleveland area.

Small class sizes, more than 130 course offerings, including career technical education programs through the Excel TECC consortium, and Advanced Placement classes, provided students the opportunity for academic and personal growth. Students engaged in our most rigorous course offerings with 228 participating in Advanced Placement testing completing 490 exams.

This commitment to academic excellence was highlighted with the number of commended scholars and semifinalists in the National Merit Corporation competition. Chagrin Falls High School students that received recognition in the 2015 National Merit Scholarship Program include: Patrick Donley, Andrew Ganger, John Ganger, Sophia Gielink, Jon Karyo, Matthew Kohn, Abigail Meil, Andrew Moran, and Devon Riegel. Chagrin Falls High School students that have been named Semifinalists in the 2015 National Merit Scholarship Program are Jon Karyo and Andrew Moran. Eighty-one students at Chagrin Falls High School have earned the designation of AP Scholar by the College Board in recognition for their achievement on the college-level Advanced Placement Program exams. Their average score was a 4.08.

The Fine Arts are a vital portion of the well-rounded education provided at Chagrin Falls High School. The Drama and Music Departments presented sell-out performances of *Into the Woods* and *Seussical the Musical*. Our music program featured marching band and concert bands, string orchestra, women’s choir and mixed ensemble. Chagrin Falls High School also hosts the Academy of Performing Arts, that includes students from nine districts that participate in the Excell TECC career technical consortium. Many of our art students received recognition at the juried shows including Scholastics and the Governor’s Show.

The Chagrin Falls High School Speech and Debate team has just completed another great year. Once again, they ended the year on a high note by competing in the Ohio speech and debate state tournament. Speech and debate has grown over the years from a small club into an entity that encompasses all grade levels.

Starting in the 2014-15 school year, Chagrin Falls High School began offering a variety of business classes. The goal is to give students access to content that they are interested in and classes that will prepare them for college and career. The business classes implemented into the curriculum include Business Law, Business Principles & Management, Marketing, and Financial Literacy. Students in grades 10 through 12 will be allowed to enroll into these classes, with an exception to Financial Literacy, which will be offered to students in grade nine.

The school is committed to the full development of its student-athletes by offering 22 varsity sports. Cross country, swimming and diving, girls lacrosse, and track were represented at the state tournament level. Lenny May Field received a facelift this past year, that included a complete reconstruction of home plate, the batter’s box, and pitcher’s mound, re-aligning the bases to specifications, and improving drainage. The reconstruction would have cost the district more than \$25,000, but all the time, labor and materials were donated. Sodexo and John Deere staff were assisted by a team of volunteers from Chagrin Falls civic groups, including the high school athletic boosters and the Chagrin Falls Dads Club.

Students also gave back to the community by participating in several projects that included a blood drive, canned food drive, donation to various causes and charities including Adopt a Family and Meals on Wheels.

The school's Bridge to the World program, that enhances education through global partnerships, continues to provide hands-on experiences to students to gain an informative perspective and appreciation of foreign cultures and societies. This past year, students travelled to France, Costa Rica, and China. Those students that were on the trip to the Central American country aided in the completion of building houses in local communities. The high school also was host to 24 students in September 2013 from Jeppe Boys Schools, located in Johannesburg, South Africa. This was the second trip to Chagrin Falls for the school.

The multinational cast of "Up with People" performed for students in March 2014. The ensemble, which is made up of 100 people representing 20 countries, is known for their high energy, upbeat, family-friendly entertainment. "Voices," their latest production, is a performance featuring original and popular music and is a dynamic blend of feature soloists, full cast production numbers, fast-moving choreography and colorful costumes.

Six Chagrin Falls High School AP Spanish students spent part of the summer studying in Spain. Matt Kohn, Quinn O'Brien, Hailey Baker, Kendal Baker, Julia Bartell and Kelsey Owen each wrote three essays on Spanish culture to earn scholarships for the Summer AP Spanish program offered by Mundo Lengua in Sevilla, Spain.

Chagrin Falls Middle School

Chagrin Falls Middle School has a student enrollment of 343 seventh and eighth graders for the 2013-14 school year. The middle school staff provided many opportunities for academic and social growth that benefited all middle school students. Students benefit from a shared high school/middle school campus.

Young people thrive in an environment marked by challenging, exploratory classes with an emphasis on high achievement. Proactive faculty members work hard to foster the growth of every student.

Chagrin Falls Middle School is a member of the Chagrin Valley Conference (CVC). This allows our students to participate in 12 interscholastic sports. Other extracurricular activities include Student Council, Principal Advisory Committee, Ski Club, Middle School Select Choir, Yearbook, Newspaper, and Power of the Pen. The Middle School also has a strong focus on fine arts with many of our students performing in strings, choir, and band concerts throughout the year.

The middle school orchestra performed a Winter Concert and a Spring Concert. Fifteen middle school orchestra students participated in OMEA Solo and Ensemble competition at South Euclid-Lyndhurst Memorial Junior High in April 2014. All students received the top rating of "Superior." Various clinicians worked with the students throughout the year. The eighth grade students are looking forward to performing at Disney World this year.

In band, the eighth grade performed at a home high school football game. In both grades 7 and 8, students performed two concerts and all children had the opportunity to participate in OMEA Solos and Ensemble Contest. The ratings achieved were Superior and Excellent.

The Middle School's Student Council has a fantastic group of student leaders each year. This past year, students worked hard organizing school dances, spirit weeks, and zookeeper activities to enhance school spirit at sporting events. Students also organized a student film festival where a number of students contributed creative movies that were shown to the student body. Student Council showed their appreciation to all CFMS staff members by preparing a breakfast and ordering a gift for each individual on the staff. Members wrapped up the year by collaborating with the local fire department to run a school-wide food drive. Our students helped deliver the food to the Cleveland Food Bank and volunteered their time helping to sort food.

Eighth grade attended a three-day field trip to Washington D.C. Students were able to walk Arlington National Cemetery and watch the breathtaking “Changing of the Guard” for the Tomb of the Unknown Soldier. Students also viewed the Marine War Memorial of Iwo Jima, Lincoln Memorial, Korean War Veterans Memorial, and the Pentagon Memorial on the same day. The eighth grade students also walked around Mount Vernon and took in the beautiful landscape of the Potomac River. Students were fortunate to visit and walk through the Holocaust Museum. Students had a jam packed second day as they went to and from the National Archives, National Museum of Natural History, National Museum of American History, and the National Air & Space Museum. Following dinner at the Reagan Food court, students were able to see the exterior of the White House, the Jefferson Memorial, the FDR Memorial, the MLK Memorial and the World War II Memorial. To close out the field trip, students went on a tour of the Gettysburg National Battlefield.

Chagrin Falls teacher Lori Guerrini was honored as School Librarian of the Year by the Ohio Education Library Media Association Oct. 18. Ms. Guerrini is the library media teacher for Chagrin Falls High School and Middle School.

The award, sponsored by Follett Library Resources Company, is given to a media specialist who has developed an exemplary school library program, collaborates with classroom teachers, implements technology, demonstrates leadership, and advocates for school libraries.

In June, the students at Chagrin Falls Middle School raised close to \$10,000 in a game of kickball to help “kick” childhood cancer. Before the tournament, classes competed to see which one could raise the most funds for “Kick-It,” a program founded about five years ago by Chagrin Falls student Quinn Clarke, who was then age 9 and battling his second round of cancer. Last year’s games were held in honor of Quinn, who is now cancer free.

Many incredible activities and programs were implemented this year because of a wonderful, caring staff and a supportive community. We at CFMS understand that developing trusting relationships and partnerships with parents and other “stakeholders” is paramount to student success. We will continue to work hard to provide a top-notch educational experience for our students.

Intermediate School

Chagrin Falls Intermediate School is home to the district’s fourth, fifth, and sixth graders. For the 2013-14 school year, the enrollment reached 471 students. The faculty and student body work together to provide a rich foundation in learning and to develop an intentional environment for physical, social, and emotional development.

All students have excellence academic opportunities available to them. With a key educational program directed at broadening the student’s horizon, every student begins studying Spanish in fourth grade.

Extracurricular activities include Student Council, Service Club, Destination Imagination, Junior Great Books and Rocket Club. All students have the opportunity to participate in a strong music program with strings, band and vocal music offerings.

Rebecca Holthaus, principal of Chagrin Falls Intermediate School, was honored in Washington, DC this past September after being named the Ohio Middle Level Principal of the Year by the Ohio Association of Secondary School Administrators. Designated a state winner in the MetLife/NASSP National Principal of the Year Program, Ms. Holthaus was eligible for consideration to be the National Principal of the Year.

As a principal, Holthaus has proven success in involving the local community in the life of the school and has shown an astute awareness of current and emerging issues as well as a passion in improving the school’s learning environment.

Principal Rebecca Holthaus, teacher Mandy Marlo, and school parent Jean Kanzinger are the driving forces behind Genius Hour, a multi-genre, writing-across-the-curriculum initiative that was implemented at Chagrin Falls Intermediate School this year. They have spent countless hours collaborating and planning for this amazing project.

Genius Hour is an hour every other Thursday that is set aside for students to research a topic that interests them. Every staff member wears a blue shirt with a light bulb and the words “Genius Hour” on it. The first three sessions of the project were centered around students exploring ideas that generate curiosity for them. Students also did a lot of writing, sharing, and thinking during this time. For the fourth session, students were placed in groups based on their topics and teachers selected groups based on topics that interested them, or ones they wanted to learn more about.

Sixth graders once again enjoyed an overnight retreat at the Cuyahoga Valley Environmental Education Center, located in the Cuyahoga Valley National Park in Peninsula. The overnight retreat focuses on the Cuyahoga River watershed, and man’s impact on the environment.

The school also had an interactive program “Astounding Astronomy” that stimulated the imaginations of the next generation of astronauts and aerospace engineers right here in Chagrin Falls. The program is through COSI on Wheels.

It was showtime for the Chagrin Falls Intermediate School’s brand new dramatic arts program. “Showtime Junior!” is a musical theatre program that is run through Chagrin Falls Community Education. It helps students in third and fourth grade work toward a positive self-image through the practice and technique of theatre. Led and directed by Middle and Intermediate School choir director Mrs. Pat Haynish and Mrs. Lucy Brown, “Showtime Junior!” put on its first show in April 2014, a musical version of “Alice in Wonderland.” It featured a talented cast of 54 students from Gurney Elementary and the Intermediate School.

Students at the Intermediate School performed numerous community service projects. For example, Pasta for Pennies raised more than \$500 for the Leukemia and Lymphoma Society. In May, the fourth annual “Celebrate for Change” party was held, raising more than \$2000. Proceeds went to Free the Children, a non-profit organization dedicated to breaking the cycle of poverty and ending child labor around the world.

Students and staff in all grades participated in One School One Book and read *Genius Files* by Dan Gutman. Families were encouraged to read the book together, about a chapter a day between May 1-21. Podcasts were also available, with chapters read by staff members. At school, students answered trivia questions and took part in other activities centered around the book.

The Intermediate School celebrated its 100-year anniversary on Memorial Day weekend with an open house and special float in the Blossom Time parade.

Chagrin Falls Exempted Village School’s fifth grade Destination Imagination team, "THE MOST INTERESTING MEN IN THE WORLD," Jack McMullen, Jackson Chinnici, Luke Volpe and Ryan McMullen, competed at the global competition in May 2014 at the University of Tennessee. The team tied for eighth place at the competition.

Gurney Elementary

Gurney Elementary sits on a 35-acre campus with beautiful woods, two playgrounds and a legendary sled-riding hill. It serves as the only elementary school in the district and houses approximately 534 students in preschool through third grade.

Gurney is an amazing place where students are nurtured and yet held to rigorous expectations at the same time. The children thrive in this child-centered environment, which has been developed by a very devoted staff and dedicated parents.

The caliber of the Gurney staff is exceptional with at least 90% of the teachers holding advanced degrees and eight teachers holding National Board Certification. The PTO supports a variety of events throughout the academic year, and many parent volunteers provide assistance to the teachers and students in the classroom setting.

The school's program develops the total child by providing a wide range of opportunities that promote and encourage emotional, social, physical and academic growth including an introduction to Spanish in third grade. All students participate in the classroom, grade level and school-wide activities.

This past year, Gurney Elementary launched a new, healthier menu with the support of a Life Time Foundation "Healthy Kids, Healthy Planet" grant. This program was the first in Ohio and eliminated all unnatural ingredients ensuring students continue to enjoy the food they love while leading a healthier way of life.

Dr. Rachel Jones, principal of Gurney Elementary in the Chagrin Falls Exempted Village Schools, was named the 2014 Ohio Association of Elementary School Administrators (OAESA) Distinguished Principal of the Year. OAESA annually recognizes one middle school principal and/or one elementary school principal as Ohio Distinguished Principals of the Year. These principals represent Ohio in the National Association of Elementary School Principals (NAESP) National Distinguished Principal program in Washington, D.C. In addition to representing the state at the national conference, the recipients serve as leaders in our state by presenting at workshops, taking speaking engagements, participating on committees at the state level, and they receive a monetary award that may be used entirely at the principal's discretion.

In February 2014, Gurney Elementary hosted its first ever "Menu Night"—a series of presentations, hosted by third grade teachers, demonstrated helpful guidelines parents could use to enrich their child's learning.

The Third Grade Service Club at Gurney Elementary had a busy year. They visited the Crane House at Judson Retirement and Assisted Living and also Hamlet where they do a variety of activities such as reading aloud, playing card games and making crafts.

Gurney students enjoyed learning about the winter Olympic in their classrooms. For example, second graders incorporated the winter Olympics in Sochi into their lesson plans through researching athletes and writing opinions and persuasive paragraphs and letters.

Gurney Elementary teachers Lisa Dugach and Regina Lantsberg achieved National Board Certification. Ohio teachers who hold a valid certificate from the National Board for Professional Teaching Standards are recognized as having demonstrated effective practice at the distinguished level of performance, as defined in the Ohio Standards for the Teaching Profession.

Future Projects

This is an unprecedented time in education as politicians attempt to regulate school effectiveness through legislation. We continue to attempt to manage the growing mandates from the State of Ohio, while providing a well-rounded, rigorous academic program expected by our community. Our community has been very engaged in regards to the current state and future of our school district. There was a theme that noticeably transcended a vast majority of these conversations. It has been clearly vocalized that our community has a strong desire to retain local control and develop a school system based on the local values of this community. This conversation will continue into next year while we begin to implement a very aggressive, locally structured strategic plan. We will

also continue the process of examining our facilities and developing the best plan for our students and community to address the needs. Our 1:1 technology initiatives will continue to expand as we continue to find new ways for our students to learn and grow using their Chromebooks and other technology.

There is ongoing conversation at the state and national level about the failure of public school districts. We are fortunate to be in a community that values and supports our school district. We do not take this support for granted and as a district we are working to continuously grow and improve providing an educational experience that empowers students to maximize their potential.

Economic Conditions and Outlook

The Chagrin Falls Exempted Village School District area is an affluent residential community encompassing 27.5 square miles. The School District is rich in heritage, while maintaining an "old time" atmosphere with specialty shopping. Approximately 92% of the area is residential and 8% of the area is business property. The average federal adjusted gross income levels were at \$176,577 based on the 2012 Ohio Department of Taxation records, which maintains the Chagrin Falls Exempted Village School District as fifth in the State among 614 school districts. The School District has been ranked among the top ten school districts for the past twenty-five years.

The School District's general area is served by diversified transportation facilities. School District residents have convenient access to four State and United States highways and to two interstate highways. The School District is adjacent to areas served by Conrail, Amtrak and Norfolk and Western Railroads, and is served by passenger air service at Cleveland Hopkins International Airport, located in the City of Cleveland within a half-hour's drive of the School District. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority.

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

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

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

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

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. As a result, school districts throughout Ohio must place funding issues on the ballot to receive significant revenue growth. Chagrin Falls Exempted Village School District garners excellent levy support from its constituents. Historically, constituents of the School District have approved operating levies that have been submitted to the voters, in advance of the School District experiencing financial shortcomings. An additional 7.9 mill operating levy was last approved by voters in March 2012.

Financial Information

Internal Accounting and Budgetary Control

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

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

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

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

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

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

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

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

Financial Condition

The School District has prepared financial statements following GASB Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* since fiscal year 2001. GASB 34 created new basic financial statements for reporting on the School District's financial activities as follows:

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

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

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

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion provides an assessment of the School District's finances for 2014 and a discussion of current issues that affect the School District's outlook for the future.

Independent Audit

State statutes require the School District to be subjected to an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. The independent accounting firm of Rea and Associates, Inc. rendered an opinion on the School District's financial statements for the year ended June 30, 2014. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

Awards

Certificate of Achievement

The Government Finance Office Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chagrin Falls Exempted Village School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

The publication of this report significantly increases the accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, the School District's Audit Committee, and various administrators and employees of the School District. Assistance of the Cuyahoga and Geauga County Auditors' office staffs and other outside agencies made possible the fair presentation of statistical data.

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

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

Respectfully,



Mr. Robert W. Hunt
Superintendent



Ms. Anne Spano
Treasurer

Chagrin Falls Exempted Village School District
Principal Officials
June 30, 2014

Board of Education

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

Treasurer/CFO

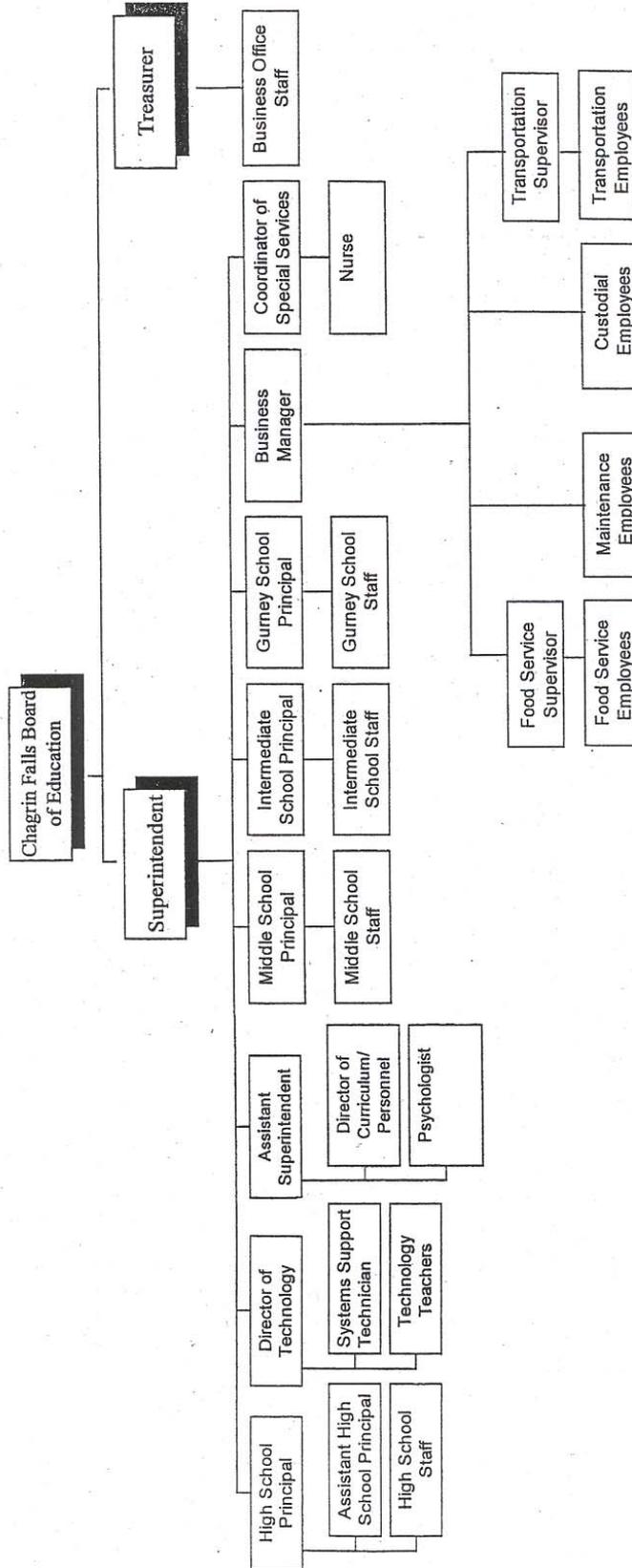
Anne Spano

Superintendent

Robert Hunt

CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

ORGANIZATION CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Chagrin Falls Exempted
Village School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

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FINANCIAL SECTION

December 10, 2014

To Board of Education and Management
Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
400 E. Washington Street
Chagrin Falls, OH 44022

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, (the School District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund for the year then ended in accordance with 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 that the management's discussion and analysis on pages 5-13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The combining and individual fund financial statements and schedules and introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2014 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 School District's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Medina, Ohio

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

The discussion and analysis of the Chagrin Falls Exempted Village School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2014 are as follows:

- Net position increased \$4.1 million, which represents an 28 percent increase from 2013.
- Capital assets decreased \$1.1 million during fiscal year 2014 due to depreciation expense exceeding additions.
- During the year, outstanding debt decreased from \$25.6 million to \$23.6 million, mainly through principal and accretion payments in fiscal year 2014, which amounted to \$1.6 million in general obligation bonds and \$0.4 million in capital appreciation bonds.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the Chagrin Falls Exempted Village School District as a whole entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the Chagrin Falls Exempted Village School District, the general fund and bond retirement fund are by far the most significant funds.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014*

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, Governmental Activities include the School District's programs and services, including instruction, support services, extracurricular activities, and non-instructional services, i.e., food service operations.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 16. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and bond retirement fund.

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

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for some of its scholarship and foundation programs. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 21 and 22. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2014 compared to 2013:

Table 1
Net Position

	Governmental Activities	
	2014	2013
Assets		
Current and Other Assets	\$ 38,657,859	\$ 36,207,517
Capital Assets	28,660,901	29,759,523
<i>Total Assets</i>	<i>67,318,760</i>	<i>65,967,040</i>
Liabilities		
Other Liabilities	3,127,305	3,120,021
Long-Term Liabilities	26,077,291	27,995,457
<i>Total Liabilities</i>	<i>29,204,596</i>	<i>31,115,478</i>
Deferred Inflows of Resources	19,404,551	20,214,116
Net Position		
Net Investment in Capital Assets	5,331,584	4,423,196
Restricted	5,302,302	4,598,098
Unrestricted	8,075,727	5,616,152
<i>Total Net Position</i>	<i>\$ 18,709,613</i>	<i>\$ 14,637,446</i>

At year end, capital assets represented 43 percent of total assets. Capital assets include land, buildings and improvements, furniture and equipment, vehicles and textbooks. Net investment in capital assets was \$5.3 million at June 30, 2014. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$5.3 million or 28 percent, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position of \$8.1 million may be used to meet the government's ongoing obligations to students and creditors.

Current and other assets increased \$2.5 million over fiscal year 2013. There was a \$2.0 million increase in cash, partially attributable to receipts from the second half of the property tax levy passed in 2012. There was a \$1.1 million decrease in capital assets from depreciation and disposals exceeding current year acquisitions. Other liabilities remained consistent while long term liabilities showed a decrease of \$2.0 million from fiscal year 2013 through principal payments.

Chagrin Falls Exempted Village School District
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Table 2 shows the changes in net position for fiscal year 2014 and 2013.

Table 2
Changes in Net Position

	Governmental Activities	
	2014	2013
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$ 2,343,126	\$ 2,034,220
Operating Grants	1,131,912	1,179,214
<i>Total Program Revenues</i>	<u>3,475,038</u>	<u>3,213,434</u>
<i>General Revenues:</i>		
Property Taxes	25,836,482	22,807,917
Grants and Entitlements Not Restricted	5,071,524	4,714,154
Other	66,349	52,952
<i>Total General Revenues</i>	<u>30,974,355</u>	<u>27,575,023</u>
<i>Total Revenues</i>	<u>34,449,393</u>	<u>30,788,457</u>
Program Expenses		
Instruction:		
Regular	14,621,735	13,475,875
Special	2,316,214	2,366,608
Vocational	673,506	608,328
Student Intervention Services	31,712	21,786
Support Services:		
Pupils	1,247,197	1,419,630
Instructional Staff	1,101,942	1,515,678
Board of Education	74,759	75,162
Administration	2,481,325	2,277,862
Fiscal	918,196	854,924
Business	151,203	400
Operation and Maintenance of Plant	2,622,626	2,075,031
Pupil Transportation	1,373,927	1,385,459
Central	253,174	12,700
Operation of Non-Instructional Services:		
Food Service Operations	696,602	698,428
Community Services	411,546	492,505
Extracurricular Activities	940,121	835,066
Debt Service:		
Interest and Fiscal Charges	461,441	1,133,102
Issuance Costs	0	141,450
<i>Total Expenses</i>	<u>30,377,226</u>	<u>29,389,994</u>
<i>Increase in Net Position</i>	4,072,167	1,398,463
<i>Net Position at Beginning of Year</i>	14,637,446	13,238,983
<i>Net Position at End of Year</i>	<u>\$ 18,709,613</u>	<u>\$ 14,637,446</u>

Chagrin Falls Exempted Village School District
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Property taxes increased \$3.0 million over fiscal year 2013 partially due to an increase in property tax revenue available at year end and receipts from the second half of the levy passed in 2012. Foundation revenue increased over fiscal year 2013, contributing to the increase in unrestricted grant revenue.

Expenses increased \$1.0 million or 3 percent from fiscal year 2013. Increases in salaries and benefits account for increases in regular instruction over fiscal year 2013. Capitalized costs for House Bill 264 expenses reduced costs in fiscal year 2013 contributing to the increase in operation and maintenance expenses in fiscal year 2014. Fiscal year 2013 interest expense included interest payments on refunded debt contributing to the decrease in interest expense in fiscal year 2014.

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

Table 3
Governmental Activities

	Total Cost of Service		Net Cost of Service	
	2014	2013	2014	2013
Instruction:				
Regular	\$ 14,621,735	\$ 13,475,875	\$ 13,833,557	\$ 12,971,930
Special	2,316,214	2,366,608	2,258,472	2,312,971
Vocational	673,506	608,328	139,843	60,056
Student Intervention Services	31,712	21,786	31,712	21,786
Support Services:				
Pupils	1,247,197	1,419,630	1,140,836	1,300,750
Instructional Staff	1,101,942	1,515,678	820,262	1,195,361
Board of Education	74,759	75,162	74,759	75,162
Administration	2,481,325	2,277,862	2,481,325	2,277,862
Fiscal	918,196	854,924	902,447	850,714
Business	151,203	400	151,203	400
Operation and Maintenance of Plant	2,622,626	2,075,031	2,622,626	2,075,031
Pupil Transportation	1,373,927	1,385,459	1,373,927	1,300,097
Central	253,174	12,700	253,174	12,700
Operation of Non-Instructional Services:				
Food Service Operations	696,602	698,428	10,705	34,069
Community Services	411,546	492,505	(40,940)	22,454
Extracurricular Activities	940,121	835,066	468,729	479,610
Debt Service:				
Interest and Fiscal Charges	461,441	1,133,102	379,551	1,044,157
Issuance Costs	0	141,450	0	141,450
Total Expenses	\$ 30,377,226	\$ 29,389,994	\$ 26,902,188	\$ 26,176,560

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

The dependence upon general revenues for governmental activities is apparent. Almost 89 percent of governmental activities are supported through taxes and other general revenues; such revenues are 90 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

Governmental Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$34.3 million and expenditures of \$31.2 million for fiscal year 2014. The net change in fund balances for the fiscal year was an increase of \$3.1 million for all governmental funds.

The general fund's net change in fund balance for fiscal year 2014 was an increase of \$2.5 million. Property tax revenues available at year-end along with an increase in foundation and open enrollment revenues contributed to the \$3.2 million increase in revenue over fiscal year 2013. Expenditures in fiscal year 2014 increased \$1.6 million over the prior year partially due to increases in salaries and benefits.

The fund balance of the bond retirement fund increased \$0.4 million over fiscal year 2014 due to the timing of revenues to cover debt payments.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal year 2014, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual and final budget basis revenue in fiscal year 2014 was \$28.2 million and original budget revenues were \$25.9 million. The \$2.4 million difference is mainly due to the increase in property taxes not included in original estimates.

Final appropriation expenditures, of \$26.5 million were \$0.3 million higher than the actual expenditures due to cost cutting efforts in regular instruction. Final appropriations were \$0.4 million over original appropriations of \$26.1 million, mostly through regular instruction originally being estimated lower.

Chagrin Falls Exempted Village School District
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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2014, the School District had \$28.7 million invested in capital assets. Table 4 shows fiscal year 2014 balances compared with 2013.

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

	Governmental Activities	
	2014	2013
Land	\$ 1,386,635	\$ 1,386,635
Buildings and Improvements	26,132,386	27,207,007
Furniture and Equipment	419,195	456,386
Vehicles	367,598	343,303
Textbooks	355,087	366,192
<i>Totals</i>	\$ 28,660,901	\$ 29,759,523

The \$1.1 million decrease in capital assets was attributable to current depreciation and disposals exceeding acquisitions. See Note 8 for more information about the capital assets of the School District.

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Debt

At June 30, 2014, the School District had \$23.6 million in debt outstanding. See Note 13 for additional details. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2014	2013
2005 Capital Improvement Refunding	\$ 1,085,000	\$ 2,130,000
Unamortized Bond Premiums	0	96,917
2005 School Improvement Bonds	305,000	305,000
Unamortized Bond Premiums	0	17,279
Capital Appreciation Bonds (CAB)	0	83,668
Accretion on CAB	0	198,793
2011 Energy Conservation Bonds	1,959,521	2,044,521
Capital Appreciation Bonds	0	35,463
Accretion on CAB	0	22,043
Unamortized Bond Premiums	34,184	37,291
2012 Series A School Improvement Refunding	10,010,000	10,315,000
Capital Appreciation Bonds (CAB)	225,000	225,000
Accretion on CAB	136,278	39,286
Unamortized Bond Premiums	879,044	976,715
2012 Series B School Improvement Refunding	7,745,000	7,910,000
Capital Appreciation Bonds (CAB)	215,000	215,000
Accretion on CAB	120,709	38,785
Unamortized Bond Premiums	847,968	897,849
<i>Total</i>	<u>\$ 23,562,704</u>	<u>\$ 25,588,610</u>

In fiscal year 2014, the School District made principal payments of \$1.6 million in general obligation bonds and \$0.4 million in matured capital appreciation bonds.

Current Issues

The Chagrin Falls community supported a 7.9 mill operating levy in Spring 2012. This levy was projected to cover necessary operating expenditures until June 2016. As a result, real estate tax collections grew 8.76 percent over the prior year. This increase was due to the full year collection of the 2012 operating levy. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a levy will not increase solely as a result of inflation due to Ohio House Bill 920 (passed in 1976). As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35 annually in taxes. If three years later the home was reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills, and the owner would still pay \$35.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2014

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Local property taxes made up 75 percent of revenues for governmental activities for the Chagrin Falls Schools in fiscal year 2014.

The School District continues to be proactive in managing the financial burden on our local taxpayers. The School District anticipates extending the levy cycle one additional year to May 2017 due to cost savings measures implemented over the levy cycle. These cost savings measures included: implementation of an employee severance plan to reduce personnel costs; institution of an open enrollment policy resulting in \$160,000 additional annual revenue; modification of the certified staff compensation structure; and, elimination of two full-time equivalent positions due to a decline in enrollment at the lower grade levels.

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

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

The Chagrin Falls Exempted Village Schools has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Financial Reporting for fourteen consecutive years.

Contacting the School District's Financial Management

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Net Position
June 30, 2014

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$ 14,057,955
Receivables:	
Intergovernmental	198,513
Property Taxes	24,401,391
Nondepreciable Capital Assets	1,386,635
Depreciable Capital Assets (Net)	27,274,266
<i>Total Assets</i>	67,318,760
Liabilities	
Accounts Payable	78,789
Accrued Wages and Benefits	2,247,248
Intergovernmental Payable	606,016
Accrued Vacation Leave Payable	90,979
Matured Compensated Absences Payable	63,937
Accrued Interest Payable	40,336
Long Term Liabilities:	
Due Within One Year	2,807,998
Due In More Than One Year	23,269,293
<i>Total Liabilities</i>	29,204,596
Deferred Inflows of Resources	
Property Taxes Levied for the Next Fiscal Year	19,404,551
Net Position	
Net Investment in Capital Assets	5,331,584
Restricted For:	
Capital Outlay	429,683
Debt Service	4,551,179
Food Service	69,434
Athletics	164,058
Other Purposes	87,948
Unrestricted	8,075,727
<i>Total Net Position</i>	\$ 18,709,613

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2014

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 14,621,735	\$ 547,588	\$ 240,590	\$ (13,833,557)
Special	2,316,214	57,742	0	(2,258,472)
Vocational	673,506	280,039	253,624	(139,843)
Student Intervention Services	31,712	0	0	(31,712)
Support Services:				
Pupils	1,247,197	96,373	9,988	(1,140,836)
Instructional Staff	1,101,942	0	281,680	(820,262)
Board of Education	74,759	0	0	(74,759)
Administration	2,481,325	0	0	(2,481,325)
Fiscal	918,196	15,749	0	(902,447)
Business	151,203	0	0	(151,203)
Operation and Maintenance of Plant	2,622,626	0	0	(2,622,626)
Pupil Transportation	1,373,927	0	0	(1,373,927)
Central	253,174	0	0	(253,174)
Operation of Non-Instructional Services:				
Food Service Operations	696,602	620,888	65,009	(10,705)
Community Services	411,546	308,072	144,414	40,940
Extracurricular Activities	940,121	416,675	54,717	(468,729)
Interest and Fiscal Charges	461,441	0	81,890	(379,551)
Total	\$ 30,377,226	\$ 2,343,126	\$ 1,131,912	(26,902,188)

General Revenues

Property Taxes Levied for:

General Purposes	23,457,314
Debt Service	2,379,168
Grants and Entitlements Not Restricted to Specific Programs	5,071,524
Investment Earnings	50,131
Miscellaneous	16,218

Total General Revenues

30,974,355

Change in Net Position

4,072,167

Net Position Beginning of Year

14,637,446

Net Position End of Year

\$ 18,709,613

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 9,180,756	\$ 4,087,781	\$ 789,418	\$ 14,057,955
Receivables:				
Intergovernmental	111,691	0	86,822	198,513
Property Taxes	22,219,006	2,182,385	0	24,401,391
<i>Total Assets</i>	<u>\$ 31,511,453</u>	<u>\$ 6,270,166</u>	<u>\$ 876,240</u>	<u>\$ 38,657,859</u>
Liabilities				
Accounts Payable	\$ 49,653	\$ 0	\$ 29,136	\$ 78,789
Accrued Wages and Benefits	2,197,975	0	49,273	2,247,248
Intergovernmental Payable	588,306	0	17,710	606,016
Matured Compensated Absences Payable	63,937	0	0	63,937
<i>Total Liabilities</i>	<u>2,899,871</u>	<u>0</u>	<u>96,119</u>	<u>2,995,990</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Fiscal Year	17,685,564	1,718,987	0	19,404,551
Unavailable Revenue - Delinquent Property Taxes	630,635	61,982	0	692,617
Unavailable Revenue - Other	0	0	85,736	85,736
<i>Total Deferred Inflows of Resources</i>	<u>18,316,199</u>	<u>1,780,969</u>	<u>85,736</u>	<u>20,182,904</u>
Fund Balances				
Restricted	0	4,489,197	721,405	5,210,602
Assigned	198,107	0	0	198,107
Unassigned	10,097,276	0	(27,020)	10,070,256
<i>Total Fund Balances</i>	<u>10,295,383</u>	<u>4,489,197</u>	<u>694,385</u>	<u>15,478,965</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 31,511,453</u>	<u>\$ 6,270,166</u>	<u>\$ 876,240</u>	<u>\$ 38,657,859</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2014

Total Governmental Fund Balances		\$ 15,478,965
 <i>Amounts reported for governmental activities in 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.		28,660,901
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	\$ 692,617	
Intergovernmental	<u>85,736</u>	778,353
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported.		(40,336)
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	21,104,521	
Capital Appreciation Bonds	440,000	
Bond Premium	1,761,196	
Accretion of Interest - Capital Appreciation Bonds	256,987	
Capital Leases	23,600	
Accrued Vacation Leave Payable	90,979	
Compensated Absences	<u>2,490,987</u>	<u>(26,168,270)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$ 18,709,613</u></u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2014

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and Other Local Taxes	\$ 23,354,877	\$ 2,367,576	\$ 0	\$ 25,722,453
Intergovernmental	5,081,698	313,949	692,520	6,088,167
Investment Income	50,131	0	1,052	51,183
Tuition and Fees	1,193,441	0	21,660	1,215,101
Extracurricular Activities	156,862	0	334,526	491,388
Rentals	15,749	0	0	15,749
Charges for Services	0	0	621,141	621,141
Contributions and Donations	10,038	0	102,210	112,248
Miscellaneous	16,215	0	0	16,215
<i>Total Revenues</i>	<u>29,879,011</u>	<u>2,681,525</u>	<u>1,773,109</u>	<u>34,333,645</u>
Expenditures:				
Current:				
Instruction:				
Regular	12,761,464	0	249,785	13,011,249
Special	2,296,504	0	0	2,296,504
Vocational	673,506	0	0	673,506
Student Intervention Services	31,712	0	0	31,712
Support Services:				
Pupils	1,330,309	0	300	1,330,609
Instructional Staff	811,360	0	271,644	1,083,004
Board of Education	74,759	0	0	74,759
Administration	2,457,317	0	0	2,457,317
Fiscal	900,697	13,320	0	914,017
Business	132,302	0	0	132,302
Operation and Maintenance of Plant	2,442,656	0	0	2,442,656
Pupil Transportation	1,320,863	0	0	1,320,863
Central	245,638	0	0	245,638
Extracurricular Activities	517,917	0	422,204	940,121
Operation of Non-Instructional Services:				
Food Service Operations	0	0	692,795	692,795
Community Services	305,560	0	131,174	436,734
Capital Outlay	68,003	0	523,522	591,525
Debt Service:				
Principal Retirement	143,487	1,598,668	0	1,742,155
Interest and Fiscal Charges	142,030	630,056	0	772,086
<i>Total Expenditures</i>	<u>26,656,084</u>	<u>2,242,044</u>	<u>2,291,424</u>	<u>31,189,552</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,222,927</u>	<u>439,481</u>	<u>(518,315)</u>	<u>3,144,093</u>
Other Financing Sources (Uses):				
Insurance Recoveries	4,883	0	0	4,883
Transfers In	0	0	759,200	759,200
Transfers Out	(759,200)	0	0	(759,200)
<i>Total Other Financing Sources (Uses)</i>	<u>(754,317)</u>	<u>0</u>	<u>759,200</u>	<u>4,883</u>
<i>Net Change in Fund Balance</i>	2,468,610	439,481	240,885	3,148,976
<i>Fund Balances Beginning of Year</i>	<u>7,826,773</u>	<u>4,049,716</u>	<u>453,500</u>	<u>12,329,989</u>
<i>Fund Balances End of Year</i>	<u>\$ 10,295,383</u>	<u>\$ 4,489,197</u>	<u>\$ 694,385</u>	<u>\$ 15,478,965</u>

See accompanying notes to the basic financial statements.

**Chagrin Falls Exempted Village 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, 2014*

Net Change in Fund Balances - Total Governmental Funds	\$	3,148,976
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.		
Capital Asset Additions	\$	361,358
Current Year Depreciation		<u>(1,459,980)</u>
		(1,098,622)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes		125,422
Intergovernmental		<u>(9,674)</u>
		115,748
Repayment of principal and accreted interest on capital appreciation bonds is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds		1,600,000
Capital Appreciation Bonds		119,131
Accretion on Matured Capital Appreciation Bonds		260,869
Capital Lease		<u>23,024</u>
		2,003,024
In the statement of activities, interest is accrued on outstanding bonds and bond premiums are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable		3,870
Amortization of Bond Premium		<u>264,855</u>
		268,725
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		(130,764)
Accrued Vacation Leave Payable		<u>(15,971)</u>
		(146,735)
Accretion on capital appreciation bonds is an expenditure in the governmental funds, but is allocated as an expense over the life of the bonds in the statement of activities.		
		<u>(218,949)</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>4,072,167</u></u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 20,417,360	\$ 22,359,176	\$ 22,359,176	\$ 0
Intergovernmental	4,640,287	4,991,929	4,991,929	0
Investment Income	45,777	50,131	50,131	0
Tuition and Fees	679,205	743,802	743,802	0
Extracurricular Activities	55,236	60,489	60,489	0
Rentals	14,381	15,749	15,749	0
Contributions and Donations	46	50	50	0
Miscellaneous	14,807	16,275	16,215	(60)
<i>Total Revenues</i>	<u>25,867,099</u>	<u>28,237,601</u>	<u>28,237,541</u>	<u>(60)</u>
Expenditures				
Current:				
Instruction:				
Regular	12,544,760	12,871,721	12,536,368	335,353
Special	2,289,865	2,327,169	2,327,169	0
Vocational	625,354	674,967	674,967	0
Student Intervention Services	26,000	31,712	31,712	0
Support Services:				
Pupils	1,240,304	1,247,959	1,244,095	3,864
Instructional Staff	996,010	841,690	841,690	0
Board of Education	70,710	79,193	79,193	0
Administration	2,448,502	2,481,817	2,481,817	0
Fiscal	872,926	894,010	894,010	0
Business	142,834	128,791	128,791	0
Operation and Maintenance of Plant	2,560,895	2,460,953	2,460,953	0
Pupil Transportation	1,274,621	1,338,483	1,338,483	0
Central	111,250	240,081	240,081	0
Extracurricular Activities	547,367	537,254	536,204	1,050
Operation of Non-Instructional Services:				
Community Services	0	633	13	620
Capital Outlay	67,500	68,003	68,003	0
Debt Service:				
Principal Retirement	143,487	143,487	143,487	0
Interest and Fiscal Charges	142,030	142,030	142,030	0
<i>Total Expenditures</i>	<u>26,104,415</u>	<u>26,509,953</u>	<u>26,169,066</u>	<u>340,887</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(237,316)</u>	<u>1,727,648</u>	<u>2,068,475</u>	<u>340,827</u>
Other Financing Sources (Uses)				
Insurance Recoveries	0	4,883	4,883	0
Advances In	31,791	31,791	31,791	0
Transfers Out	(494,400)	(759,200)	(759,200)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(462,609)</u>	<u>(722,526)</u>	<u>(722,526)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(699,925)	1,005,122	1,345,949	340,827
<i>Fund Balance Beginning of Year</i>	7,377,361	7,377,361	7,377,361	0
Prior Year Encumbrances Appropriated	223,609	223,609	223,609	0
<i>Fund Balance End of Year</i>	<u>\$ 6,901,045</u>	<u>\$ 8,606,092</u>	<u>\$ 8,946,919</u>	<u>\$ 340,827</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Private Purpose Trust	Agency
Assets		
Equity in Pooled Cash and Investments	\$ 118,088	\$ 56,324
Liabilities		
Due to Students	0	\$ 56,324
Net Position		
Held in Trust for Scholarships	\$ 118,088	

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2014

	Private Purpose Trust
Additions	
Gifts and Contributions	\$ 17,250
Investment Earnings	189
<i>Total Additions</i>	17,439
Deductions	
Payments in Accordance with Trust Agreements	10,435
<i>Change in Net Position</i>	7,004
<i>Net Position Beginning of Year</i>	111,084
<i>Net Position End of Year</i>	\$ 118,088

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

Note 1 - Description of The School District

Chagrin Falls Exempted Village School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by the State and federal agencies. Each member is elected to a four year term. The Board of Education controls the School District's four instructional support facilities.

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

Reporting Entity

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

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

The School District participates in two jointly governed organizations and one insurance purchasing pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the Ohio School Boards Association Workers' Compensation Group Rating Program. These organizations are presented in Notes 9, 15 and 16 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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

A. Basis of Presentation

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

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

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

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds: governmental and fiduciary.

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

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

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

Bond Retirement Fund The bond retirement debt service fund is used to account for the accumulation of property tax revenues for, and the payment of, general obligation bonds used for the construction and renovation of facilities.

The other governmental funds of the School District account for grants and other resources to which the School District is bound to observe constraints imposed upon the use of the resources.

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

C. Measurement Focus

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred 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 School District, available means expected to be received within sixty days of the fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Inflows of Resources and Deferred Outflows of Resources

A deferred inflow of resources is an acquisition of assets by the School District that is applicable to a future reporting period. A deferred outflow of resources is a consumption of assets by the School District that is applicable to a future reporting period.

Property taxes for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance fiscal year 2015 operations, and other revenues received in advance of the year for which they were intended to finance, have been recorded as deferred inflows of resources. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2014, are recorded as deferred inflows of resources in governmental funds.

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

On the accrual basis of accounting, unamortized deferred charges on debt refunding are reported as a deferred outflow of resources.

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

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

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2014.

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

F. Cash and Investments

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

During fiscal year 2014, investments were limited to Fifth Third Money Market, Freddie Mac, Federal National Mortgage Association, US Treasury Notes and STAR Ohio, (the State Treasurer's Investment Pool).

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2014. Certificates of deposit are reported at cost.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2014 amounted to \$50,131, which includes \$17,943 assigned from other School District funds.

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

G. Capital Assets

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

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

H. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. These amounts are recorded as "accrued vacation leave payable" in the basic financial statements.

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

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

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

I. Accrued Liabilities and Long-term Obligations

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

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

J. Net Position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. 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 their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2014, there was no net position restricted by enabling legislation.

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

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

K. Fund Balance

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

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

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

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

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

L. Interfund Activity

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

M. 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.

N. Changes in Accounting Principles

For the fiscal year ended June 30, 2014, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, GASB Statement No. 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, and GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the School District's fiscal year 2014 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the School District.

GASB Statement No. 70 improves comparability of financial statements by requiring consistent reporting and specifying information required to be disclosed for extending and receiving nonexchange financial guarantees. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the School District.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 3 – Fund Balance

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

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

	General Fund	Bond Retirement Fund	Other Governmental Funds	Total
Restricted for:				
Debt Service	\$ 0	\$ 4,489,197	\$ 0	\$ 4,489,197
Capital Outlay	0	0	429,683	429,683
Extracurricular	0	0	164,058	164,058
Food Service	0	0	101,715	101,715
Other Purposes	0	0	25,949	25,949
Total Restricted	0	4,489,197	721,405	5,210,602
Assigned for:				
Public School Support	41,407	0	0	41,407
Encumbrances:				
Instruction	14,471	0	0	14,471
Support Services	5,170	0	0	5,170
Operation of Non-Instructional	2,304	0	0	2,304
Subsequent Year Appropriations	134,755	0	0	134,755
Total Assigned	198,107	0	0	198,107
Unassigned	10,097,276	0	(27,020) *	10,070,256
Total Fund Balance	\$ 10,295,383	\$ 4,489,197	\$ 694,385	\$ 15,478,965

* Unassigned fund balance included the following individual fund deficits:

	Fund Balance
Nonmajor Governmental Funds:	
Title VI-B	\$ 23,737
Title II-A	3,283

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

Note 4 - Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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

Net Change in Fund Balance

	<u>General Fund</u>
GAAP Basis	\$ 2,468,610
Net Adjustment for Revenue Accruals	(1,112,147)
Advance In	31,791
Net Adjustment for Expenditure Accruals	(3,476)
Funds Budgeted Elsewhere **	21,498
Adjustment for Encumbrances	<u>(60,327)</u>
Budget Basis	<u>\$ 1,345,949</u>

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

Note 5 - Deposits and Investments

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

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

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

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;

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4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio and STAR Plus);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

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

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

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Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$858,756 and the bank balance was \$1,213,530. Of the bank balance:

1. \$500,000 of the bank balance was covered by depository insurance; and
2. \$713,530 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Investments: Investments are reported at fair value. As of June 30, 2014, the School District had the following investments:

Standard & Poors Rating		Fair Value	Investment Maturities (in months)				% Total Investments
			0 - 12	13 - 24	25 - 36	37 - 60	
N/A	Fifth Third US Treasury Money Market	\$ 144,560	\$ 144,560	\$ 0	\$ 0	\$ 0	1.08%
AAAm	STAR Ohio	9,674,760	9,674,760	0	0	0	72.35%
AA+	US Treasury Notes	203,024	0	0	0	203,024	1.52%
AA+	Federal National Mortgage Association	1,979,139	403,160	334,236	619,840	621,903	14.80%
AA+	Freddie Mac	1,371,128	250,584	311,394	210,538	598,612	10.25%
Totals		\$ 13,372,611	\$ 10,473,064	\$ 645,630	\$ 830,378	\$ 1,423,539	100.00%

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

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2014, is 51 days.

Credit Risk: The School District's investments at June 30, 2014 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since they are explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

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

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Note 6 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 and are collected in 2014 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga and Geauga Counties. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 operations. The amount available as an advance at June 30, 2014 was \$3,902,807 in the general fund and \$401,416 in the bond retirement fund. The amount available as an advance at June 30, 2013 was \$2,907,106 in the general fund and \$297,135 in the bond retirement fund.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2014, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed personal property tax and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

On an 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 recorded as unavailable revenue – delinquent property taxes.

Chagrin Falls Exempted Village School District
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The assessed values upon which the fiscal year 2014 taxes were collected are:

	2013 Second Half Collections		2014 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 493,957,600	98.65%	\$495,737,230	98.53%
Public Utility Personal Property	6,761,840	1.35%	7,415,900	1.47%
	<u>\$ 500,719,440</u>	<u>100.00%</u>	<u>\$ 503,153,130</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	\$ 115.60		\$ 115.60	

Note 7 - Receivables

Receivables at June 30, 2014, consisted of taxes and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Intergovernmental receivables consisted \$21,922 in general fund and \$1,086 in other governmental funds for SERS refund, \$89,769 in catastrophic aid in the general fund and \$85,736 in grants receivable in other governmental funds.

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2014, was as follows:

	Balance 6/30/13	Additions	Reductions	Balance 6/30/14
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	42,354,792	68,296	0	42,423,088
Furniture and Equipment	1,780,373	34,950	(6,995)	1,808,328
Vehicles	1,722,507	109,067	(17,679)	1,813,895
Textbooks	836,805	149,045	(185,104)	800,746
Total Capital Assets, being depreciated	<u>46,694,477</u>	<u>361,358</u>	<u>(209,778)</u>	<u>46,846,057</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(15,147,785)	(1,142,917)	0	(16,290,702)
Furniture and Equipment	(1,323,987)	(72,141)	6,995	(1,389,133)
Vehicles	(1,379,204)	(84,772)	17,679	(1,446,297)
Textbooks	(470,613)	(160,150)	185,104	(445,659)
Total Accumulated Depreciation	<u>(18,321,589)</u>	<u>(1,459,980)</u>	<u>209,778</u>	<u>(19,571,791)</u>
Total Capital Assets being depreciated, net	<u>28,372,888</u>	<u>(1,098,622)</u>	<u>0</u>	<u>27,274,266</u>
Governmental Activities Capital Assets, Net	<u>\$ 29,759,523</u>	<u>\$ (1,098,622)</u>	<u>\$ 0</u>	<u>\$ 28,660,901</u>

Chagrin Falls Exempted Village School District
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Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 1,143,224
Special	13,847
Support Services:	
Pupil	13,847
Instructional Staff	47,444
Administration	736
Operation and Maintenance of Plant	138,552
Pupil Transportation	81,954
Operation of Non-Instructional Services:	
Food Service Operations	17,096
Community Services	3,280
Total Depreciation	\$ 1,459,980

Note 9 - Risk Management

A. Property and Liability

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

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

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

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

B. Workers' Compensation

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 16). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP.

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Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

Note 10 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn five to twenty-five days of vacation per year, depending upon length of service and hours worked. Teachers do not earn vacation time. Administrators employed to work 260 days per year can earn up to twenty-five days of vacation annually. Accumulated unused vacation time is paid to classified employees and administrators upon termination of employment.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 276 days. Upon retirement, OAPSE employees receive payment for one-fourth of the total sick leave accumulation, up to a maximum accumulation of 276 days while CFEA employees receive up to a maximum of 67.5 days.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Aetna, in the amount of \$75,000 for all certified and union exempt employees, and all administrators; \$30,000 for non-certified employees; and one times the annual salary for the Superintendent and Treasurer.

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

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

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Notes to the Basic Financial Statements

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Note 11 - Pension Plans

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System of Ohio (“SERS”), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS’ website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School District’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2014, 13.05 percent and .05 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District’s required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$558,751, \$492,126 and \$526,043, respectively; 75 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012. \$141,058 represents the unpaid contribution for fiscal year 2014, and is recorded as a liability within the respective funds.

B. State Teachers Retirement System

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

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

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The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - For fiscal year 2014, plan members were required to contribute 11 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 11 percent for members and 14 percent for employer contributions. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$1,751,568, \$1,572,685 and \$1,510,278, respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for the fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$140,330 made by the School District and \$110,260 made by the plan members. \$304,756 represents the unpaid contribution for fiscal year 2014, and is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2014, two members of the Board of Education have elected social security. The Board's liability is 6.2 percent of wages paid.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 12 - Postemployment Benefits

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing, multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug plan is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code Section 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$335.70 per month depending on their income. SERS' reimbursement to retirees was \$45.50. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746. It is also posted on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2014, 0.14 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 2014, the actuarially determined amount was \$20,250.

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

The School District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2014, 2013, and 2012 were \$61,816, \$59,561 and \$73,781, respectively; 75 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The liability for the unpaid contribution has been recorded within the respective funds.

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The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$30,332, \$27,799, and \$31,066, respectively; 75 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The liability for the unpaid contribution has been recorded within the respective funds.

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$125,112, \$113,758, and \$117,054 respectively; 83 percent has been contributed for fiscal year 2014 and 100 percent for fiscal years 2013 and 2012. The liability for the unpaid contribution has been recorded within the respective funds.

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For the Fiscal Year Ended June 30, 2014

Note 13 - Long - Term Obligations

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

	Outstanding 6/30/13	Additions	Reductions	Outstanding 6/30/14	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
2005 Refunding Bonds					
Serial Bonds \$16,320,000					
at 2.5% - 4.125%	\$ 2,130,000	\$ 0	\$ 1,045,000	\$ 1,085,000	\$ 1,085,000
Bond Premium	96,917	0	96,917	0	0
2005 School Improvement Bonds					
Current Interest Bonds \$9,655,000					
at 3.71% - 3.94%	305,000	0	0	305,000	305,000
Bond Premium	17,279	0	17,279	0	0
Capital Appreciation Bonds					
at 2.5% - 4.125%	83,668	0	83,668	0	0
Accretion of Interest	198,793	22,539	221,332	0	0
2011 Series A Energy Conservation Bonds					
Serial Bonds \$1,342,983					
at 5.75%	1,175,000	0	85,000	1,090,000	90,000
2011 Series B-1 Energy Conservation Bonds					
Tax Exempt Serial Bonds \$430,463					
at 2.00% - 4.80%	325,000	0	0	325,000	100,000
Bond Premium	37,291	0	3,107	34,184	0
Capital Appreciation Bond					
at 1.65%	35,463	0	35,463	0	0
Accretion of Interest	22,043	17,494	39,537	0	0
2011 Series B-2 Energy Conservation Bonds					
Term Bonds \$544,521 at 4.85%	544,521	0	0	544,521	0
2012 Series A Refunding Bonds					
Serial Bonds \$10,315,000					
at 1.94%	10,315,000	0	305,000	10,010,000	305,000
Capital Appreciation Bond					
at 2.12%	225,000	0	0	225,000	0
Accretion of Interest	39,286	96,992	0	136,278	0
Bond Premium	976,715	0	97,671	879,044	0
2012 Series B Refunding Bonds					
Serial Bonds \$7,910,000					
at 2.30%	7,910,000	0	165,000	7,745,000	170,000
Capital Appreciation Bond					
at 1.4% - 1.55%	215,000	0	0	215,000	0
Accretion of Interest	38,785	81,924	0	120,709	0
Bond Premium	897,849	0	49,881	847,968	0
Total General Obligation Bonds	25,588,610	218,949	2,244,855	23,562,704	2,055,000
Capital Lease	46,624	0	23,024	23,600	21,541
Compensated Absences	2,360,223	573,201	442,437	2,490,987	731,457
Total Governmental Activities					
Long-Term Liabilities	<u>\$27,995,457</u>	<u>\$ 792,150</u>	<u>\$ 2,710,316</u>	<u>\$26,077,291</u>	<u>\$ 2,807,998</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

2005 School Improvement Refunding Bonds

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

These refunding bonds were issued with a premium of \$1,502,441, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. The amortization for June 30, 2014 was \$96,917. The issuance costs were reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$964,620. The issuance resulted in an economic gain of \$703,151.

The bond issue consisted of serial and capital appreciation bonds. The capital appreciation bonds matured December 1, 2011. The serial bonds are not subject to early redemption.

2005 School Improvement Bonds

On June 22, 2005, the School District issued \$9,949,990 in general obligation bonds for the construction of a new auditorium and building/facility improvements. The bonds mature in December 2032. These bonds were issued with a premium of \$563,685, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. Amortization expense for June 30, 2014 was \$17,279.

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

Capital appreciation bonds matured on December 1, 2011, December 1, 2012 and December 1, 2013. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. For fiscal year 2014, \$22,539 was accreted for a liability of \$305,000 which matured on December 1, 2013.

2011 Series A Energy Conservation Improvement Bonds

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

2011 Series B-1 Energy Conservation Improvement Bonds

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

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

The capital appreciation bond matured on December 1, 2013. This bond was purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bond is \$75,000. For fiscal year 2014, \$17,494 was accreted for a liability of \$75,000 which matured on December 1, 2013.

2011 Series B-2 Energy Conservation Improvement Bonds

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

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

2012 Series 2012 A School Improvement Refunding Bonds

On November 27, 2012, the School District issued \$10,540,000 refunding general obligation bonds. The proceeds of the bonds were used to refund \$10,540,000 of the School District's outstanding School Improvement Refunding Bonds, Series 2005. The bonds were issued for a 10 year period with final maturity at December 1, 2022. At the date of the refunding, \$11,426,599 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds.

These refunding bonds were issued with a premium of \$1,074,386, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. The amortization for June 30, 2014 was \$97,671. The issuance costs were reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$719,114. The issuance resulted in an economic gain of \$618,466.

This bond issue consists of serial and capital appreciation bonds. The bonds maturing after December 1, 2018 are subject to early redemption by the School District prior to their stated maturity, in whole or in part, as selected by the School District (in whole multiples of \$5,000) on any date on or after December 1, 2017, at par.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

The capital appreciation bond matures on December 1, 2018. This bond was purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bond is \$1,475,000. For fiscal year 2014, \$96,992 was accreted for a liability of \$361,278.

2012 Series 2012 B School Improvement Refunding Bonds

On November 27, 2012, the School District issued \$8,125,000 refunding general obligation bonds. The proceeds of the bonds were used to refund \$8,125,000 of the School District's outstanding School Improvement Bonds, Series 2005. The bonds were issued for an 18 year period with final maturity at December 1, 2030. At the date of the refunding, \$8,906,587 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds.

These refunding bonds were issued with a premium of \$947,730, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the bonds outstanding method. The amortization for June 30, 2014 was \$49,881. The issuance costs were reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$1,608,507. The issuance resulted in an economic gain of \$1,138,154.

This bond issue consists of serial and capital appreciation bonds. The bonds maturing on or after December 1, 2023 are subject to early redemption by the School District prior to their stated maturity, in whole or in part, as selected by the School District (in whole multiples of \$5,000) on any date on or after December 1, 2022, at par.

The capital appreciation bonds mature on December 1, 2017 and December 1, 2018. These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest is paid and the bond holder receives the face value of the bond. As the value of the bond increases, the accretion is reflected as principal liability. The maturity amount of the bonds is \$1,015,000. For fiscal year 2014, \$81,924 was accreted for a liability of \$335,709.

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2014 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Term Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
2015	\$ 2,055,000	\$ 426,944	\$ 0	\$ 26,410	\$ 0	\$ 0	\$ 2,055,000	\$ 453,354
2016	2,080,000	382,356	0	26,410	0	0	2,080,000	408,766
2017	2,130,000	352,561	0	26,409	0	0	2,130,000	378,970
2018	1,590,000	324,397	0	26,408	120,000	390,000	1,710,000	740,805
2019	90,000	309,535	64,521	24,844	320,000	1,660,000	474,521	1,994,379
2020 - 2024	8,460,000	971,300	340,000	75,903	0	0	8,800,000	1,047,203
2025 - 2029	3,120,000	324,229	140,000	6,789	0	0	3,260,000	331,018
2030 - 2033	1,035,000	23,061	0	0	0	0	1,035,000	23,061
Total	\$20,560,000	\$ 3,114,383	\$ 544,521	\$ 213,173	\$ 440,000	\$ 2,050,000	\$21,544,521	\$ 5,377,556

Note 14 – Capitalized Leases

Capital lease obligations relate to copier equipment which is leased under a long-term agreement beginning July 10, 2010. Capital lease payments in the governmental funds have been reclassified and are reflected as debt service in the basic financial statements for the general fund. The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2014.

Year	Amount
2015	\$ 22,836
2016	2,076
Total Minimum Lease Payments	24,912
Less Amount Representing Interest	1,312
 Present Value of Minimum Lease Payments	 <u>\$ 23,600</u>

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

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2014

Note 15 - Jointly Governed Organizations

A. Lake Geauga Computer Association

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its twenty member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$99,580 to LGCA during fiscal year 2014. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

B. Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-three school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2014, the School District paid \$1,764 to the Council. Financial information can be obtained by contacting Dave Cottroll, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio, 44131.

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

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

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

Note 16 - Insurance Purchasing Pool

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

Note 17 – Contingencies

A. Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2014, if applicable, cannot be determined at this time.

B. Litigation

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

Note 18 - Interfund

Transfers made during fiscal year 2014 were as follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 0	\$ 759,200
Nonmajor Governmental Funds	759,200	0
Total	\$ 759,200	\$ 759,200

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2014

Note 19 - Set-Asides

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

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

	Capital Improvement Reserve
Set Aside Restricted Balance June 30, 2013	\$ 0
Current Year Set-Aside Requirement	328,023
Current Year Offsets	(740,000)
Total	<u>\$ (411,977)</u>
Balance Carried Forward to Fiscal Year 2015	<u>\$ 0</u>
Set Aside Balance June 30, 2014	<u>\$ 0</u>

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

Note 20 - Commitments

A. Encumbrances

The School 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 School District's commitments for encumbrances in the governmental funds were as follows:

Fund	Amount
General Fund	\$ 21,945
Nonmajor Governmental Funds	105,342
	<u>\$ 127,287</u>

B. Contracts

As of June 30, 2014, the School District had a contractual commitment for roof repairs in the amount of \$76,576 that had not been started.

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, the public school support, uniform school supplies and community education special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

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

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

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

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

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

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

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

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

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

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

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

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

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

Nonmajor Capital Project Fund

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 347,980	\$ 441,438	\$ 789,418
Intergovernmental Receivable	86,822	0	86,822
<i>Total Assets</i>	<u>\$ 434,802</u>	<u>\$ 441,438</u>	<u>\$ 876,240</u>
Liabilities:			
Accounts Payable	\$ 17,381	\$ 11,755	\$ 29,136
Accrued Wages and Benefits	49,273	0	49,273
Intergovernmental Payable	17,710	0	17,710
<i>Total Liabilities</i>	<u>84,364</u>	<u>11,755</u>	<u>96,119</u>
Deferred Inflows of Resources:			
Unavailable Revenue - Other	85,736	0	85,736
Fund Balances:			
Restricted	291,722	429,683	721,405
Unassigned	(27,020)	0	(27,020)
<i>Total Fund Balances (Deficit)</i>	<u>264,702</u>	<u>429,683</u>	<u>694,385</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 434,802</u>	<u>\$ 441,438</u>	<u>\$ 876,240</u>

Chagrin Falls Exempted Village 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, 2014

	Nonmajor Special Revenue Funds	Permanent Improvement Projects Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 692,520	\$ 0	\$ 692,520
Investment Income	1,052	0	1,052
Tuition and Fees	21,660	0	21,660
Extracurricular Activities	334,526	0	334,526
Charges for Services	621,141	0	621,141
Contributions and Donations	93,916	8,294	102,210
<i>Total Revenues</i>	<u>1,764,815</u>	<u>8,294</u>	<u>1,773,109</u>
Expenditures:			
Current:			
Instruction:			
Regular	249,785	0	249,785
Support Services:			
Pupils	300	0	300
Instructional Staff	271,644	0	271,644
Extracurricular Activities	422,204	0	422,204
Operation of Non-Instructional Services:			
Food Service Operations	692,795	0	692,795
Community Services	131,174	0	131,174
Capital Outlay	72,873	450,649	523,522
<i>Total Expenditures</i>	<u>1,840,775</u>	<u>450,649</u>	<u>2,291,424</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(75,960)	(442,355)	(518,315)
Other Financing Sources (Uses):			
Transfers In	19,200	740,000	759,200
<i>Net Change in Fund Balance</i>	(56,760)	297,645	240,885
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>321,462</u>	<u>132,038</u>	<u>453,500</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 264,702</u>	<u>\$ 429,683</u>	<u>\$ 694,385</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Data Communications Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 16,713	\$ 165,709	\$ 13,350	\$ 0
Intergovernmental Receivable	0	0	25	0
<i>Total Assets</i>	<u>\$ 16,713</u>	<u>\$ 165,709</u>	<u>\$ 13,375</u>	<u>\$ 0</u>
Liabilities:				
Accounts Payable	\$ 347	\$ 1,651	\$ 3,639	\$ 0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	277	0
<i>Total Liabilities</i>	<u>347</u>	<u>1,651</u>	<u>3,916</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Revenue - Other	0	0	0	0
Fund Balances:				
Restricted	16,366	164,058	9,459	0
Unassigned	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>16,366</u>	<u>164,058</u>	<u>9,459</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 16,713</u>	<u>\$ 165,709</u>	<u>\$ 13,375</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Race to the Top Fund	Title VI-B Fund	Title I Fund	Preschool Handicapped Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 0	\$ 10,759	\$ 1,980	\$ 0
Intergovernmental Receivable	0	71,117	15,115	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 81,876</u>	<u>\$ 17,095</u>	<u>\$ 0</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 3,146	\$ 0	\$ 0
Accrued Wages and Benefits	0	24,995	0	0
Intergovernmental Payable	0	6,851	1,856	0
<i>Total Liabilities</i>	<u>0</u>	<u>34,992</u>	<u>1,856</u>	<u>0</u>
Deferred Inflows of Resources:				
Unavailable Revenue - Other	0	70,621	15,115	0
Fund Balances:				
Restricted	0	0	124	0
Unassigned	0	(23,737)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>(23,737)</u>	<u>124</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 81,876</u>	<u>\$ 17,095</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2014

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 254	\$ 139,215	\$ 347,980
Intergovernmental Receivable	0	565	86,822
<i>Total Assets</i>	<u>\$ 254</u>	<u>\$ 139,780</u>	<u>\$ 434,802</u>
Liabilities:			
Accounts Payable	\$ 3,537	\$ 5,061	\$ 17,381
Accrued Wages and Benefits	0	24,278	49,273
Intergovernmental Payable	0	8,726	17,710
<i>Total Liabilities</i>	<u>3,537</u>	<u>38,065</u>	<u>84,364</u>
Deferred Inflows of Resources:			
Unavailable Revenue - Other	0	0	85,736
Fund Balances:			
Restricted	0	101,715	291,722
Unassigned	(3,283)	0	(27,020)
<i>Total Fund Balances (Deficit)</i>	<u>(3,283)</u>	<u>101,715</u>	<u>264,702</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 254</u>	<u>\$ 139,780</u>	<u>\$ 434,802</u>

Chagrin Falls Exempted Village 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, 2014

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Data Communications Fund
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 127,155	\$ 7,200
Investment Income	0	0	100	0
Tuition and Fees	0	21,660	0	0
Extracurricular Activities	0	334,526	0	0
Charges for Services	0	0	0	0
Contributions and Donations	58,493	35,423	0	0
<i>Total Revenues</i>	<u>58,493</u>	<u>391,609</u>	<u>127,255</u>	<u>7,200</u>
Expenditures:				
Current:				
Instruction:				
Regular	44,182	0	0	7,200
Support Services:				
Pupils	0	300	0	0
Instructional Staff	0	0	0	0
Extracurricular Activities	10,705	411,499	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	0	114,574	0
Capital Outlay	72,873	0	0	0
<i>Total Expenditures</i>	<u>127,760</u>	<u>411,799</u>	<u>114,574</u>	<u>7,200</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(69,267)	(20,190)	12,681	0
Other Financing Sources (Uses):				
Transfers In	0	19,200	0	0
<i>Net Change in Fund Balance</i>	(69,267)	(990)	12,681	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>85,633</u>	<u>165,048</u>	<u>(3,222)</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 16,366</u>	<u>\$ 164,058</u>	<u>\$ 9,459</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village 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, 2014

	Race to the Top Fund	Title VI-B Fund	Title I Fund	Preschool Handicapped Fund
Revenues:				
Intergovernmental	\$ 17,330	\$ 322,649	\$ 117,856	\$ 9,802
Investment Income	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
<i>Total Revenues</i>	<u>17,330</u>	<u>322,649</u>	<u>117,856</u>	<u>9,802</u>
Expenditures:				
Current:				
Instruction:				
Regular	19,822	24,202	117,777	9,802
Support Services:				
Pupils	0	0	0	0
Instructional Staff	0	269,485	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	16,100	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>19,822</u>	<u>309,787</u>	<u>117,777</u>	<u>9,802</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,492)	12,862	79	0
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	(2,492)	12,862	79	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>2,492</u>	<u>(36,599)</u>	<u>45</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ (23,737)</u>	<u>\$ 124</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village 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, 2014

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Revenues:			
Intergovernmental	\$ 26,724	\$ 63,804	\$ 692,520
Investment Income	0	952	1,052
Tuition and Fees	0	0	21,660
Extracurricular Activities	0	0	334,526
Charges for Services	0	621,141	621,141
Contributions and Donations	0	0	93,916
<i>Total Revenues</i>	<u>26,724</u>	<u>685,897</u>	<u>1,764,815</u>
Expenditures:			
Current:			
Instruction:			
Regular	26,800	0	249,785
Support Services:			
Pupils	0	0	300
Instructional Staff	2,159	0	271,644
Extracurricular Activities	0	0	422,204
Operation of Non-Instructional Services:			
Food Service Operations	0	692,795	692,795
Community Services	500	0	131,174
Capital Outlay	0	0	72,873
<i>Total Expenditures</i>	<u>29,459</u>	<u>692,795</u>	<u>1,840,775</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,735)	(6,898)	(75,960)
Other Financing Sources (Uses):			
Transfers In	0	0	19,200
<i>Net Change in Fund Balance</i>	(2,735)	(6,898)	(56,760)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(548)</u>	<u>108,613</u>	<u>321,462</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ (3,283)</u>	<u>\$ 101,715</u>	<u>\$ 264,702</u>

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GOVERNMENTAL FUNDS

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2014

	Final	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 22,359,176	\$ 22,359,176	\$ 0
Intergovernmental	4,991,929	4,991,929	0
Investment Income	50,131	50,131	0
Tuition and Fees	743,802	743,802	0
Extracurricular Activities	60,489	60,489	0
Rentals	15,749	15,749	0
Contributions and Donations	50	50	0
Miscellaneous	16,275	16,215	(60)
<i>Total Revenues</i>	<u>28,237,601</u>	<u>28,237,541</u>	<u>(60)</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	8,908,552	8,574,833	333,719
Fringe Benefits	3,082,055	3,080,421	1,634
Purchased Services	253,262	253,262	0
Materials and Supplies	385,926	385,926	0
Capital Outlay	8,163	8,163	0
Other	233,763	233,763	0
Total Regular	<u>12,871,721</u>	<u>12,536,368</u>	<u>335,353</u>
Special:			
Salaries and Wages	1,295,121	1,295,121	0
Fringe Benefits	334,283	334,283	0
Purchased Services	689,362	689,362	0
Materials and Supplies	8,403	8,403	0
Total Special	<u>2,327,169</u>	<u>2,327,169</u>	<u>0</u>
Vocational:			
Purchased Services	602,964	602,964	0
Materials and Supplies	46,997	46,997	0
Capital Outlay	25,006	25,006	0
Total Vocational	<u>674,967</u>	<u>674,967</u>	<u>0</u>
Student Intervention Services:			
Purchased Services	31,712	31,712	0
Total Instruction	<u>15,905,569</u>	<u>15,570,216</u>	<u>335,353</u> (continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2014

	Final	Actual	Variance
Support Services:			
Pupils:			
Salaries and Wages	782,547	782,547	0
Fringe Benefits	162,568	162,568	0
Purchased Services	289,788	289,788	0
Materials and Supplies	9,377	5,513	3,864
Capital Outlay	3,679	3,679	0
Total Pupils	1,247,959	1,244,095	3,864
Instructional Staff:			
Salaries and Wages	579,640	579,640	0
Fringe Benefits	221,784	221,784	0
Purchased Services	19,334	19,334	0
Materials and Supplies	20,932	20,932	0
Total Instructional Staff	841,690	841,690	0
Board of Education:			
Salaries and Wages	9,600	9,600	0
Fringe Benefits	4,571	4,571	0
Purchased Services	28,778	28,778	0
Materials and Supplies	7,785	7,785	0
Other	28,459	28,459	0
Total Board of Education	79,193	79,193	0
Administration:			
Salaries and Wages	1,348,073	1,348,073	0
Fringe Benefits	528,558	528,558	0
Purchased Services	591,016	591,016	0
Materials and Supplies	12,012	12,012	0
Capital Outlay	2,158	2,158	0
Total Administration	2,481,817	2,481,817	0
Fiscal:			
Salaries and Wages	176,437	176,437	0
Fringe Benefits	138,466	138,466	0
Purchased Services	55,595	55,595	0
Materials and Supplies	7,950	7,950	0
Other	515,562	515,562	0
Total Fiscal	894,010	894,010	0
Business:			
Salaries and Wages	97,333	97,333	0
Fringe Benefits	31,058	31,058	0
Purchased Services	400	400	0
Total Business	128,791	128,791	0

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2014

	Final	Actual	Variance
Operation and Maintenance of Plant:			
Salaries and Wages	1,000,839	1,000,839	0
Fringe Benefits	469,568	469,568	0
Purchased Services	982,725	982,725	0
Materials and Supplies	7,821	7,821	0
Total Operation and Maintenance of Plant	<u>2,460,953</u>	<u>2,460,953</u>	<u>0</u>
Pupil Transportation:			
Salaries and Wages	677,142	677,142	0
Fringe Benefits	262,943	262,943	0
Purchased Services	105,560	105,560	0
Materials and Supplies	183,771	183,771	0
Capital Outlay	109,067	109,067	0
Total Pupil Transportation	<u>1,338,483</u>	<u>1,338,483</u>	<u>0</u>
Central:			
Salaries and Wages	129,123	129,123	0
Fringe Benefits	55,461	55,461	0
Purchased Services	55,317	55,317	0
Materials and Supplies	180	180	0
Total Central	<u>240,081</u>	<u>240,081</u>	<u>0</u>
Total Support Services	<u>9,712,977</u>	<u>9,709,113</u>	<u>3,864</u>
Extracurricular Activities:			
Sport Oriented Activities:			
Salaries and Wages	465,867	464,817	1,050
Fringe Benefits	45,307	45,307	0
Purchased Services	26,080	26,080	0
Total Extracurricular Activities	<u>537,254</u>	<u>536,204</u>	<u>1,050</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	633	13	620
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	68,003	68,003	0
Debt Service			
Principal Retirement	143,487	143,487	0
Interest and Fiscal Charges	142,030	142,030	0
Total Debt Service	<u>285,517</u>	<u>285,517</u>	<u>0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2014

	Final	Actual	Variance
<i>Total Expenditures</i>	26,509,953	26,169,066	340,887
<i>Excess of Revenues Over (Under) Expenditures</i>	1,727,648	2,068,475	340,827
Other Financing Sources (Uses):			
Insurance Recoveries	4,883	4,883	0
Advances In	31,791	31,791	0
Transfers Out	(759,200)	(759,200)	0
<i>Total Other Financing Sources (Uses)</i>	(722,526)	(722,526)	0
<i>Net Change in Fund Balance</i>	1,005,122	1,345,949	340,827
<i>Fund Balance (Deficit) at Beginning of Year</i>	7,377,361	7,377,361	0
Prior Year Encumbrances Appropriated	223,609	223,609	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 8,606,092	\$ 8,946,919	\$ 340,827

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous Grants Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 58,493	\$ 58,493	\$ 0
Miscellaneous	18,650	18,650	0
<i>Total Revenues</i>	<u>77,143</u>	<u>77,143</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	186	186	0
Materials and Supplies	11,202	3,202	8,000
Capital Outlay	40,794	40,794	0
Total Instruction	<u>52,182</u>	<u>44,182</u>	<u>8,000</u>
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	14,526	10,526	4,000
Materials and Supplies	3,307	3,307	0
Total Extracurricular Activities	<u>17,833</u>	<u>13,833</u>	<u>4,000</u>
Capital Outlay:			
Building Improvement Services:			
Purchased Services	2,123	2,123	0
Capital Outlay	70,750	70,750	0
Total Capital Outlay	<u>72,873</u>	<u>72,873</u>	<u>0</u>
<i>Total Expenditures</i>	<u>142,888</u>	<u>130,888</u>	<u>12,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(65,745)</u>	<u>(53,745)</u>	<u>12,000</u>
Other Financing Sources (Uses):			
Advances Out	(18,650)	(18,650)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	19,306	19,306	0
Prior Year Encumbrances Appropriated	<u>66,327</u>	<u>66,327</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,238</u>	<u>\$ 13,238</u>	<u>\$ 12,000</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Athletic/District Managed Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 21,660	\$ 21,660	\$ 0
Extracurricular Activities	334,526	334,526	0
Gifts and Donations	35,423	35,423	0
<i>Total Revenues</i>	<u>391,609</u>	<u>391,609</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Purchased Services	300	300	0
Total Support Services	<u>300</u>	<u>300</u>	<u>0</u>
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Salaries and Wages	1,892	1,892	0
Fringe Benefits	292	292	0
Purchased Services	42,974	31,579	11,395
Materials and Supplies	48,322	48,322	0
Total Academic and Subject Oriented Activities	<u>93,480</u>	<u>82,085</u>	<u>11,395</u>
Sports Oriented Activities:			
Purchased Services	218,161	198,161	20,000
Materials and Supplies	107,545	107,545	0
Capital Outlay	20,000	0	20,000
Total Sports Oriented Activities	<u>345,706</u>	<u>305,706</u>	<u>40,000</u>
School and Public Service Co-Curricular Activities:			
Materials and Supplies	36,308	36,308	0
Total Extracurricular Activities	<u>475,494</u>	<u>424,099</u>	<u>51,395</u>
<i>Total Expenditures</i>	<u>475,794</u>	<u>424,399</u>	<u>51,395</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(84,185)</u>	<u>(32,790)</u>	<u>51,395</u>
Other Financing Sources (Uses):			
Transfers In	19,200	19,200	0
<i>Net Change in Fund Balance</i>	(64,985)	(13,590)	51,395
<i>Fund Balance (Deficit) at Beginning of Year</i>	163,586	163,586	0
Prior Year Encumbrances Appropriated	2,464	2,464	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 101,065</u>	<u>\$ 152,460</u>	<u>\$ 51,395</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 127,155	\$ 127,155	\$ 0
Investment Income	100	100	0
<i>Total Revenues</i>	<u>127,255</u>	<u>127,255</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	12,719	12,719	0
Fringe Benefits	1,885	1,885	0
Purchased Services	80,046	80,046	0
Materials and Supplies	21,062	21,062	0
Capital Outlay	5,086	5,086	0
Other	1,239	1,239	0
<i>Total Expenditures</i>	<u>122,037</u>	<u>122,037</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,218	5,218	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	2,844	2,844	0
Prior Year Encumbrances Appropriated	1,198	1,198	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 9,260</u>	<u>\$ 9,260</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2014

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Race to the Top Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 17,330	\$ 17,330	\$ 0
<i>Total Revenues</i>	<u>17,330</u>	<u>17,330</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	2,350	2,350	0
Purchased Services	2,500	2,500	0
Materials and Supplies	14,972	14,972	0
<i>Total Expenditures</i>	<u>19,822</u>	<u>19,822</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,492)	(2,492)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>2,492</u>	<u>2,492</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 322,649	\$ 322,649	\$ 0
<i>Total Revenues</i>	<u>322,649</u>	<u>322,649</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	11,121	11,121	0
Capital Outlay	14,712	14,712	0
Total Instruction	<u>25,833</u>	<u>25,833</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	186,267	186,267	0
Fringe Benefits	99,164	99,164	0
Capital Outlay	3,590	3,590	0
Total Support Services	<u>289,021</u>	<u>289,021</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	16,100	16,100	0
<i>Total Expenditures</i>	<u>330,954</u>	<u>330,954</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,305)</u>	<u>(8,305)</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances Out	(12,592)	(12,592)	0
<i>Net Change in Fund Balance</i>	(20,897)	(20,897)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>20,897</u>	<u>20,897</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 117,856	\$ 117,856	\$ 0
<i>Total Revenues</i>	<u>117,856</u>	<u>117,856</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	84,409	84,409	0
Fringe Benefits	30,163	30,163	0
Capital Outlay	3,330	3,330	0
<i>Total Expenditures</i>	<u>117,902</u>	<u>117,902</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(46)	(46)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	46	46	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 9,802	\$ 9,802	\$ 0
<i>Total Revenues</i>	<u>9,802</u>	<u>9,802</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	9,802	9,802	0
<i>Total Expenditures</i>	<u>9,802</u>	<u>9,802</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title II-A Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 26,724	\$ 26,724	\$ 0
<i>Total Revenues</i>	<u>26,724</u>	<u>26,724</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Purchased Services	23,517	23,517	0
Support Services:			
Instructional Staff:			
Salaries and Wages	2,159	2,159	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	500	500	0
<i>Total Expenditures</i>	<u>26,176</u>	<u>26,176</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>548</u>	<u>548</u>	<u>0</u>
Other Financing Sources (Uses):			
Advances Out	(548)	(548)	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 42,617	\$ 42,617	\$ 0
Investment Income	952	952	0
Charges for Services	601,142	621,141	19,999
<i>Total Revenues</i>	<u>644,711</u>	<u>664,710</u>	<u>19,999</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries and Wages	221,502	221,502	0
Fringe Benefits	94,875	94,875	0
Purchased Services	4,035	4,035	0
Materials and Supplies	389,936	357,034	32,902
Capital Outlay	1,069	1,069	0
Other	410	410	0
<i>Total Expenditures</i>	<u>711,827</u>	<u>678,925</u>	<u>32,902</u>
<i>Net Change in Fund Balance</i>	(67,116)	(14,215)	52,901
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>147,663</u>	<u>147,663</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 80,547</u>	<u>\$ 133,448</u>	<u>\$ 52,901</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 96,373	\$ 96,373	\$ 0
Contributions and Donations	9,988	9,988	0
<i>Total Revenues</i>	<u>106,361</u>	<u>106,361</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	600	600	0
Fringe Benefits	96	96	0
Purchased Services	70,640	67,640	3,000
Materials and Supplies	62,075	43,075	19,000
Capital Outlay	5,000	0	5,000
<i>Total Expenditures</i>	<u>138,411</u>	<u>111,411</u>	<u>27,000</u>
<i>Net Change in Fund Balance</i>	(32,050)	(5,050)	27,000
<i>Fund Balance (Deficit) at Beginning of Year</i>	39,627	39,627	0
Prior Year Encumbrances Appropriated	6,841	6,841	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 14,418</u>	<u>\$ 41,418</u>	<u>\$ 27,000</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 141,567	\$ 141,567	\$ 0
<i>Total Revenues</i>	<u>141,567</u>	<u>141,567</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	124,146	123,146	1,000
<i>Total Expenditures</i>	<u>124,146</u>	<u>123,146</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	17,421	18,421	1,000
<i>Fund Balance (Deficit) at Beginning of Year</i>	7,990	7,990	0
Prior Year Encumbrances Appropriated	1,952	1,952	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 27,363</u>	<u>\$ 28,363</u>	<u>\$ 1,000</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Community Education Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 308,072	\$ 308,072	\$ 0
<i>Total Revenues</i>	<u>308,072</u>	<u>308,072</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	7,016	7,016	0
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	84,838	84,838	0
Fringe Benefits	11,842	11,842	0
Purchased Services	296,592	240,889	55,703
Materials and Supplies	2,945	2,945	0
Total Operation of Non-Instructional Services	<u>396,217</u>	<u>340,514</u>	<u>55,703</u>
<i>Total Expenditures</i>	<u>403,233</u>	<u>347,530</u>	<u>55,703</u>
<i>Net Change in Fund Balance</i>	(95,161)	(39,458)	55,703
<i>Fund Balance (Deficit) at Beginning of Year</i>	101,826	101,826	0
Prior Year Encumbrances Appropriated	37,254	37,254	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 43,919</u>	<u>\$ 99,622</u>	<u>\$ 55,703</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 2,263,295	\$ 2,263,295	\$ 0
Intergovernmental	313,949	313,949	0
<i>Total Revenues</i>	<u>2,577,244</u>	<u>2,577,244</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	16,276	13,320	2,956
Total Support Services	<u>16,276</u>	<u>13,320</u>	<u>2,956</u>
Debt Service:			
Principal Retirement	1,608,668	1,608,668	0
Interest and Fiscal Charges	620,056	620,056	0
Total Debt Service	<u>2,228,724</u>	<u>2,228,724</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,245,000</u>	<u>2,242,044</u>	<u>2,956</u>
<i>Net Change in Fund Balance</i>	332,244	335,200	2,956
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>3,752,581</u>	<u>3,752,581</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,084,825</u>	<u>\$ 4,087,781</u>	<u>\$ 2,956</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Projects Fund
For the Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Gifts and Donations	\$ 8,294	\$ 8,294	\$ 0
<i>Total Revenues</i>	<u>8,294</u>	<u>8,294</u>	<u>0</u>
Expenditures:			
Capital Outlay:			
Building Acquisitions and Construction Services:			
Purchased Services	34,938	17,736	17,202
Capital Outlay	<u>455,062</u>	<u>455,062</u>	<u>0</u>
Total Building Acquisitions and Construction Services	<u>490,000</u>	<u>472,798</u>	<u>17,202</u>
Building Improvement Services:			
Capital Outlay	<u>180,000</u>	<u>57,065</u>	<u>122,935</u>
Total Building Improvement Services	<u>180,000</u>	<u>57,065</u>	<u>122,935</u>
Total Capital Outlay	<u>670,000</u>	<u>529,863</u>	<u>140,137</u>
<i>Total Expenditures</i>	<u>670,000</u>	<u>529,863</u>	<u>140,137</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(661,706)</u>	<u>(521,569)</u>	<u>140,137</u>
Other Financing Sources (Uses):			
Transfers In	<u>740,000</u>	<u>740,000</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>740,000</u>	<u>740,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	78,294	218,431	140,137
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>132,038</u>	<u>132,038</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 210,332</u>	<u>\$ 350,469</u>	<u>\$ 140,137</u>

AGENCY FUNDS
Combining Statements

Chagrin Falls Exempted Village School District

Combining Statements – Agency Fund

Agency Fund

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

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

Chagrin Falls Exempted Village School District
Combining Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2014

	Beginning Balance 7/1/13	Additions	Deductions	Ending Balance 6/30/14
Student Activities				
Assets				
Equity in Pooled Cash and Investments	\$ 39,982	\$ 69,474	\$ 53,132	\$ 56,324
Liabilities				
Due to Students	\$ 39,982	\$ 69,474	\$ 53,132	\$ 56,324

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**STATISTICAL
SECTION**

Statistical Section

This part of the Chagrin Falls Exempted Village School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S-2 - S-13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S-14 - S-19
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S-20 - S-24
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S-25 - S-27
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S-28 - S-39

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NOTE:

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 5,331,584	\$ 4,423,196	\$ 3,937,653	\$ 4,722,780
Restricted	5,302,302	4,598,098	3,923,873	5,141,274
Unrestricted	<u>8,075,727</u>	<u>5,616,152</u>	<u>5,377,457</u>	<u>2,949,083</u>
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 18,709,613</u>	<u>\$ 14,637,446</u>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>
Business-Type Activities:				
Net Investment in Capital Assets	N/A	N/A	N/A	N/A
Restricted	N/A	N/A	N/A	N/A
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Primary Government:				
Net Investment in Capital Assets	\$ 5,331,584	\$ 4,423,196	\$ 3,937,653	\$ 4,722,780
Restricted	5,302,302	4,598,098	3,923,873	5,141,274
Unrestricted	<u>8,075,727</u>	<u>5,616,152</u>	<u>5,377,457</u>	<u>2,949,083</u>
<i>Total Primary Government</i>				
<i>Net Position</i>	<u>\$ 18,709,613</u>	<u>\$ 14,637,446</u>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>

Restated 2010	2009	2008	2007	2006	2005
\$ 4,490,753	\$ 3,607,515	\$ 1,611,681	\$ 1,070,070	\$ 2,200,744	\$ 1,946,362
3,843,429	3,143,103	4,004,857	4,770,065	1,104,831	879,207
3,178,606	2,657,943	1,009,120	(1,222,306)	(1,038,726)	383,288
<u>\$ 11,512,788</u>	<u>\$ 9,408,561</u>	<u>\$ 6,625,658</u>	<u>\$ 4,617,829</u>	<u>\$ 2,266,849</u>	<u>\$ 3,208,857</u>
N/A	\$ 81,412	\$ 93,071	\$ 151,180	\$ 169,306	\$ 170,001
N/A	0	0	0	0	0
N/A	119,858	77,779	82,439	(3,267)	89,820
<u>N/A</u>	<u>\$ 201,270</u>	<u>\$ 170,850</u>	<u>\$ 233,619</u>	<u>\$ 166,039</u>	<u>\$ 259,821</u>
\$ 4,490,753	\$ 3,688,927	\$ 1,704,752	\$ 1,221,250	\$ 2,370,050	\$ 2,116,363
3,843,429	3,143,103	4,004,857	4,770,065	1,104,831	879,207
3,178,606	2,777,801	1,086,899	(1,139,867)	(1,041,993)	473,108
<u>\$ 11,512,788</u>	<u>\$ 9,609,831</u>	<u>\$ 6,796,508</u>	<u>\$ 4,851,448</u>	<u>\$ 2,432,888</u>	<u>\$ 3,468,678</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 14,621,735	\$ 13,475,875	\$ 12,969,392	\$ 12,815,102
Special Instruction	2,316,214	2,366,608	2,424,207	2,248,567
Vocational Instruction	673,506	608,328	657,097	519,757
Student Intervention	31,712	21,786	17,778	20,409
Pupil Support	1,247,197	1,419,630	1,253,869	1,148,707
Instructional Staff Support	1,101,942	1,515,678	1,470,882	1,627,692
Board of Education	74,759	75,162	79,204	65,485
Administration	2,481,325	2,277,862	2,052,841	2,226,136
Fiscal	918,196	854,924	934,832	918,514
Business	151,203	400	400	400
Operation and Maintenance of Plant	2,622,626	2,075,031	2,463,010	2,626,552
Pupil Transportation	1,373,927	1,385,459	1,226,329	1,357,761
Central	253,174	12,700	15,564	18,801
Operation of Non-Instructional Services:				
Food Service Operations	696,602	698,428	622,261	583,757
Community Services	411,546	492,505	468,432	505,349
Extracurricular Activities	940,121	835,066	887,157	994,169
Interest and Fiscal Charges	461,441	1,133,102	1,159,994	1,369,563
Issuance Costs	0	141,450	0	0
Total Governmental Activities Expenses	30,377,226	29,389,994	28,703,249	29,046,721
Business-Type Activities:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
Total Business-Type Activities Expenses	N/A	N/A	N/A	N/A
Total Primary Government Expenses	\$ 30,377,226	\$ 29,389,994	\$ 28,703,249	\$ 29,046,721
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 547,588	\$ 299,308	\$ 402,152	\$ 321,113
Special Instruction	57,742	53,637	62,314	0
Vocational Instruction	280,039	368,117	405,326	273,403
Pupil Support	96,373	90,563	124,042	107,675
Fiscal	15,749	4,210	5,410	320
Operation and Maintenance of Plant	0	0	0	0
Food Service Operations	620,888	598,193	603,607	568,535
Community Services	308,072	307,318	301,383	297,223
Extracurricular Activities	416,675	312,874	315,908	336,643
Operating Grants, Contributions and Interest:				
Regular Instruction	240,590	204,637	230,746	289,400
Special Instruction	0	0	0	488
Vocational Instruction	253,624	180,155	130,019	0
Pupil Support	9,988	28,317	84,905	809
Instructional Staff Support	281,680	320,317	263,333	456,368
Administration	0	0	0	5,000
Fiscal	0	0	0	0
Pupil Transportation	0	85,362	3,675	17,272

	Restated 2010	2009	2008	2007	2006	2005
\$	12,856,519	\$ 11,527,572	\$ 10,211,305	\$ 9,933,444	\$ 9,893,476	\$ 10,026,597
	1,903,964	1,998,884	1,851,409	1,712,549	1,483,639	1,636,142
	438,535	112,692	108,040	162,699	123,302	71,620
	23,103	20,131	0	13,210	34,060	29,720
	1,174,071	899,849	962,287	995,334	1,072,115	1,139,741
	1,328,776	1,426,196	1,343,348	1,398,338	1,489,359	1,297,374
	75,274	80,176	62,223	94,466	89,991	83,165
	2,050,077	2,015,517	1,963,707	2,069,076	1,976,027	1,816,179
	885,475	828,131	707,475	1,284,233	640,702	936,955
	300	400	800	800	800	800
	1,990,526	2,473,588	2,442,552	2,828,169	3,020,408	2,479,388
	1,264,395	1,127,451	1,157,144	1,126,296	1,215,315	1,120,571
	12,933	16,632	16,001	22,099	25,809	24,281
	669,562	0	0	0	0	0
	160,455	283,041	165,741	184,844	173,704	160,332
	844,500	801,231	623,811	731,019	702,459	690,406
	1,360,443	1,320,426	1,333,641	1,461,470	1,442,066	2,548,040
	0	0	0	0	0	188,590
	<u>27,038,908</u>	<u>24,931,917</u>	<u>22,949,484</u>	<u>24,018,046</u>	<u>23,383,232</u>	<u>24,249,901</u>
	N/A	706,059	657,655	623,945	594,929	668,197
	N/A	84,224	99,922	108,859	93,703	106,213
	N/A	342,088	400,043	343,265	217,837	164,844
	N/A	<u>1,132,371</u>	<u>1,157,620</u>	<u>1,076,069</u>	<u>906,469</u>	<u>939,254</u>
\$	<u>27,038,908</u>	<u>\$ 26,064,288</u>	<u>\$ 24,107,104</u>	<u>\$ 25,094,115</u>	<u>\$ 24,289,701</u>	<u>\$ 25,189,155</u>
\$	416,414	\$ 229,320	\$ 108,321	\$ 46,728	\$ 84,170	\$ 51,244
	0	0	0	0	0	5
	371,189	0	0	0	0	0
	100,370	84,827	89,748	117,182	220,695	206,626
	3,988	17,221	29,053	22,624	19,908	51,352
	0	642	0	27,782	0	0
	616,442	0	0	0	0	0
	0	0	0	0	0	0
	236,417	215,933	143,706	168,239	160,390	148,019
	104,258	137,025	75,556	78,149	73,776	118,098
	2,010	25,418	67,296	72,521	76,445	95,065
	3,764	3,042	3,940	0	53,674	92,846
	512,006	305,995	381,111	351,980	323,026	233,134
	5,000	5,840	13,322	6,563	6,611	6,188
	0	1,985	0	0	0	0
	0	0	0	0	0	0

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
Food Service Operations	65,009	66,166	58,971	61,047
Community Services	144,414	162,733	145,765	184,789
Extracurricular Activities	54,717	42,582	17,034	57,599
Interest and Fiscal Charges	81,890	88,945	92,483	25,868
Capital Grants and Contributions:				
Regular Instruction	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	0	272,000
<i>Total Governmental Activities Program Revenues</i>	<u>3,475,038</u>	<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
Windsor Educational	N/A	N/A	N/A	N/A
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities Program Revenues</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government Program Revenues</i>	<u>3,475,038</u>	<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>
Net (Expense) Revenue:				
Governmental Activities	(26,902,188)	(26,176,560)	(25,456,176)	(25,771,169)
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government Net Expense</i>	<u>\$ (26,902,188)</u>	<u>\$ (26,176,560)</u>	<u>\$ (25,456,176)</u>	<u>\$ (25,771,169)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 23,457,314	\$ 20,627,391	\$ 18,742,949	\$ 18,950,590
Debt Service	2,379,168	2,180,526	2,185,659	2,397,179
Grants and Entitlements not Restricted to Specific Programs	5,071,524	4,714,154	4,709,361	5,608,901
Investment Earnings	50,131	1,135	67,385	71,014
Miscellaneous	16,218	51,817	176,668	43,834
<i>Total Governmental Activities</i>	<u>30,974,355</u>	<u>27,575,023</u>	<u>25,882,022</u>	<u>27,071,518</u>
Business-Type Activities:				
Investment Earnings	N/A	N/A	N/A	N/A
Miscellaneous	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 30,974,355</u>	<u>\$ 27,575,023</u>	<u>\$ 25,882,022</u>	<u>\$ 27,071,518</u>
Change in Net Position				
Governmental Activities	\$ 4,072,167	\$ 1,398,463	\$ 425,846	\$ 1,300,349
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government</i>	<u>\$ 4,072,167</u>	<u>\$ 1,398,463</u>	<u>\$ 425,846</u>	<u>\$ 1,300,349</u>

Restated 2010	2009	2008	2007	2006	2005
60,804	0	0	0	0	0
138,989	157,624	151,237	164,254	144,668	150,036
0	0	0	0	0	0
0	0	0	0	0	0
0	0	13,202	0	0	16,905
0	2,604	36,345	0	0	0
0	0	0	0	0	0
<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>
N/A	\$ 599,641	\$ 600,990	\$ 529,535	\$ 527,520	\$ 619,966
N/A	104,698	101,299	97,554	92,293	96,152
N/A	357,764	363,369	448,362	243,275	184,228
N/A	0	0	0	0	0
N/A					
N/A	100,074	76,331	55,301	37,221	25,531
<u>N/A</u>	<u>1,162,177</u>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>
<u>2,571,651</u>	<u>2,349,653</u>	<u>2,254,826</u>	<u>2,186,774</u>	<u>2,063,672</u>	<u>2,095,395</u>
(24,467,257)	(23,744,441)	(21,836,647)	(22,962,024)	(22,219,869)	(23,080,383)
N/A	29,806	(15,631)	54,683	(6,160)	(13,377)
<u>\$ (24,467,257)</u>	<u>\$ (23,714,635)</u>	<u>\$ (21,852,278)</u>	<u>\$ (22,907,341)</u>	<u>\$ (22,226,029)</u>	<u>\$ (23,093,760)</u>
\$ 18,124,570	\$ 18,443,992	\$ 17,044,074	\$ 17,540,958	\$ 14,083,975	\$ 15,599,444
2,478,184	2,486,452	2,267,975	2,661,472	2,147,078	2,065,233
5,493,978	5,356,437	4,815,085	4,324,197	4,255,426	4,247,210
60,186	105,901	232,816	506,124	505,332	91,320
201,566	134,562	127,169	291,590	168,579	154,566
<u>26,358,484</u>	<u>26,527,344</u>	<u>24,487,119</u>	<u>25,324,341</u>	<u>21,160,390</u>	<u>22,157,773</u>
N/A	614	2,432	1,560	3,671	2,214
N/A	0	120	0	26,178	0
<u>N/A</u>	<u>614</u>	<u>2,552</u>	<u>1,560</u>	<u>29,849</u>	<u>2,214</u>
<u>\$ 26,358,484</u>	<u>\$ 26,527,958</u>	<u>\$ 24,489,671</u>	<u>\$ 25,325,901</u>	<u>\$ 21,190,239</u>	<u>\$ 22,159,987</u>
\$ 1,891,227	\$ 2,782,903	\$ 2,650,472	\$ 2,362,317	\$ (1,059,479)	\$ (922,610)
N/A	30,420	(13,079)	56,243	23,689	(11,163)
<u>\$ 1,891,227</u>	<u>\$ 2,813,323</u>	<u>\$ 2,637,393</u>	<u>\$ 2,418,560</u>	<u>\$ (1,035,790)</u>	<u>\$ (933,773)</u>

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

	2014	2013	2012	2011
Governmental Activities				
Regular Instruction	\$ 788,178	\$ 503,945	\$ 632,898	\$ 610,513
Special Instruction	57,742	53,637	62,314	488
Vocational Instruction	533,663	548,272	535,345	273,403
Pupil Support	106,361	118,880	208,947	108,484
Instructional Support	281,680	320,317	263,333	456,368
Administration	0	0	0	5,000
Fiscal	15,749	4,210	5,410	320
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	85,362	3,675	17,272
Operation of Non-Instructional Services:				
Food Service Operations	685,897	664,359	662,578	629,582
Community Services	452,486	470,051	447,148	482,012
Extracurricular Activities	471,392	355,456	332,942	666,242
Interest and Fiscal Charges	81,890	88,945	92,483	25,868
<i>Total Governmental Activities</i>	<u>3,475,038</u>	<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>
Business-Type Activities				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 3,475,038</u>	<u>\$ 3,213,434</u>	<u>\$ 3,247,073</u>	<u>\$ 3,275,552</u>

Restated 2010	2009	2008	2007	2006	2005
\$ 520,672	\$ 366,345	\$ 197,079	\$ 124,877	\$ 157,946	\$ 186,247
2,010	25,418	67,296	72,521	76,445	95,070
371,189	0	0	0	0	0
104,134	87,869	93,688	117,182	274,369	299,472
512,006	305,995	381,111	351,980	323,026	233,134
5,000	5,840	13,322	6,563	6,611	6,188
3,988	19,206	29,053	22,624	19,908	51,352
0	3,246	36,345	27,782	0	0
0	0	0	0	0	0
677,246	0	0	0	0	0
138,989	157,624	151,237	164,254	144,668	150,036
236,417	215,933	143,706	168,239	160,390	148,019
0	0	0	0	0	0
<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>	<u>1,056,022</u>	<u>1,163,363</u>	<u>1,169,518</u>
N/A	699,715	677,321	584,836	564,741	645,497
N/A	104,698	101,299	97,554	92,293	96,152
N/A	<u>357,764</u>	<u>363,369</u>	<u>448,362</u>	<u>243,275</u>	<u>184,228</u>
N/A	<u>1,162,177</u>	<u>1,141,989</u>	<u>1,130,752</u>	<u>900,309</u>	<u>925,877</u>
<u>\$ 2,571,651</u>	<u>\$ 2,349,653</u>	<u>\$ 2,254,826</u>	<u>\$ 2,186,774</u>	<u>\$ 2,063,672</u>	<u>\$ 2,095,395</u>

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Assigned	\$ 198,107	\$ 194,555	\$ 2,068,948	\$ 53,895
Unassigned	10,097,276	7,632,218	4,572,566	6,637,210
<i>Total General Fund</i>	<u>10,295,383</u>	<u>7,826,773</u>	<u>6,641,514</u>	<u>6,691,105</u>
All Other Governmental Funds				
Reserved	N/A	N/A	N/A	N/A
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	N/A
Debt Service Funds	N/A	N/A	N/A	N/A
Capital Projects Funds	N/A	N/A	N/A	N/A
Permanent Funds	N/A	N/A	N/A	N/A
Restricted	5,210,602	4,543,585	3,823,738	4,860,250
Unassigned	(27,020)	(40,369)	0	(12,317)
<i>Total All Other Governmental Funds</i>	<u>5,183,582</u>	<u>4,503,216</u>	<u>3,823,738</u>	<u>4,847,933</u>
<i>Total Governmental Funds</i>	<u>\$ 15,478,965</u>	<u>\$ 12,329,989</u>	<u>\$ 10,465,252</u>	<u>\$ 11,539,038</u>

Restated 2010	2009	2008	2007	2006	2005
N/A	\$ 3,053,283	\$ 2,879,582	\$ 2,852,743	\$ 2,233,821	\$ 3,709,598
N/A	1,424,748	0	(2,987,439)	(2,343,891)	(2,539,529)
\$ 113,178	N/A	N/A	N/A	N/A	N/A
5,702,466	N/A	N/A	N/A	N/A	N/A
5,815,644	4,478,031	2,879,582	(134,696)	(110,070)	1,170,069
N/A	674,516	408,383	1,691,974	8,125,446	1,348,098
N/A	123,372	2,304,098	161,629	122,621	131,387
N/A	2,539,420	172,850	2,397,617	2,082,765	1,936,245
N/A	128,099	0	724,220	626,179	9,002,702
N/A	0	0	0	0	53
3,563,784	N/A	N/A	N/A	N/A	N/A
(69,232)	N/A	N/A	N/A	N/A	N/A
3,494,552	3,465,407	2,885,331	4,975,440	10,957,011	12,418,485
\$ 9,310,196	\$ 7,943,438	\$ 5,764,913	\$ 4,840,744	\$ 10,846,941	\$ 13,588,554

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

	2014	2013	2012	2011
Revenues:				
Taxes	\$ 25,722,453	\$ 23,086,685	\$ 20,982,400	\$ 21,425,142
Intergovernmental	6,088,167	5,687,827	5,759,317	6,583,553
Investment Income	51,183	1,929	68,419	72,134
Tuition and Fees	1,215,101	986,886	1,082,797	846,097
Extracurricular Activities	491,388	468,444	528,139	510,660
Rentals	15,749	4,210	5,410	320
Charges for Services	621,141	598,762	626,027	569,369
Contributions and Donations	112,248	140,830	128,652	380,991
Miscellaneous	16,215	28,304	176,667	43,833
<i>Total Revenues</i>	<u>34,333,645</u>	<u>31,003,877</u>	<u>29,357,828</u>	<u>30,432,099</u>
Expenditures:				
Current:				
Instruction:				
Regular	13,011,249	12,096,267	11,849,977	11,484,844
Special	2,296,504	2,346,902	2,406,039	2,218,241
Vocational	673,506	608,328	657,097	519,757
Other	31,712	21,786	17,778	20,409
Support Services:				
Pupils	1,330,609	1,327,418	1,240,528	1,132,241
Instructional Staff	1,083,004	1,371,116	1,421,094	1,580,327
Board of Education	74,759	75,162	79,204	65,485
Administration	2,457,317	2,191,399	2,053,193	2,283,321
Fiscal	914,017	852,244	936,094	914,816
Business	132,302	400	400	400
Operation and Maintenance of Plant	2,442,656	2,304,880	2,395,654	2,483,910
Pupil Transportation	1,320,863	1,236,951	1,136,568	1,257,667
Central	245,638	12,700	15,564	18,801
Extracurricular Activities	940,121	844,758	887,157	994,169
Operation of Non-Instructional Services:				
Food Service Operations	692,795	658,606	628,225	586,949
Community Services	436,734	505,333	447,529	460,736
Capital Outlay	591,525	426,048	2,807,005	895,156
Debt Service:				
Principal Retirement	1,742,155	1,286,696	505,974	1,032,466
Interest and Fiscal Charges	772,086	1,192,836	1,965,025	1,694,010
Bond Issuance Costs	0	141,450	0	0
<i>Total Expenditures</i>	<u>31,189,552</u>	<u>29,501,280</u>	<u>31,450,105</u>	<u>29,643,705</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	3,144,093	1,502,597	(2,092,277)	788,394
Other Financing Sources (Uses):				
Inception of Capital Lease	0	0	0	97,465
Debt Issuance	0	0	974,984	1,342,983
Refunding Bonds	0	18,665,000	0	0
Payment to Refund Bond Escrow Agent	0	(20,333,186)	0	0
Proceeds from Sale of Capital Assets	0	0	0	0
Premiums on Debt Issuance	0	2,022,116	43,507	0
Insurance Recoveries	4,883	8,210	0	0
Transfers In	759,200	419,200	495,100	417,600
Transfers Out	(759,200)	(419,200)	(495,100)	(417,600)
<i>Total Financing Sources and (Uses)</i>	<u>4,883</u>	<u>362,140</u>	<u>1,018,491</u>	<u>1,440,448</u>
<i>Net Change in Fund Balance</i>	<u>\$ 3,148,976</u>	<u>\$ 1,864,737</u>	<u>\$ (1,073,786)</u>	<u>\$ 2,228,842</u>
Debt Service as a Percentage of Noncapital Expenditures	8.16%	8.73%	8.64%	9.37%

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

Restated						
2010	2009	2008	2007	2006	2005	
\$ 20,524,509	\$ 21,480,808	\$ 19,398,904	\$ 19,173,424	\$ 16,139,165	\$ 18,329,367	
6,126,192	5,992,945	5,517,743	4,997,664	4,933,626	4,959,482	
60,844	108,926	272,167	506,124	505,332	91,320	
831,786	314,147	108,321	46,728	67,152	49,999	
336,787	215,933	233,454	285,421	382,353	355,895	
3,988	17,863	29,053	27,744	19,908	51,352	
616,442	0	0	22,662	15,750	0	
145,181	91,937	92,018	263,145	154,981	113,747	
56,385	42,625	35,151	28,445	13,418	4,429	
<u>28,702,114</u>	<u>28,265,184</u>	<u>25,686,811</u>	<u>25,351,357</u>	<u>22,231,685</u>	<u>23,955,591</u>	
11,413,091	10,599,975	9,494,487	9,605,336	9,250,195	9,596,898	
1,859,174	1,998,852	1,842,475	1,679,725	1,476,836	1,646,045	
438,535	112,692	108,040	162,699	123,302	71,620	
23,103	20,131	0	13,210	34,060	29,720	
1,142,194	896,199	962,350	975,776	1,104,862	1,146,396	
1,257,778	1,283,972	1,251,731	1,387,321	1,357,804	1,204,234	
75,274	80,176	62,223	94,356	89,883	83,115	
2,036,099	1,980,521	2,039,699	2,045,032	1,883,737	1,875,080	
882,859	835,484	723,495	1,277,306	603,709	945,044	
300	400	800	800	800	800	
2,236,090	2,368,677	2,253,916	2,516,357	2,489,294	2,334,061	
1,304,983	1,182,167	1,124,880	1,115,895	1,143,620	1,130,762	
12,933	16,632	16,001	22,099	25,809	24,936	
844,243	797,899	620,941	724,915	697,089	695,109	
669,562	0	0	0	0	0	
133,465	276,529	157,167	161,178	158,724	151,141	
481,724	831,865	1,703,012	7,001,158	2,213,235	707,912	
1,544,128	1,485,870	1,435,000	1,295,000	1,146,145	853,647	
1,092,272	1,144,118	1,141,325	1,271,402	1,285,623	1,174,244	
0	0	0	0	0	188,590	
<u>27,447,807</u>	<u>25,912,159</u>	<u>24,937,542</u>	<u>31,349,565</u>	<u>25,084,727</u>	<u>23,859,354</u>	
1,254,307	2,353,025	749,269	(5,998,208)	(2,853,042)	96,237	
0	0	0	0	0	0	
0	0	0	0	0	9,949,990	
0	0	0	0	0	16,819,988	
0	0	0	0	0	(18,082,289)	
5,782	0	400	3,348	1,205	0	
0	0	0	0	0	2,066,126	
0	0	0	0	0	0	
417,600	417,600	313,600	313,600	430,471	315,750	
(417,600)	(417,600)	(313,600)	(324,937)	(320,247)	(315,750)	
<u>5,782</u>	<u>0</u>	<u>400</u>	<u>(7,989)</u>	<u>111,429</u>	<u>10,753,815</u>	
<u>\$ 1,260,089</u>	<u>\$ 2,353,025</u>	<u>\$ 749,669</u>	<u>\$ (6,006,197)</u>	<u>\$ (2,741,613)</u>	<u>\$ 10,850,052</u>	
9.81%	10.68%	11.18%	10.84%	10.58%	9.68%	

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years

<u>Collection Year</u>	<u>Real Property (1)</u>		<u>Public Utility (2)</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
2014	\$ 495,737,230	\$ 1,416,392,086	\$ 7,415,900	\$ 8,427,159
2013	493,957,600	1,411,307,429	6,761,840	7,683,909
2012	480,591,290	1,373,117,971	6,209,130	7,055,830
2011	482,312,310	1,378,035,171	5,968,250	6,782,102
2010	479,878,670	1,371,081,914	5,849,490	6,647,148
2009	484,579,200	1,384,512,000	5,489,790	6,238,398
2008	486,429,360	1,389,798,171	5,218,290	5,929,875
2007	482,941,100	1,379,831,714	6,552,990	7,446,580
2006	452,868,880	1,293,911,086	7,173,560	8,151,772
2005	434,192,870	1,240,551,057	6,879,320	7,817,409

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

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

<u>Tangible Personal Property (3)</u>		<u>Total</u>			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$ 0	\$ 0	\$ 503,153,130	\$ 1,424,819,245	35%	115.60
0	0	500,719,440	1,418,991,338	35%	115.60
0	0	486,800,420	1,380,173,801	35%	107.70
0	0	488,280,560	1,384,817,273	35%	107.70
0	0	485,728,160	1,377,729,062	35%	108.60
1,302,500	5,663,043	491,371,490	1,396,413,441	35%	108.30
2,905,855	12,634,152	494,553,505	1,408,362,199	35%	108.30
4,045,333	17,588,404	493,539,423	1,404,866,698	35%	100.40
5,919,019	25,734,865	465,961,459	1,327,797,723	35%	100.90
7,210,137	31,348,422	448,282,327	1,279,716,888	35%	99.80

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

Calendar Year	School Levy (1)	Cuyahoga County Levy	Geauga County Levy	Other (2)	City Levy	Total Levy	Debt Service Included in Total Levy			
							School	County	City	Total
2013	115.60	14.05	15.10	8.88	9.50	163.13	5.15	0.85	1.2	7.20
2012	115.60	13.22	15.10	7.98	9.50	161.40	5.15	0.17	1.2	6.52
2011	107.70	13.22	15.10	7.58	8.90	152.50	5.15	0.17	1.2	6.52
2010	107.70	13.32	15.10	7.98	11.20	155.30	5.15	0.27	2.9	8.32
2009	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.55	2.9	9.50
2008	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.50	2.9	9.45
2007	108.30	13.42	15.10	7.18	11.20	155.20	5.75	0.74	2.9	9.39
2006	100.40	13.42	15.10	7.18	11.20	147.30	5.75	0.74	2.9	9.39
2005	100.90	20.30	15.10	N/A	11.50	147.80	6.25	0.50	3.20	9.95
2004	99.80	19.40	15.10	N/A	10.40	144.70	5.15	0.91	3.20	9.26

(1)

	Current	Debt Service	Total
2013	110.45	5.15	115.60
2012	110.45	5.15	115.60
2011	102.55	5.15	107.70
2010	102.55	5.15	107.70
2009	102.55	6.05	108.60
2008	102.55	6.05	108.60
2007	102.55	5.75	108.30
2006	94.65	5.75	100.40
2005	N/A	N/A	100.90
2004	N/A	N/A	99.80

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

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

N/A This information is not readily available.

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

*Property Tax Levies and Collections, Real, Public Utility Tax and Tangible Personal Property (1)
Last Ten Collection Years*

Year (2)	Total Tax Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Percent of Total Tax Collections to Tax Levy
2013	\$ 27,887,640	\$ 27,218,366	97.60%	\$ 580,425	\$ 27,798,791	99.68%
2012	\$ 23,799,204	\$ 23,171,739	97.36%	\$ 676,584	\$ 23,848,323	100.21%
2011	23,687,638	22,887,139	96.62%	732,076	23,619,215	99.71%
2010	24,056,310	23,295,361	96.84%	740,353	24,035,714	99.91%
2009	24,110,035	23,262,773	96.49%	681,891	23,944,664	99.31%
2008	24,111,227	23,187,605	96.17%	829,265	24,016,870	99.61%
2007	21,912,082	19,583,534	89.37%	979,469	20,563,003	93.84%
2006	13,736,651	12,083,719	87.97%	314,553	12,398,272	90.26%
2005	21,047,815	18,951,580	90.04%	818,133	19,769,713	93.93%
2004	20,789,650	19,109,806	91.92%	522,175	19,631,981	94.43%

Source: Cuyahoga and Geauga County Auditors.

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

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

(2) Represents collection year. 2014 information cannot be presented because all collections have not been made by June 30.

Note: Cuyahoga and Geauga County collect property taxes on a calendar year basis, therefore, the above data has been presented on a calendar year basis. The counties do not identify delinquent collections by the year for which the tax was levied. Thus the "total collection" represents the total collections for the year instead of total collections of a particular tax year. As a result, "Percent of total tax collections to total levy" can exceed 100% in any particular year.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Principal Taxpayers
Real Estate Tax
December 31, 2013 and December 31, 2005

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2013		
Hamlet Retirement	\$ 2,717,980	0.55%
Western Reserve Company	1,793,800	0.36%
Chagrin Falls Shopping Center	1,751,690	0.35%
Harris Realty Co.	1,557,700	0.31%
Hamlet Atrium, LLC	1,506,720	0.30%
Edmund A. Leopold	1,234,820	0.25%
FRQ LLC	976,580	0.20%
Talisman, Alan G. Trustee	908,500	0.18%
Antonucci, John and Marsha	857,510	0.17%
Blaustein, Lawrence and Marilyn, Trustees	820,730	0.17%
Totals	<u>\$ 14,126,030</u>	<u>2.85%</u>
Total Assessed Valuation	<u>\$ 495,737,230</u>	
December 31, 2005		
Edmond A. Leopold	\$ 1,704,380	0.38%
Manorcare Health Service	1,032,500	0.23%
Alcoa, Inc.	995,610	0.22%
530 Washington, LLC.	776,310	0.17%
Merida Health System	451,890	0.10%
Kelly J. Noble	378,270	0.08%
South Runell Family	350,010	0.08%
Cipriani Investment	350,010	0.08%
Richard R. Black	345,950	0.08%
Chagrin River Land	325,120	0.07%
Totals	<u>\$ 6,710,050</u>	<u>1.48%</u>
Total Assessed Valuation	<u>\$ 452,868,880</u>	

Source: Cuyahoga and Geauga County Auditors for 2013 and Cuyahoga County Auditor for 2005.

(1) Assessed values are for the 2014 collection year for 2013 and the 2006 collection year for 2005.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Principal Taxpayers
Public Utility
December 31, 2013 and December 31, 2005

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2013		
Cleveland Electric Illuminating Company	3,276,800	44.19%
American Wireless Transmission	185,000	2.49%
East Ohio Gas	180,770	2.44%
Totals	<u>\$ 3,642,570</u>	<u>49.12%</u>
Total Assessed Valuation	<u>\$ 7,415,900</u>	
December 31, 2005		
Cleveland Electric Illuminating Company	\$ 2,267,400	31.61%
Cingular Wireless	629,560	8.78%
Alltel Ohio	216,520	3.02%
Western Reserve Telephone	202,230	2.82%
Totals	<u>\$ 3,315,710</u>	<u>46.22%</u>
Total Assessed Valuation	<u>\$ 7,173,560</u>	

Source: Cuyahoga and Geauga County Auditors for 2013 and Cuyahoga County Auditor for 2005.

(1) Assessed values are for the 2014 collection year for 2013 and the 2006 collection year for 2005.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Computation of Legal Debt Margin
For the Fiscal Year Ended June 30, 2014

	2014	2013	2012	2011
Assessed Valuation	\$ 495,737,230	\$ 493,957,600	\$ 480,591,290	\$ 488,280,560
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 44,616,351	\$ 44,456,184	\$ 43,253,216	\$ 43,945,250
Outstanding debt:				
General Obligation Bonds	21,544,521	23,263,652	24,531,212	24,044,899
Less Amount Available in Debt Service	(4,489,197)	(4,049,716)	(3,426,592)	(3,196,966)
Total	17,055,324	19,213,936	21,104,620	20,847,933
Amount of Debt Subject to Debt Limit:	17,055,324	19,213,936	21,104,620	20,847,933
Overall Debt Margin	\$ 27,561,027	\$ 25,242,248	\$ 22,148,596	\$ 23,097,317
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 495,737	\$ 493,958	\$ 480,591	\$ 488,281
Amount of Debt Applicable	-	-	-	-
Unvoted Debt Margin	\$ 495,737	\$ 493,958	\$ 480,591	\$ 488,281

Source: Cuyahoga and Geauga County Auditors and School District Financial Records

(1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.
All School District debt subject to the limitation is voted.

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

2010	2009	2008	2007	2006	2005
\$ 485,728,160	\$ 491,371,490	\$ 494,553,505	\$ 493,539,423	\$ 465,961,459	\$ 448,282,327
\$ 43,715,534	\$ 44,223,434	\$ 44,509,815	\$ 44,418,548	\$ 41,936,531	\$ 40,345,409
23,719,980 (3,118,852)	25,264,108 (2,944,092)	26,749,978 (2,709,481)	28,184,978 (2,706,487)	29,479,978 (2,445,341)	30,619,978 (2,447,563)
20,601,128	22,320,016	24,040,497	25,478,491	27,034,637	28,172,415
20,601,128	22,320,016	24,040,497	25,478,491	27,034,637	28,172,415
\$ 23,114,406	\$ 21,903,418	\$ 20,469,318	\$ 18,940,057	\$ 14,901,894	\$ 12,172,994
\$ 485,728	\$ 491,371	\$ 494,554	\$ 493,539	\$ 465,961	\$ 448,282
-	-	-	-	-	-
\$ 485,728	\$ 491,371	\$ 494,554	\$ 493,539	\$ 465,961	\$ 448,282

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Computation of Direct & Overlapping General Obligation Debt
as of June 30, 2014

	Outstanding Debt Obligations	Percentage Applicable to School District (1)	Amount Application to School District
Direct:			
Chagrin Falls Exempted Village	\$ 23,586,304	100.00%	\$ 23,586,304
Overlapping:			
Cuyahoga County	222,519,000	1.15%	2,558,969
Geauga County	7,099,473	6.18%	438,747
Chagrin Falls Village	940,000	100.00%	940,000
Moreland Hills Village	368,186	19.96%	73,490
Russell Township	1,535,000	4.37%	67,080
Geauga-Trumbull Jt. Solid Waste Management	<u>550,000</u>	2.97%	<u>16,335</u>
Total Overlapping	<u>233,011,659</u>		<u>4,094,620</u>
Total	<u>\$ 256,597,963</u>		<u>\$ 27,680,924</u>

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

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2013 collection year.

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

Fiscal Year	Outstanding Debt Obligations (1)			Percentage of Personal Income (2)	Net Debt Per Capita
	General Obligation Bonds	Capital Lease	Total		
2014	\$ 23,562,704	\$ 23,600	\$ 23,586,304	0.39%	\$ 1,946
2013	25,588,610	46,624	25,635,234	0.36%	2,114
2012	26,537,792	65,760	26,603,552	0.35%	2,192
2011	24,044,899	0	24,044,899	0.39%	1,986
2010	23,719,980	0	23,719,980	0.39%	2,042
2009	25,264,108	0	25,264,108	0.37%	2,194
2008	26,749,978	0	26,749,978	0.35%	2,303
2007	28,184,978	0	28,184,978	0.33%	1,946
2006	29,479,978	0	29,479,978	0.32%	2,036
2005	30,619,978	0	30,619,978	N/A	2,114

Source:

(1) School District Financial Records

Beginning in fiscal year 2012, outstanding debt obligations include all long term debt of the governmental activities, net of related premiums, discounts and adjustments.

(2) Information prior to 6/30/06 unavailable

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Ratio of Debt
to Assessed Value and Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property (2)	General Bonded Debt Outstanding (3)	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Debt Bonded Debt Per Capita
2014	12,107	\$ 1,424,819,245	\$ 23,562,704	\$ 4,489,197	\$ 19,073,507	1.34%	\$ 1,575
2013	12,107	1,418,991,338	25,588,610	4,049,716	21,538,894	1.52%	1,779
2012	12,107	1,380,173,801	26,537,792	3,426,592	23,111,200	1.67%	1,909
2011	12,107	1,384,817,274	24,044,899	3,196,966	20,847,933	1.51%	1,722
2010	11,617	1,377,729,062	23,719,980	3,118,852	20,601,128	1.50%	1,773
2009	11,514	1,396,413,441	25,264,108	2,944,092	22,320,016	1.60%	1,939
2008	11,614	1,408,362,199	26,749,978	2,709,481	24,040,497	1.71%	2,070
2007	14,481	1,404,866,698	28,184,978	2,706,487	25,478,491	1.81%	1,759
2006	14,481	1,327,797,723	29,479,978	2,445,341	27,034,637	2.04%	1,867
2005	14,481	1,280,121,510	30,619,978	2,447,563	28,172,415	2.20%	1,945

Source:

(1) U.S. Census of Population

(2) Cuyahoga and Geauga County Auditors

(3) Beginning in fiscal year 2012, general bonded debt outstanding includes all long term bonds of the governmental activities, net of related premiums, discounts and adjustments.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Principal Employers
Current and Eight Years Ago

2013			
Employer	Nature of Business	Employees	Rank
Chagrin Falls Exempted Village Schools	Public Schools	273	1
Hamlet Village LLC	Healthcare Services	172	2
Game Keepers Hospitality, Inc.	Restaurant	80	3
Cellco Partnership	Investments	71	4
Village of Chagrin Falls	Government	60	5
Live Nation Worldwide Inc.	Media Representatives	23	6
Merrill, Lynch, Fenner & Smith, Inc.	Investments	21	7
Personnel Research & Development	Human Resource Consultants	19	8
Wells Fargo Advisors LLC	Investments	17	9
CVS Pharmacy, Inc.	Pharmacy	10	10

2006 (1)			
Employer	Nature of Business	Employees	Rank
Chagrin Falls Exempted Village Schools	Public Schools	250	1
Giant Eagle, Inc.	Grocery Store	150	2
Hamlet Village LLC	Healthcare Services	125	3
Game Keepers Hospitality, Inc.	Restaurant	120	4
Windsor Hospital	Healthcare Services	104	5
Village of Chagrin Falls	Government	67	6
Smith Barney	Financial Services	55	7
Gleeson Construction	Property Manager	55	8
First Union Securities	Financial Services	39	9
Wells Fargo Advisors LLC	Investments	10	10

(1) This is the most recent readily available.

Source: Chagrin Falls Village, Chagrin Falls Library and RITA

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Cuyahoga County Population (1)	Geauga County Population (1)	Bentleyville Village Population (1)	Chagrin Falls Village Population (1)	Moreland Hills Village Population (1)
2014	1,265,111	93,978	863	4,079	3,306
2013	1,265,111	93,680	863	4,079	3,306
2012	1,270,294	93,228	864	4,113	3,320
2011	1,280,122	93,389	864	4,113	3,320
2010	1,275,709	99,060	894	3,620	3,041
2009	1,283,925	98,817	896	3,641	3,064
2008	1,341,241	95,676	905	3,678	3,093
2007	1,386,096	90,895	900	4,652	3,400
2006	1,386,096	90,895	900	4,652	3,400
2005	1,386,096	90,895	900	4,652	3,400

Source:

- (1) U.S. Census Bureau, Census.gov
- (2) Department of Job and Family Services
- (3) U.S. Census Bureau, 2010 Census
- (4) Estimated based on 2010 Census information

South Russell Village Population (1)	Personal Income Per Capita (3)	Total Personal Income (4)	Cuyahoga County Unemployment Rate (2)	Geauga County Unemployment Rate (2)
3,822	\$ 45,186	\$ 545,395,020	6.4	6.2
3,822	45,186	545,395,020	7.5	5.8
3,810	45,186	547,066,902	6.9	5.7
3,810	45,186	547,066,902	8.8	6.5
4,062	42,885	498,195,045	9.7	7.3
3,913	42,885	493,777,890	10.2	7.9
3,938	42,885	498,066,390	8.1	6.3
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.9	3.4
5,560	42,885	622,347,120	4.8	3.2

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Building Statistics by Function/Program
Last Nine Fiscal Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gurney Elementary School				
Constructed in 1966, additions in 1968,1971,1998				
Total Building Square Footage	66,472	66,472	66,472	66,472
Enrollment Grades	PreK-3	PreK-3	PreK-3	PreK-3
Student Capacity - enrollment	522	522	571	577
Regular Instruction Classrooms	39	39	39	39
Regular Instruction Teachers	31	29	29	29
Special Instruction Teachers	6	9	9	9
Chagrin Falls Intermediate School				
Constructed in 1914, additions in 1939, 1952				
Total Building Square Footage	71,243	71,243	71,243	71,243
Enrollment Grades	4-6	4-6	4-6	4-6
Student Capacity - enrollment	464	464	480	478
Regular Instruction Classrooms	28	28	28	28
Regular Instruction Teachers	24	27	27	27
Special Instruction Teachers	4	6	6	6
Chagrin Falls Middle School				
Constructed in 1999				
Total Building Square Footage	103,537	103,537	103,537	103,537
Enrollment Grades	7-8	7-8	7-8	7-8
Student Capacity - enrollment	337	337	328	312
Regular Instruction Classrooms	24	24	24	24
Regular Instruction Teachers	21	22	22	22
Special Instruction Teachers	4	3	3	3
Chagrin Falls High School				
Constructed in 1957, additions in 1961,1965,1968,1971				
Total Building Square Footage	116,404	116,404	116,404	116,404
Enrollment Grades	9-12	9-12	9-12	9-12
Student Capacity - enrollment	616	616	651	650
Regular Instruction Classrooms	44	44	44	44
Regular Instruction Teachers	38	46	46	46
Special Instruction Teachers	3	2	2	2

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

Source: School District Records

2010	2009	2008	2007	2006
66,472	66,472	66,472	66,472	66,472
PreK-3	PreK-3	PreK-3	PreK-3	PreK-3
580	580	592	581	584
39	39	39	39	39
29	29	29	29	29
9	9	9	9	9
71,243	71,243	71,243	71,243	71,243
4-6	4-6	4-6	4-6	4-6
453	453	436	431	436
28	28	28	28	28
27	27	27	27	27
6	6	6	6	6
103,537	103,537	103,537	103,537	103,537
7-8	7-8	7-8	7-8	7-8
313	313	322	296	292
24	24	24	24	24
22	22	22	22	22
3	3	3	3	3
116,404	116,404	116,404	116,404	116,404
9-12	9-12	9-12	9-12	9-12
627	627	647	651	649
44	44	44	44	44
46	46	46	46	46
2	2	2	2	2

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Cost Per Pupil
Last Ten Fiscal Years

Year	General Fund Expenditures	Average Daily Student Enrollment	Cost Per Pupil
2014	\$ 26,656,084	1,975	\$ 13,497
2013	25,049,476	1,939	12,919
2012	24,483,735	2,030	12,061
2011	24,106,803	2,018	11,946
2010	22,036,369	2,016	10,931
2009	21,460,131	2,033	10,556
2008	19,633,885	1,997	9,832
2007	20,788,743	1,959	10,612
2006	19,296,420	1,956	9,865
2005	24,249,901	1,901	12,756

Source: School District Financial Records

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Enrollment Statistics
Last Ten Fiscal Years

Year	Elementary School	Intermediate School	Middle School	High School	Total
2014	534	471	343	627	1,975
2013	522	464	337	616	1,939
2012	571	480	328	651	2,030
2011	577	478	312	651	2,018
2010	574	478	282	682	2,016
2009	576	478	282	697	2,033
2008	592	436	322	647	1,997
2007	581	431	296	651	1,959
2006	515	422	315	651	1,903
2005	464	446	315	638	1,863

Source: School District Records

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

Degree	2014	2013	2012	2011	2010	2009
Bachelor's Degree	10	7	12	6	6	8
Bachelor + 10	0	2	1	4	4	4
Bachelor + 20	4	1	2	5	5	11
Bachelor + 30	8	9	7	7	7	9
Master's Degree	45	38	45	53	54	53
Master's + 10	41	46	35	34	32	34
Master's + 20	17	22	20	21	21	16
Master's + 30	20	21	18	15	16	8
Phd	2	2	1	1	1	1
Total	147	148	141	146	146	144

Source: School District Personnel Records.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
10	18	18	15
9	7	8	6
9	9	10	17
12	13	14	17
48	56	56	46
30	27	28	29
16	12	12	12
9	11	9	10
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>144</u>	<u>154</u>	<u>156</u>	<u>153</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Attendance and Graduation Rates
Last Ten School Years

Fiscal Year	Chagrin Falls Attendance Rate	State Average	Chagrin Falls Graduation Rate	State Average
2014	96.4	94.3	99.3	N/A
2013	95.7	94.2	98.5	82.2
2012	95.9	94.5	98.7	81.3
2011	95.8	94.5	100.0	84.3
2010	95.6	94.3	99.3	83.0
2009	96.0	94.3	100.0	84.6
2008	96.0	94.2	100.0	86.9
2007	95.9	94.1	98.8	86.1
2006	96.1	94.1	98.8	86.2
2005	96.0	94.3	100.0	85.9

Source: Ohio Department of Education Local Report Cards

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
ACT Composite Scores
Last Ten Fiscal Years

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Chagrin Falls Composite	Ohio Composite	National Composite
2014	114	128	89%	25.6	22.0	21.0
2013	156	172	90%	25.4	21.8	20.9
2012	115	135	85%	25.5	21.8	21.1
2011	125	151	83%	26.2	21.8	21.1
2010	131	166	79%	25.8	21.8	21.0
2009	108	150	72%	25.5	21.7	21.1
2008	122	163	75%	25.4	21.7	21.1
2007	123	171	72%	25.5	21.6	21.2
2006	108	168	64%	25.1	21.5	20.9
2005	131	174	75%	25.4	21.4	20.9

Source: High School Guidance Office

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
SAT Scores
Last Ten Fiscal Years

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Chagrin Falls Critical Reading	Ohio Critical Reading	National Critical Reading
2014	61	128	48%	576	555	497
2013	111	172	65%	572	548	496
2012	97	135	72%	565	543	496
2011	117	151	77%	584	539	497
2010	124	166	75%	576	538	501
2009	111	150	74%	568	537	501
2008	128	163	79%	560	534	502
2007	139	171	81%	561	536	502
2006	151	168	90%	554	535	503
2005	153	174	88%	569	538	508

Source: High School Guidance Office

Chagrin Falls Math	Ohio Math	National Math	Chagrin Falls Writing	Ohio Writing	National Writing
603	562	573	572	535	487
584	556	514	565	556	514
574	552	514	562	525	488
600	545	514	570	522	489
605	548	516	572	522	492
600	546	515	569	523	493
590	544	515	559	521	494
584	542	515	564	522	494
592	544	518	549	521	493
595	542	518	N/A	N/A	N/A

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years

Function	2014	2013	2012	2011	2010
Regular Instruction					
Elementary Classroom Teachers	31.00	29.50	29.50	29.50	29.50
Intermediate Classroom Teachers	24.00	26.00	26.00	26.00	26.00
Middle School Classroom Teachers	21.00	19.00	19.00	19.00	19.00
High School Classroom Teachers	38.00	40.00	40.00	40.00	40.00
Special Instruction					
Elementary Classroom Teachers	6.00	6.00	6.00	6.00	6.00
Intermediate Classroom Teachers	4.00	4.50	4.50	4.50	4.50
Middle School Classroom Teachers	4.00	3.00	3.00	3.00	3.00
High School Classroom Teachers	3.00	3.00	3.00	3.00	3.00
Pupil Support Services					
Guidance Counselors	6.00	6.00	6.00	6.00	6.00
Librarians	1.00	4.00	4.00	4.00	4.00
Psychologists	2.00	1.00	1.00	1.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00	2.00
Instructional Support Services					
Non-Teaching Support Staff Elementary	12.00	12.00	12.00	12.00	12.00
Non-Teaching Support Staff Intermediate	7.00	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	4.00	4.00	4.00	4.00	4.00
Non-Teaching Support Staff High	6.50	6.50	6.50	6.50	6.50
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00	2.00
Administration					
Elementary	1.00	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00	2.00
Business					
Central	2.00	2.00	2.00	2.00	2.00
Business					
Treasurer Department	4.00	4.00	4.00	4.00	4.00
Operation of Plant					
Custodian Department	15.00	19.00	19.00	19.00	19.00
Maintenance Department	4.00	4.00	4.00	4.00	4.00
Pupil Transportation					
Bus Drivers	12.00	22.00	22.00	22.00	22.00
Mechanics	1.50	1.50	1.50	1.50	1.50
Transportation Support Staff	1.50	1.50	1.50	1.50	1.50
Central					
Community Relations	0.50	1.00	1.00	1.00	1.00
Technology	2.00	2.00	2.00	2.00	2.00
Personnel	1.00	0.50	0.50	0.50	0.50
Extracurricular					
Athletic Department	2.00	2.00	2.00	2.00	2.00
Food Service Program					
Elementary	2.00	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00
High School Cooks	5.00	5.00	5.00	5.00	5.00
Central	1.00	1.00	1.00	1.00	1.00
Community Service					
Community Education	1.00	1.50	1.50	1.50	1.50
Totals	<u>239.00</u>	<u>255.50</u>	<u>255.50</u>	<u>255.50</u>	<u>255.50</u>

(continued)

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

Source: School District Records

2009	2008	2007	2006	2005
29.50	29.00	29.00	28.00	27.00
26.00	26.50	26.50	25.00	24.50
19.00	20.00	20.00	21.50	20.50
40.00	42.50	42.50	42.00	42.00
6.00	6.00	6.00	7.00	7.50
4.50	4.50	4.50	5.50	5.00
3.00	2.50	2.50	2.50	2.00
3.00	3.00	3.00	2.00	2.00
6.00	6.00	6.00	6.00	6.00
4.00	4.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	3.50	3.50	2.00	2.00
12.00	12.50	12.50	13.50	12.50
7.00	7.00	7.00	7.00	7.00
4.00	5.00	5.00	5.00	4.00
6.50	7.50	7.50	6.50	6.00
2.00	3.50	3.50	3.00	3.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.50	2.50	2.50
4.00	4.00	4.00	4.00	4.00
19.00	19.00	19.00	19.00	19.00
4.00	4.00	4.00	4.00	5.00
22.00	20.50	20.50	20.00	21.00
1.50	1.50	1.50	1.50	1.50
1.50	0.50	0.50	0.50	0.50
1.00	1.00	1.00	1.00	1.00
2.00	2.00	3.00	3.00	3.00
0.50	0.50	0.50	0.50	0.50
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	3.00
5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00
1.50	1.50	1.50	1.50	1.50
<u>255.50</u>	<u>261.50</u>	<u>261.00</u>	<u>258.00</u>	<u>255.50</u>

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Dave Yost • Auditor of State

CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 29, 2015**