



Dave Yost • Auditor of State



**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

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FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY  
SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2015

| FEDERAL GRANTOR<br><i>Pass Through Grantor<br/>Program Title</i>                  | Pass Through<br>Grantor<br>Number | Federal<br>CFDA<br>Number | Receipts          | Non-Cash<br>Receipts | Expenditures      | Non-Cash<br>Expenditures |
|---|-----------------------------------|---------------------------|-------------------|----------------------|-------------------|--------------------------|
| <b>U.S. DEPARTMENT OF AGRICULTURE</b>   |                                   |                           |                   |                      |                   |                          |
| <i>Passed Through Ohio Department of Education:</i>                               |                                   |                           |                   |                      |                   |                          |
| Child Nutrition Cluster:  |                                   |                           |                   |                      |                   |                          |
| School Breakfast Program  | N/A                               | 10.553                    | \$ 12,071         |                      | \$ 12,071         |                          |
| National School Lunch Program   | N/A                               | 10.555                    | 151,914           | \$ 16,703            | 151,914           | \$ 16,703                |
| Child Nutrition Cluster   |                                   |                           | 163,985           | 16,703               | 163,985           | 16,703                   |
| Total Child Nutrition Cluster   |                                   |                           | 163,985           | 16,703               | 163,985           | 16,703                   |
| <b>Total U.S. Department of Agriculture</b>                                       |                                   |                           | <b>163,985</b>    | <b>16,703</b>        | <b>163,985</b>    | <b>16,703</b>            |
| <b>U.S. DEPARTMENT OF EDUCATION</b>   |                                   |                           |                   |                      |                   |                          |
| <i>Passed Through Ohio Department of Education:</i>                               |                                   |                           |                   |                      |                   |                          |
| Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2014 | N/A                               | 84.010                    | 27,879            |                      | 32,927            |                          |
| Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA) - 2015 | N/A                               | 84.010                    | 131,253           |                      | 197,694           |                          |
| Total Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)  |                                   |                           | 159,132           | -                    | 230,621           | -                        |
| Special Education Cluster (IDEA):   |                                   |                           |                   |                      |                   |                          |
| Special Education - Grants to States (IDEA, Part B) - 2014                        | N/A                               | 84.027                    | -                 |                      | 20,869            |                          |
| Special Education - Grants to States (IDEA, Part B) - 2015                        | N/A                               | 84.027                    | 376,569           |                      | 433,783           |                          |
| Total Special Education - Grants to States (IDEA, Part B)                         |                                   |                           | 376,569           | -                    | 454,652           | -                        |
| Special Education - Preschool Grants (IDEA Preschool) - 2014                      | N/A                               | 84.173                    | -                 |                      | 2,231             |                          |
| Special Education - Preschool Grants (IDEA Preschool) - 2015                      | N/A                               | 84.173                    | 29,434            |                      | 27,264            |                          |
| Total Special Education - Preschool Grants (IDEA Preschool)                       |                                   |                           | 29,434            | -                    | 29,495            | -                        |
| Total Special Education Cluster (IDEA)  |                                   |                           | 406,003           | -                    | 484,147           | -                        |
| Title IV, Part A, Safe and Drug-Free Schools and Communities State Grants - 2007  | N/A                               | 84.186                    | -                 | -                    | 18                | -                        |
| Title III, Part A, English Acquisition State Grants - 2014                        | N/A                               | 84.365                    | -                 |                      | 301               |                          |
| Title III, Part A, English Acquisition State Grants - 2015                        | N/A                               | 84.365                    | 10,443            |                      | 10,375            |                          |
| Total Title III, Part A, English Acquisition State Grants                         |                                   |                           | 10,443            | -                    | 10,676            | -                        |
| Title II, Part A, Improving Teacher Quality State Grants - 2014                   | N/A                               | 84.367                    | 305               |                      | 305               |                          |
| Title II, Part A, Improving Teacher Quality State Grants - 2015                   | N/A                               | 84.367                    | 19,461            |                      | 50,288            |                          |
| Total Improving Teacher Quality State Grants                                      |                                   |                           | 19,766            | -                    | 50,593            | -                        |
| <b>Total U.S. Department of Education</b>   |                                   |                           | <b>595,344</b>    | <b>-</b>             | <b>776,055</b>    | <b>-</b>                 |
| <b>Total Federal Financial Assistance</b>   |                                   |                           | <b>\$ 759,329</b> | <b>\$ 16,703</b>     | <b>\$ 940,040</b> | <b>\$ 16,703</b>         |

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 29, 2016, wherein we noted the District adopted Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27 and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore unidentified material weaknesses or significant deficiencies may exist. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a material weakness. We consider finding 2015-001 to be a material weakness.

***Compliance and Other Matters***

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

***Entity's Response to Findings***

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

***Purpose of this Report***

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



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

January 29, 2016



# Dave Yost • Auditor of State

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

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

To the Board of Education:

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

We have audited the Fairview Park City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the Fairview Park City School District's major federal program for the year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

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

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

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

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

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

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

In our opinion, the Fairview Park City School District complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

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

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

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

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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated January 29, 2016, wherein we noted the District adopted Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27 and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We conducted our audit to opine on the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required

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

part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

January 29, 2016

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**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2015**

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

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

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

**FINDING NUMBER 2015-001**

**Effects on Financial Statements – Material Weakness**

Sound financial reporting is the responsibility of the Treasurer/CFO and the Board of Education and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2015  
(CONTINUED)**

|   |
|---|
| <b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|---|

**FINDING NUMBER 2015-001 (Continued)**

**Effects on Financial Statements – Material Weakness (Continued)**

The following weaknesses were noted and subsequent adjustments were made to the financial statements and accounting records by the District:

The District recorded cash receipts amounting to \$25,935 as "Other." These cash receipts were related to pre-paid lunches. Therefore, the receipts should have been recorded as "Sales/charges for services." The misclassification caused an understatement to "Sales/charges for services" and an overstatement to "Other" in the Food Service Fund. The reclassification is reflected in the financial statements.

The District recorded \$41,231 in "Sales/charges for services" in the Day Care Services Fund. However, the \$41,231 was related to lunches and snacks and should have been reflected in the Food Service Fund. The misclassification caused an overstatement to the Day Care Fund "Sales/charges for services" and an understatement to the Food Service Fund "Sales/charges for services." The adjustments are reflected in the financial statements.

The Food Service and Day Care Services mispostings occurred because the District had two new employees in the receipting process who were unaware of the District's past practices over pre-paid lunches and the movement of funds from the Day Care Services Fund to the Food Service Fund.

The lack of controls over the posting of financial transactions, financial reporting and footnote disclosure resulted in material errors and irregularities that decrease the reliability of financial data throughout the year.

We recommend the District's management become more familiar with the contents of their financial statements to ensure all items are being properly recognized and recorded in the proper period.

**Official's Response:** The District has improved the functionality of automatic receipt posting from our point of sale/online payment systems specifically for our cafeteria payments. This procedure utilizes standardized account codes based on payment types to minimize errors and maintain consistency in posting. Training and procedures have been defined between food service staff and the business office to provide all supporting documentation to allocate meal/snack expenses for the day care program on a monthly basis during the school year and at least once per year for summer camp programs. This associated revenue is then recorded in the food service fund.

|                                       |
|---------------------------------------|
| <b>3. FINDINGS FOR FEDERAL AWARDS</b> |
|---------------------------------------|

**None.**

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2015**

| Finding Number | Finding Summary   | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b> |
|----------------|---|------------------|--|
| 2014-001       | District did not file FER for CCIP funds by September 30, 2014, deadline. | Yes              | Corrected  |



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

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2015



Learning to Believe & Achieve

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**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT  
OF THE  
FAIRVIEW PARK CITY SCHOOL DISTRICT  
FOR THE  
FISCAL YEAR ENDED JUNE 30, 2015**



Learning to Believe & Achieve

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

21620 Mastick Road #A

Fairview Park, Ohio 44126

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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# INTRODUCTORY SECTION



Learning to Believe & Achieve

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Learning to Believe & Achieve

# Fairview Park City School District

William W. Wagner, Superintendent  
Amy L. Hendricks, Treasurer/CFO

21620 Mastick Rd. #A  
Fairview Park, OH 44126  
440.331.5500  
f: 440.356.3545  
[www.fairviewparkschools.org](http://www.fairviewparkschools.org)

January 29, 2016

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

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Fairview Park City School District (the "District") for the fiscal year ended June 30, 2015. This CAFR includes an opinion from the State of Ohio Auditor and conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs.

## The Reporting Entity

The District has reviewed its reporting entity definition in order to ensure conformance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Fairview Park City School District (the primary government) and its potential component units. The District has no component units.

The District is associated with two insurance purchasing pools and three jointly governed organizations. The Southwestern Ohio Educational Purchasing Council Group rating plan is an insurance purchasing pool along with the Great Lakes Council of Governments with medical, dental and life insurance benefits. The North Coast Council, the Ohio Schools' Council Association and the Polaris Career Center are jointly governed organizations. The District's relationship with these organizations is described in Note 1 to the basic financial statements. A complete discussion of the District's reporting entity is provided in Note 1 to the basic financial statements.

## Profile and Organizational Structure

The District covers approximately 4.77 square miles and is located approximately 10 miles west of downtown Cleveland, Ohio. The District provides education to 1,782 students in grades kindergarten through twelfth. The District provides general education, special education and vocational type academic programs. The District's enrollment has remained relatively flat over the last several years and is projected to slightly increase in the foreseeable future.

Statutorily, the District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer (CEO), and the Treasurer, who serves as the Chief Financial Officer (CFO).

## MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

## Local Economy and Relevant Financial Policies

There has been stable commercial/business growth during 2015 with some new openings, but also closings of existing establishments. In the past year, the following new businesses have opened in the City of Fairview Park:

|                                |                    |
|--------------------------------|--------------------|
| Dulcelicious Cupcakes and More | Savers Thrift Shop |
| O'Neill Health Campus Dialysis | Pita Pit           |

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

The Cuyahoga County Fiscal Office property re-appraisal was completed in CY12, which caused in the district's Class I – residential real estate property values to be reduced by 3.97%. Furthermore, the district's Class II property value decreased in values by 2.21% from the previous year. Due to the improvement in the housing market in Northeast Ohio and across the country, the district has included a slight increases of .035% for CY14 and .35% the CY15 County triennial update and an additional increase of 2% in property values for the CY18 County property re-appraisal.

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

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

Within the last three years, the State of Ohio has dramatically changed its public education funding formula three times. State legislators passed House Bill 153 (H.B. 153), which eliminated the Ohio Evidence Based Model funding formula and was replaced with a "bridge" formula. This bridge formula was a temporary mechanism to be used until the State has the opportunity to develop a permanent funding formula. In February, 2013; Governor Kasich introduced H.B. 59, which dramatically changed the components of the state funding formula for public education. Under his plan, the district would experience a 25% increase in state funding for FY14 and FY15. However, in April 2013 the House of Representatives introduced substitute H.B. 59, which dropped the projected increase in state funding for the district from a 25% increase to 6% increase for FY14 and FY15. The district's funding increase was limited to a 6.25% cap for FY14 and 5% for FY15. However, if the cap were to be lifted and the district received the actual funding amount that the state funding formula in H.B. 59 calculated, the district's state revenue would nearly double and increase by approximately \$1,500,000.

Additionally, the real property tax system in Ohio does not permit school districts to receive additional tax revenue solely as a result of reassessment or reappraisal. Consequently, the primary means of increasing revenue for the District is through additional operating levies or through the passage of a School District Income Tax. Historically, the District has been forced to go back to the taxpayers, on average, once every three years for new money. With careful, fiscal planning and management's ability to offset increases in cost with cost saving initiatives, the Board of Education has expanded the cycle to a minimum of eight years.

## MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

## Major Initiatives

The District continues to be committed to providing “superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship” as stated in the mission statement. The District’s goals for fiscal year 2015 were as follows:

- Provide first class facilities, which entail the best possible learning environments to the students and residents of the Fairview Park City School District. A committee screened qualifications for design and master planning service to determine ongoing facility needs during FY15, and is poised to move ahead with a Facility Task Force to review needs and the financial impact. The current district facilities include:

| <b>Classroom Building Facility</b>                       | <b>Year Construction/Improvement</b>                | <b>Number of Classrooms</b> |
|--|---|-----------------------------|
| Fairview Park Early Education Center (daycare, Pre-K, K) | Original 1950/1959/1966/2010                        | 6                           |
| Gilles-Sweet Elementary (1 to 5)                         | 2006  | 34                          |
| L.F. Mayer Middle (6 to 8)                               | Original 1955/1959/1966/2009                        | 18                          |
| Fairview High School (9 to 12)                           | Original<br>1928/1949/1952/1956/1959/1968/1979/2009 | 34                          |

One non-instructional facility was purchased in 2011 that had served as the New Hope Church. This building now houses the operational offices for transportation and serves the community in a number of ways by providing space for groups to meet.

- Evaluation of a fourth phase of the one to one laptop initiative is studying ways to expand the program from grades 5-12 to K-12. The emphasis is on development of alternative means to deliver curriculum to students to align with learning methods and assessment of mastery of subject matter. A Bring Your Own Device (BYOD) was implemented at the high school for FY15 as well as the upgrade to new test compliant laptop devices grades 6-12. New iPads have also been made available in grades K through 5 for FY15 with purchase approved at the end of FY14.
- The district has spent a significant portion of FY15 surveying the community and meeting with various subgroups to develop a Strategic Plan for the future. The refreshed mission statement and action areas are being revealed to the community in early FY16 with subgroups beginning the work of laying out the steps to achieving and maintaining these initiatives in the district.

## Long-Term Financial Planning

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

During the 2015 fiscal year, the District continued the practice of closely monitoring the student population and student needs and adjusting the staffing to the fluctuations accordingly. These comparisons allow the District to keep a streamlined organization. As a result of these monitoring efforts, the District has been able to maintain a relatively low increase in operating expenditures and a balanced budget.

## Financial Information

### *Internal Accounting and Budgetary Control*

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

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

## MISSION STATEMENT

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

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

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

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

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

### ***Financial Presentation***

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

***Government-wide financial statements:*** These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish those activities of the District that are governmental in nature.

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

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

Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the District. This discussion follows the Independent Auditor's Report, providing an assessment of the District's finances for fiscal year 2015 and a discussion of current issues affecting the District in the future. The MD&A should be read in conjunction with this letter of transmittal.

### **Independent Audit**

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor **Dave Yost**, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2015. The opinion appears at the beginning of the financial section of this report.

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

### **MISSION STATEMENT**

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.

## **Awards**

### ***GFOA Certificate of Achievement***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Fairview Park City School District for its CAFR for the fiscal year ended June 30, 2014. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

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

The District received the Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2014. The District believes that the Comprehensive Annual Financial Report for fiscal year June 30, 2015, which will be submitted to ASBO for review, will conform to ASBO's principles and standards.

## **Acknowledgments**

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

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

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

Respectfully Submitted,



Amy L. Hendricks  
Treasurer/CFO

## **MISSION STATEMENT**

The Fairview Park City Schools are committed to provide superior services and academic programs that challenge the mind and instill the joy of lifelong learning and responsible citizenship.



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Fairview Park City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Association of School Business Officials International



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

## Fairview Park City School District

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO  
President

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

John D. Musso, CAE, RSBA  
Executive Director

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
PRINCIPAL OFFICIALS  
JUNE 30, 2015**

**Board of Education**

|                                 |                                  |
|---------------------------------|----------------------------------|
| Joslyn Dalton – President       | - Term (01/01/2014 – 12/31/2017) |
| Debbie Tidwell – Vice President | - Term (01/27/2014 - 12/31/2015) |
| Katie Davis                     | - Term (01/01/2014 - 12/31/2015) |
| Mark St. John                   | - Term (01/01/2014 – 12/31/2017) |
| Joe Shucofsky                   | - Term (01/01/2012 – 12/31/2015) |

**Superintendent**

William W. Wagner, Ph.D.

**Treasurer/CFO**

Amy L. Hendricks

**Department Administrative Staff**

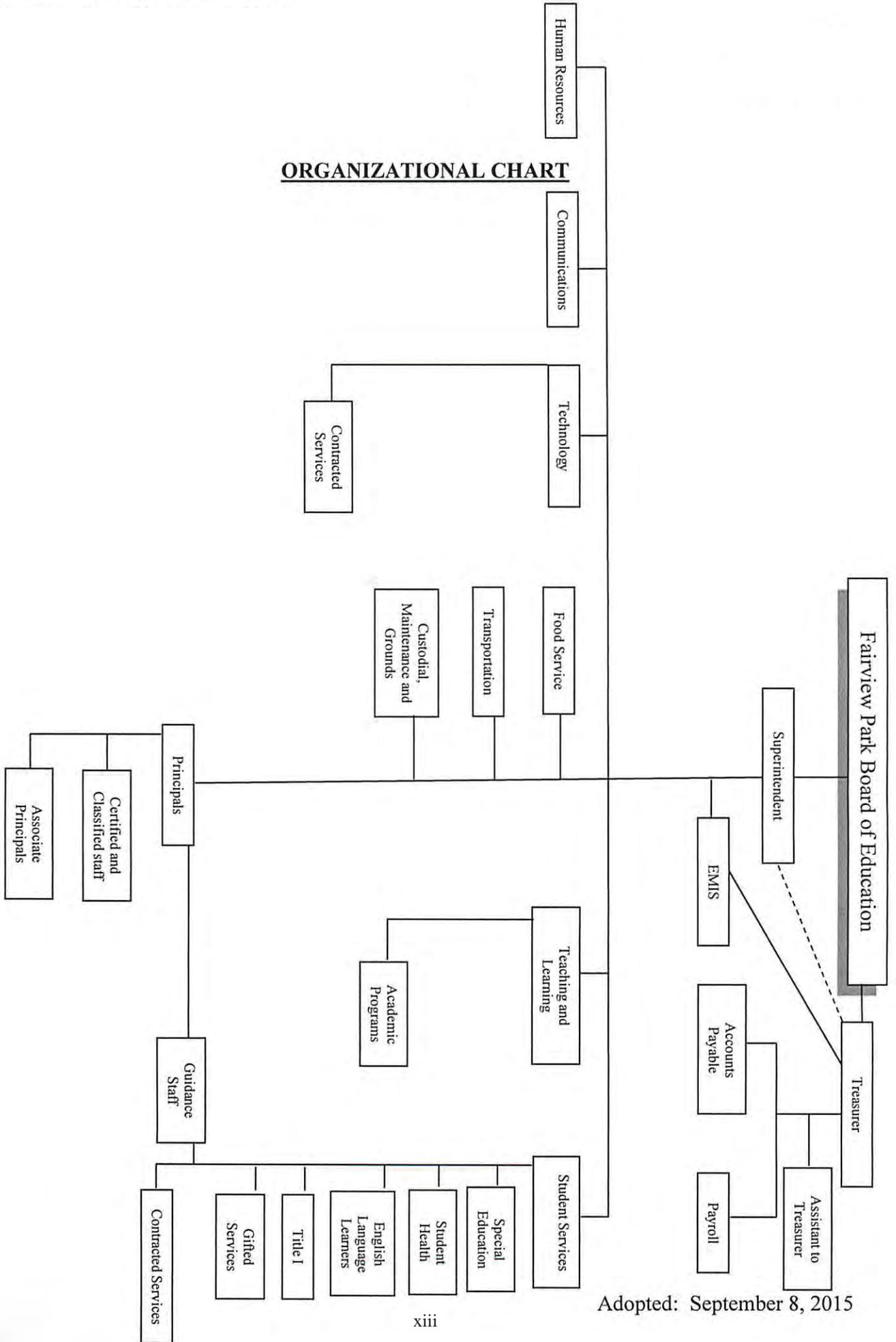
|   |   |                   |
|---|---|-------------------|
| Director of Pupil Services                  | - | Constance Obrycki |
| Athletic Director/Transportation Supervisor | - | John Carter       |
| Assistant to the Treasurer                  | - | Balbina Korczak   |
| Human Resource Supervisor                   | - | Denise Devine     |
| Systems Analyst                             | - | Edward Sobczynski |

**Building Level Administrative Staff**

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

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

**ORGANIZATIONAL CHART**



Adopted: September 8, 2015

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# FINANCIAL SECTION



Learning to Believe & Achieve

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Fairview Park City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Fairview Park City School District, Cuyahoga County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 3A to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and also GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

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

January 29, 2016

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)**

The management's discussion and analysis of Fairview Park City School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2015 are as follows:

- In total, net position increased \$2,055,952. Net position of governmental activities increased \$1,990,615, which represents a 1,101.95% increase from 2014. Business-type activities net position increased \$65,337 over 2014.
- General revenues accounted for \$22,197,487 in revenue or 90.77% of governmental activities revenues. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$2,257,597 or 9.23% of governmental activities revenues.
- Total revenues for fiscal year 2015 were \$25,576,277. Of this total, \$24,455,084 was reported in the governmental activities and \$1,121,193 in the business-type activities.
- The District had \$22,424,469 in expenses related to governmental activities; only \$2,257,597 of these expenses was offset by program specific charges for services and sales and operating grants and contributions resulting in a net cost of \$20,166,872 for the District. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$22,197,487 were not adequate to provide for these programs.
- The District's major governmental funds are the general fund and the bond retirement fund. The District's major proprietary funds are the daycare services fund and the food service fund. The general fund had \$21,334,977 in revenues and other financing sources and \$19,962,221 in expenditures and other financing uses. During fiscal 2015, the general fund's fund balance increased \$1,372,756 from a balance of \$18,246,299 to \$19,619,055.
- The bond retirement fund had \$1,955,661 in revenues and \$1,756,231 in expenditures. During fiscal 2015, the bond retirement fund's fund balance increased \$199,430 from \$2,771,555 to \$2,970,985.
- The food service fund had \$184,078 in operating revenues, \$187,378 in non-operating grants, a \$40,000 transfer from the general fund and \$378,023 in expenses. During fiscal 2015, the food service's fund balance increased \$33,433 from a restated deficit balance of \$125,150 to a deficit balance of \$91,717.
- The day care services fund had \$749,737 in operating revenues and \$717,833 in expenses. During fiscal 2015, the day care services fund's fund balance increased \$31,904 from a restated deficit balance of \$791,649 to a deficit balance of \$759,745.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)**

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

**Reporting the District as a Whole**

*Statement of Net Position and the Statement of Activities*

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

The District's statement of net position and statement of activities can be found on pages 21-23 of this report.

**Reporting the District's Most Significant Funds**

*Fund Financial Statements*

The analysis of the District's major governmental funds begins on page 14 and the analysis of the District's major enterprise funds begins on page 16. Fund financial reports provide detailed information about the District's major funds.

The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and bond retirement fund.

**Governmental Funds**

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

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The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 24-28 of this report.

***Proprietary Funds***

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole. Both the food service fund and daycare services fund are major funds. The basic proprietary fund financial statements can be found on pages 29-31 of this report.

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 32 and 33. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 35-77 of this report.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability. The required supplementary information can be found on pages 80-86 of this report.

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**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2015 and 2014. The net position at June 30, 2014 has been restated as described in Note 3.A.

**Net Position**

|                                  | <u>Governmental Activities</u> |                          | <u>Business-type Activities</u> |                          | <u>Total</u>        |                          |
|----------------------------------|--------------------------------|--------------------------|---------------------------------|--------------------------|---------------------|--------------------------|
|                                  | <u>2015</u>                    | <u>Restated<br/>2014</u> | <u>2015</u>                     | <u>Restated<br/>2014</u> | <u>2015</u>         | <u>Restated<br/>2014</u> |
| <b><u>Assets</u></b>             |                                |                          |                                 |                          |                     |                          |
| Current and other assets         | \$ 38,637,401                  | \$ 38,002,630            | \$ 167,504                      | \$ 122,262               | \$ 38,804,905       | \$ 38,124,892            |
| Capital assets, net              | <u>32,208,827</u>              | <u>33,243,148</u>        | <u>69,285</u>                   | <u>81,291</u>            | <u>32,278,112</u>   | <u>33,324,439</u>        |
| Total assets                     | <u>70,846,228</u>              | <u>71,245,778</u>        | <u>236,789</u>                  | <u>203,553</u>           | <u>71,083,017</u>   | <u>71,449,331</u>        |
| <b><u>Deferred outflows</u></b>  | <u>3,365,734</u>               | <u>2,996,184</u>         | <u>84,041</u>                   | <u>74,360</u>            | <u>3,449,775</u>    | <u>3,070,544</u>         |
| <b><u>Liabilities</u></b>        |                                |                          |                                 |                          |                     |                          |
| Current liabilities              | 2,482,213                      | 2,319,510                | 3,516                           | 35,044                   | 2,485,729           | 2,354,554                |
| Long-term liabilities            |                                |                          |                                 |                          |                     |                          |
| Due within one year              | 1,630,192                      | 1,835,976                | 16,684                          | 9,952                    | 1,646,876           | 1,845,928                |
| Due in more than one year:       |                                |                          |                                 |                          |                     |                          |
| Net pension liability            | 25,316,100                     | 30,096,132               | 947,437                         | 1,097,946                | 26,263,537          | 31,194,078               |
| Other amounts                    | <u>25,598,750</u>              | <u>26,771,077</u>        | <u>50,883</u>                   | <u>51,770</u>            | <u>25,649,633</u>   | <u>26,822,847</u>        |
| Total liabilities                | <u>55,027,255</u>              | <u>61,022,695</u>        | <u>1,018,520</u>                | <u>1,194,712</u>         | <u>56,045,775</u>   | <u>62,217,407</u>        |
| <b><u>Deferred inflows</u></b>   | <u>17,013,448</u>              | <u>13,038,623</u>        | <u>153,772</u>                  | <u>-</u>                 | <u>17,167,220</u>   | <u>13,038,623</u>        |
| <b><u>Net position</u></b>       |                                |                          |                                 |                          |                     |                          |
| Net investment in capital assets | 7,882,991                      | 7,601,570                | 69,285                          | 81,291                   | 7,952,276           | 7,682,861                |
| Restricted                       | 3,364,832                      | 2,746,630                | -                               | -                        | 3,364,832           | 2,746,630                |
| Unrestricted (deficit)           | <u>(9,076,564)</u>             | <u>(10,167,556)</u>      | <u>(920,747)</u>                | <u>(998,090)</u>         | <u>(9,997,311)</u>  | <u>(11,165,646)</u>      |
| Total net position (deficit)     | <u>\$ 2,171,259</u>            | <u>\$ 180,644</u>        | <u>\$ (851,462)</u>             | <u>\$ (916,799)</u>      | <u>\$ 1,319,797</u> | <u>\$ (736,155)</u>      |

During 2015, the District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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Under the new standards required by GASB 68, the net pension liability equals the District's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68, the District's statements prepared on an accrual basis of accounting include an annual pension expense for their proportionate share of each plan's *change* in net pension liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, for governmental activities from \$28,776,693 to \$180,644 and business type activities from \$106,787 to \$(916,799).

Capital assets in the governmental activities decreased in 2015 due primarily to depreciation expense of \$1,367,979 being more than additions of \$383,049. Other long-term liabilities decreased primarily due to the payment of principal on general obligation bonds.

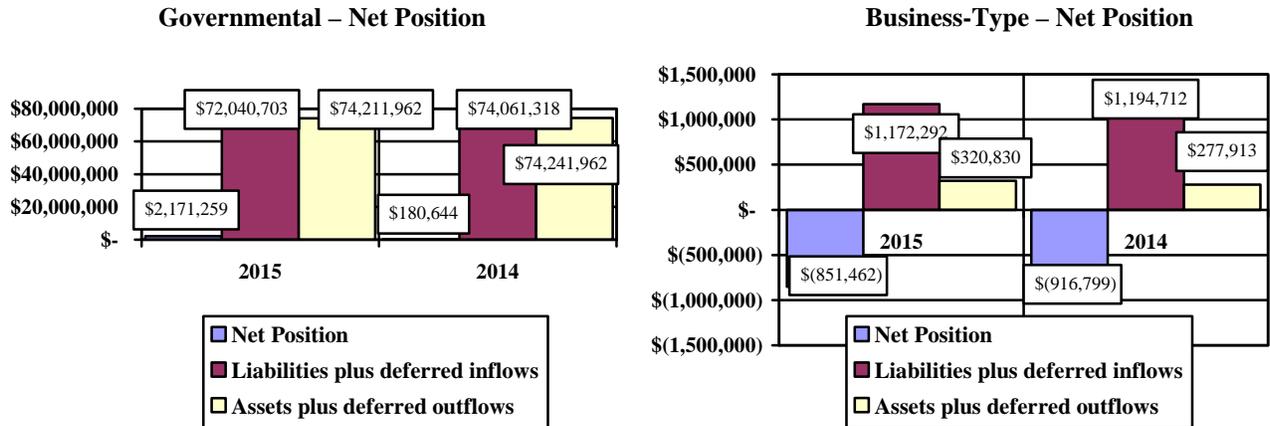
Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the District's assets plus deferred outflows exceeded liabilities plus deferred inflows by \$2,171,259 in the governmental activities.

At year-end, capital assets represented 45.41% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. The net investment in capital assets at June 30, 2015, was \$7,952,276. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

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A portion of the District's net position, \$3,364,832 represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is(\$9,997,311). The graphs below show the assets plus deferred outflows, liabilities plus deferred inflows and net position of the governmental activities and business-type activities at June 30, 2015 and 2014 (as restated – see Note 3.A).



The table below shows the change in net position for fiscal years 2015 and 2014. The net position at June 30, 2014 has been restated as described in Note 3.A.

**Change in Net Position**

|                                    | Governmental Activities |                   | Business-type Activities |                  | Total             |                   |
|------------------------------------|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
|                                    | 2015                    | 2014              | 2015                     | 2014             | 2015              | 2014              |
| <b>Revenues</b>                    |                         |                   |                          |                  |                   |                   |
| Program revenues:                  |                         |                   |                          |                  |                   |                   |
| Charges for services and sales     | \$ 630,601              | \$ 610,228        | \$ 925,630               | \$ 1,021,989     | \$ 1,556,231      | \$ 1,632,217      |
| Operating grants and contributions | 1,626,996               | 1,648,294         | 187,378                  | 171,535          | 1,814,374         | 1,819,829         |
| General revenues:                  |                         |                   |                          |                  |                   |                   |
| Property taxes                     | 16,938,340              | 18,801,543        | -                        | -                | 16,938,340        | 18,801,543        |
| Grants and entitlements            | 4,776,039               | 4,580,830         | -                        | -                | 4,776,039         | 4,580,830         |
| Investment earnings                | 94,653                  | 135,563           | -                        | -                | 94,653            | 135,563           |
| Other                              | 388,455                 | 26,392            | 8,185                    | 703              | 396,640           | 27,095            |
| <b>Total revenues</b>              | <b>24,455,084</b>       | <b>25,802,850</b> | <b>1,121,193</b>         | <b>1,194,227</b> | <b>25,576,277</b> | <b>26,997,077</b> |

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MANAGEMENT'S DISCUSSION AND ANALYSIS  
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**Change in Net Position (Continued)**

|  | Governmental Activities |            | Business-type Activities |              | Total        |              |
|--|-------------------------|------------|--------------------------|--------------|--------------|--------------|
|  | 2015                    | 2014       | 2015                     | 2014         | 2015         | 2014         |
| <b>Expenses</b>  |                         |            |                          |              |              |              |
| Program expenses:                                      |                         |            |                          |              |              |              |
| Instruction:   |                         |            |                          |              |              |              |
| Regular  | 10,613,471              | 10,160,176 | -                        | -            | 10,613,471   | 10,160,176   |
| Special  | 3,017,452               | 2,966,148  | -                        | -            | 3,017,452    | 2,966,148    |
| Vocational   | 85,816                  | 119,372    | -                        | -            | 85,816       | 119,372      |
| Other  | 27,580                  | 28,429     | -                        | -            | 27,580       | 28,429       |
| Support services:                                      |                         |            |                          |              |              |              |
| Pupil  | 1,388,422               | 1,327,486  | -                        | -            | 1,388,422    | 1,327,486    |
| Instructional staff                                    | 481,574                 | 508,121    | -                        | -            | 481,574      | 508,121      |
| Board of education                                     | 268,722                 | 63,735     | -                        | -            | 268,722      | 63,735       |
| Administration   | 1,419,446               | 1,530,055  | -                        | -            | 1,419,446    | 1,530,055    |
| Fiscal   | 594,717                 | 821,468    | -                        | -            | 594,717      | 821,468      |
| Business   | 18,594                  | 15,969     | -                        | -            | 18,594       | 15,969       |
| Operations and maintenance                             | 1,761,981               | 2,339,963  | -                        | -            | 1,761,981    | 2,339,963    |
| Pupil transportation                                   | 670,257                 | 635,344    | -                        | -            | 670,257      | 635,344      |
| Central  | 605,860                 | 317,623    | -                        | -            | 605,860      | 317,623      |
| Operation of non-instructional services:               |                         |            |                          |              |              |              |
| Other non-instructional services                       | 487,070                 | 435,425    | -                        | -            | 487,070      | 435,425      |
| Extracurricular activities                             | 449,449                 | 475,581    | -                        | -            | 449,449      | 475,581      |
| Interest and fiscal charges                            | 534,058                 | 782,309    | -                        | -            | 534,058      | 782,309      |
| Bond issuance costs                                    | -                       | 79,000     | -                        | -            | -            | 79,000       |
| Food service operations                                | -                       | -          | 378,023                  | 407,926      | 378,023      | 407,926      |
| Day care services                                      | -                       | -          | 717,833                  | 710,406      | 717,833      | 710,406      |
| Total expenses   | 22,424,469              | 22,606,204 | 1,095,856                | 1,118,332    | 23,520,325   | 23,724,536   |
| Transfers  | (40,000)                | (107,000)  | 40,000                   | 107,000      | -            | -            |
| Changes in net position                                | 1,990,615               | 3,089,646  | 65,337                   | 182,895      | 2,055,952    | 3,272,541    |
| Net position (deficit) at beginning of year (Restated) | 180,644                 | n/a        | (916,799)                | n/a          | (736,155)    | n/a          |
| Net position (deficit) at end of year                  | \$ 2,171,259            | \$ 180,644 | \$ (851,462)             | \$ (916,799) | \$ 1,319,797 | \$ (736,155) |

**Governmental Activities**

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$1,500,083 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$1,053,991.

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Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

|  |                   |
|--|-------------------|
| Total 2015 program expenses under GASB 68                      | \$ 22,424,469     |
| Pension expense under GASB 68                                  | (1,053,991)       |
| 2015 contractually required contributions                      | <u>1,679,067</u>  |
| Adjusted 2015 program expenses                                 | 23,049,545        |
| Total 2014 program expenses under GASB 27                      | <u>22,606,204</u> |
| Increase (decrease) in program expenses not related to pension | <u>\$ 443,341</u> |

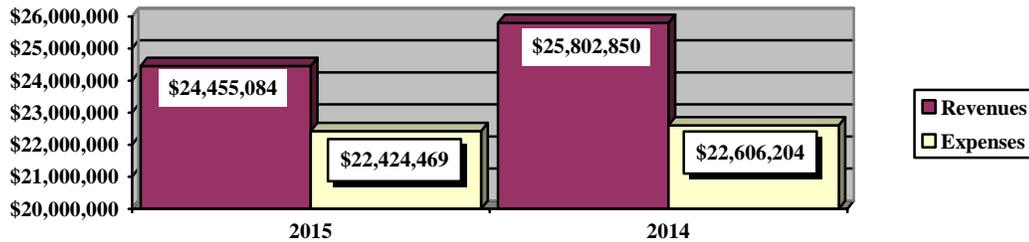
For fiscal year 2015, the net position of the District's governmental activities increased \$1,990,615. Total governmental expenses of \$22,424,469 were offset by program revenues of \$2,257,597 and general revenues of \$22,197,487. Program revenues supported 10.07% of the total governmental expenses. Program revenues remained relatively stable, with a decrease of \$925.

General revenues decreased \$1,346,841 primarily due to a decrease in property tax revenue. Other revenue increased due to the proceeds of the sale of a vacant parcel of land.

Governmental activities expenses decreased slightly from fiscal year 2014 to fiscal year 2015. This decrease was \$181,735 or .80%. Operations and maintenance expenses decreased by \$577,982 due to fewer building repairs completed during fiscal year 2015.

The graph below presents the District's governmental activities revenue and expenses for fiscal year 2015 and 2014.

**Governmental Activities - Revenues and Expenses**



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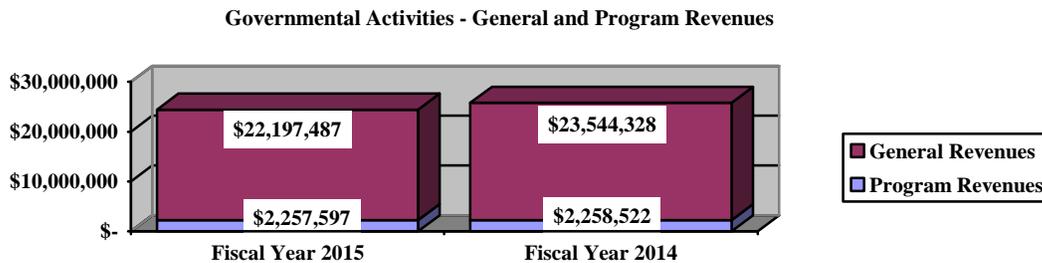
The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2015 and 2014. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

|   | Total Cost of<br>Services<br><u>2015</u> | Net Cost of<br>Services<br><u>2015</u> | Total Cost of<br>Services<br><u>2014</u> | Net Cost of<br>Services<br><u>2014</u> |
|---|--|--|--|--|
| <b>Program expenses:</b>                        |  |  |  |  |
| <b>Instruction:</b>                             |  |  |  |  |
| Regular   | \$ 10,613,471                            | \$ 10,173,334                          | \$ 10,160,176                            | \$ 9,759,562                           |
| Special   | 3,017,452                                | 2,025,933                              | 2,966,148                                | 1,975,000                              |
| Vocational                                      | 85,816                                   | 85,532                                 | 119,372                                  | 119,232                                |
| Other   | 27,580                                   | 27,580                                 | 28,429                                   | 28,429                                 |
| <b>Support services:</b>                        |  |  |  |  |
| Pupil   | 1,388,422                                | 1,274,077                              | 1,327,486                                | 1,223,415                              |
| Instructional staff                             | 481,574                                  | 453,370                                | 508,121                                  | 463,748                                |
| Board of education                              | 268,722                                  | 268,722                                | 63,735                                   | 63,735                                 |
| Administration                                  | 1,419,446                                | 1,418,284                              | 1,530,055                                | 1,525,922                              |
| Fiscal  | 594,717                                  | 594,717                                | 821,468                                  | 795,712                                |
| Business  | 18,594                                   | 18,594                                 | 15,969                                   | 15,969                                 |
| Operations and maintenance                      | 1,761,981                                | 1,659,680                              | 2,339,963                                | 2,235,210                              |
| Pupil transportation                            | 670,257                                  | 664,149                                | 635,344                                  | 605,744                                |
| Central   | 605,860                                  | 605,860                                | 317,623                                  | 317,623                                |
| <b>Operation of non-instructional services:</b> |  |  |  |  |
| Other non-instructional services                | 487,070                                  | 29,751                                 | 435,425                                  | (15,534)                               |
| Extracurricular activities                      | 449,449                                  | 333,231                                | 475,581                                  | 372,606                                |
| Interest and fiscal charges                     | 534,058                                  | 534,058                                | 782,309                                  | 782,309                                |
| Bond issuance costs                             | -  | -                                      | 79,000                                   | 79,000                                 |
| <b>Total expenses</b>                           | <b><u>\$ 22,424,469</u></b>              | <b><u>\$ 20,166,872</u></b>            | <b><u>\$ 22,606,204</u></b>              | <b><u>\$ 20,347,682</u></b>            |

The dependence upon tax revenues during fiscal year 2015 for governmental activities is apparent, as 89.58% of 2015 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 89.93%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2015 and 2014.



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**Business-type Activities**

Business-type activities include day care, preschool and after school programs and the food service operation. Management reviews these programs to develop policies to allow these services to become self-supporting.

Food service operations had \$184,078 in operating revenue, \$187,378 in grants and subsidies and had total expenses of \$378,023. Food service program revenues were not sufficient to support food service expenses. The food service fund received a \$40,000 transfer in from the general fund.

The day care services fund had \$749,737 in operating revenue and \$717,833 in expenses. Day care services revenues were sufficient to support day care services expenses by \$31,904.

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 expenses still include pension expense of \$74,360 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$74,687.

Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

|  |                    |
|--|--------------------|
| Total 2015 program expenses under GASB 68                      | \$ 1,095,856       |
| Pension expense under GASB 68                                  | (74,687)           |
| 2015 contractually required contributions                      | <u>81,104</u>      |
| Adjusted 2015 program expenses                                 | 1,102,273          |
| Total 2014 program expenses under GASB 27                      | <u>1,118,332</u>   |
| Increase (decrease) in program expenses not related to pension | <u>\$ (16,059)</u> |

**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page 24) reported a combined fund balance of \$23,164,483, which is \$1,751,464 more than last year's fund total of \$21,413,019.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2015 and 2014.

|                    | <u>Fund Balance<br/>June 30, 2015</u> | <u>Fund Balance<br/>June 30, 2014</u> | <u>Increase /<br/>(Decrease)</u> |
|--------------------|---------------------------------------|---------------------------------------|----------------------------------|
| General            | \$ 19,619,055                         | \$ 18,246,299                         | \$ 1,372,756                     |
| Bond Retirement    | 2,970,985                             | 2,771,555                             | 199,430                          |
| Other governmental | <u>574,443</u>                        | <u>395,165</u>                        | <u>179,278</u>                   |
| Total              | <u>\$ 23,164,483</u>                  | <u>\$ 21,413,019</u>                  | <u>\$ 1,751,464</u>              |

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

**General Fund**

The District's general fund balance increased \$1,372,756.

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

|                        | <u>2015</u><br><u>Amount</u> | <u>2014</u><br><u>Amount</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>Percentage</u><br><u>Change</u> |
|------------------------|------------------------------|------------------------------|--------------------------------------|------------------------------------|
| <b><u>Revenues</u></b> |                              |                              |                                      |                                    |
| Property taxes         | \$ 15,777,552                | \$ 16,522,028                | \$ (744,476)                         | (4.51) %                           |
| Intergovernmental      | 4,968,197                    | 4,764,246                    | 203,951                              | 4.28 %                             |
| Investment earnings    | 88,027                       | 131,972                      | (43,945)                             | (33.30) %                          |
| Tuition and fees       | 294,829                      | 331,832                      | (37,003)                             | (11.15) %                          |
| Other revenues         | <u>205,705</u>               | <u>205,938</u>               | <u>(233)</u>                         | (0.11) %                           |
| Total                  | <u>\$ 21,334,310</u>         | <u>\$ 21,956,016</u>         | <u>\$ (621,706)</u>                  | (2.83) %                           |

Property tax revenue decreased partially due to a decrease in appraisal values of property located within the District. Property tax revenue represents 73.95 percent of all general fund revenue. The District received an increase in State Foundation funding, which is included in the intergovernmental revenue. The combined value of property taxes and intergovernmental revenue represent 97.24 percent of the general fund revenues.

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

|   | <u>2015</u><br><u>Amount</u> | <u>2014</u><br><u>Amount</u> | <u>Increase</u><br><u>(Decrease)</u> | <u>Percentage</u><br><u>Change</u> |
|---|------------------------------|------------------------------|--------------------------------------|------------------------------------|
| <b><u>Expenditures</u></b>              |                              |                              |                                      |                                    |
| Instruction                             | \$ 12,012,573                | \$ 11,365,874                | \$ 646,699                           | 5.69 %                             |
| Support services                        | 6,626,298                    | 6,382,119                    | 244,179                              | 3.83 %                             |
| Operation of non-instructional services | 2,851                        | 1,114                        | 1,737                                | 155.92 %                           |
| Extracurricular activities              | <u>341,499</u>               | <u>374,377</u>               | <u>(32,878)</u>                      | (8.78) %                           |
| Total                                   | <u>\$ 18,983,221</u>         | <u>\$ 18,123,484</u>         | <u>\$ 859,737</u>                    | 4.74 %                             |

District expenditures increased 4.74 percent, primarily as a result in increases of wages and benefits.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

***Bond Retirement Fund***

The bond retirement fund had \$1,955,661 in revenues and \$1,756,231 in expenditures. During fiscal 2015, the bond retirement fund's fund balance increased \$199,430 from \$2,771,555 to \$2,970,985. The bond retirement fund receives property tax and homestead and rollback revenue. The fund is used to pay principal and interest on the District's outstanding general obligation bonds.

***Food Service Fund***

The food service fund had \$184,078 in operating revenues, \$187,378 in non-operating grants, a \$40,000 transfer from the general fund and \$378,023 in expenses. During fiscal 2015, the food service's fund balance increased \$33,433 from a restated deficit balance of \$125,150 to a deficit balance of \$91,717.

***Day Care Services Fund***

The day care services fund had \$749,737 in operating revenues and \$717,833 in expenses. During fiscal 2015, the day care services fund's fund balance increased \$31,904 from a restated deficit balance of \$791,649 to a deficit balance of \$759,745.

***General Fund Budgeting Highlights***

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

Throughout fiscal year 2015, the District routinely made amendments to the general fund budget. These amendments were necessary to accompany initiatives that were established and needed funding throughout the fiscal year. The District uses a modified site-based budgeting technique which is designed to tightly control total site budgets, but also provide flexibility for site management.

For the general fund, the final budgeted revenue and other financing sources was \$19,206,342. The original budgeted revenue and other financing sources was \$20,613,870. Actual revenue and other financing sources was \$20,807,764. Actual revenues and other financing sources were \$1,601,422 higher than the final budgeted revenues and other financing sources.

Total actual expenditures and other financing uses on the budget basis (cash outlays plus encumbrances) were \$20,382,772. This amount was \$752,778 less than the final budgeted amounts. The final budgeted expenditures and other financing uses were decreased \$750,000 from the original budgeted amounts. Overall, fund balance on the budget basis increased \$424,992 over the prior year.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

**Capital Assets and Debt Administration**

**Capital Assets**

At the end of fiscal 2015, the District had \$32,278,112 invested in land, land improvements, buildings and improvements, furniture, fixtures and equipment, vehicles and textbooks. Of this total, \$32,208,827 was reported in governmental activities and \$69,285 was reported in business-type activities. The following table shows fiscal 2015 balances compared to 2014:

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

|                                   | <u>Governmental Activities</u> |                             | <u>Business-type Activities</u> |                         | <u>Total</u>                |                             |
|-----------------------------------|--------------------------------|-----------------------------|---------------------------------|-------------------------|-----------------------------|-----------------------------|
|                                   | <u>2015</u>                    | <u>2014</u>                 | <u>2015</u>                     | <u>2014</u>             | <u>2015</u>                 | <u>2014</u>                 |
| Land                              | \$ 335,688                     | \$ 379,797                  | \$ -                            | \$ -                    | \$ 335,688                  | \$ 379,797                  |
| Land improvements                 | 721,543                        | 783,371                     | -                               | -                       | 721,543                     | 783,371                     |
| Buildings and improvements        | 29,697,019                     | 30,711,565                  | -                               | -                       | 29,697,019                  | 30,711,565                  |
| Furniture, fixtures and equipment | 852,148                        | 702,672                     | 69,285                          | 81,291                  | 921,433                     | 783,963                     |
| Vehicles                          | 435,086                        | 478,747                     | -                               | -                       | 435,086                     | 478,747                     |
| Textbooks                         | 167,343                        | 186,996                     | -                               | -                       | 167,343                     | 186,996                     |
| <b>Total</b>                      | <b><u>\$ 32,208,827</u></b>    | <b><u>\$ 33,243,148</u></b> | <b><u>\$ 69,285</u></b>         | <b><u>\$ 81,291</u></b> | <b><u>\$ 32,278,112</u></b> | <b><u>\$ 33,324,439</u></b> |

Overall governmental capital assets, net of accumulated depreciation, decreased \$1,034,321 from fiscal year 2014 to fiscal year 2015. Depreciation expense in the governmental activities of \$1,367,979 exceeded capital outlays of \$383,049 during the year. The District had disposals, net of accumulated depreciation of \$49,391. See Note 11 to the basic financial statements for more detail on the District's capital assets.

**Debt Administration**

At June 30, 2015, the District has \$23,315,472 in long-term debt outstanding. Of this total, \$1,111,318 is due within one year and \$22,204,154 is due in greater than one year. The following table summarizes outstanding long-term debt:

**Outstanding Debt, at Year End**

|  | Governmental<br>Activities  | Governmental<br>Activities  |
|--|-----------------------------|-----------------------------|
|  | <u>2015</u>                 | <u>2014</u>                 |
| <b>Long Term Debt:</b>                 |                             |                             |
| Series 2005 - School improvement bonds | \$ -                        | \$ 795,000                  |
| Series 2014 - Refunding bonds          | 6,878,000                   | 6,901,000                   |
| Series 2012 & 2013 - Refunding bonds   | 16,141,717                  | 16,295,486                  |
| Capital leases                         | 295,755                     | 446,648                     |
| <b>Total</b>                           | <b><u>\$ 23,315,472</u></b> | <b><u>\$ 24,438,134</u></b> |

Payments of principal and interest on the general obligation bonds are made from the bond retirement fund. See Note 17 to the basic financial statements for more detail on the District's long-term obligations.

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

MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)

**Current Financial Related Activities**

The District currently has one 8.20 mill, \$2,690,000 emergency levy that was renewed in November of 2012. The last full collection year for this levy will be calendar year [CY] 2018. As a result, the district will need to renew this levy prior to December 31, 2018 (FY19) to avoid a decrease in revenue. The passage of this renewal levy by the residents of Fairview Park preserved a significant portion of the district revenue sources for the foreseeable future.

The Cuyahoga County Fiscal Office property re-appraisal was completed in CY12, which caused in the district’s Class I – residential real estate property values to be reduced by 3.97%. Furthermore, the district’s Class II property value decreased in values by 2.21% from the previous year. Due to the improvement in the housing market in Northeast Ohio and across the country, the district has included a slight increases of .035% for CY14 and .35% the CY15 County triennial update and an additional increase of 2% in property values for the CY18 County property re-appraisal. The district will monitor the “Residential Median Market to Price Ratio” data published by the Ohio Department of Taxation [O.D.T.] on an annual basis to determine if these projections need to be adjusted should the data fluctuate. The 2015 valuation data for residential range in Fairview Park from 3-15% increases based on a neighborhood map. Once the abstract is available, updates will be made.

The Ohio Department of Taxation [ODT] states on their website that “Under guidelines established by the International Association of Assessment Officers (IAAO), the median ratio should be between 90% and 110% for taxable values to best reflect actual market conditions. In practice, the ODT aims to have the ratios in the year of reappraisal or triennial update to be at least 90% and, preferably, in the 92% – 94% percent range.” During CY09, the County conducted a tri-annual update, which resulted in reductions in residential property due to the district’s average appraised residential property ratio in Fairview Park being 105% of the market value on the average residential property sale reported in 2008. The county decreased residential property values by 9% to bring the Fairview Park average appraised residential property ratio closer to ODT recommended range.

Beginning in FY2016, the per pupil funding amounts are increased from the FY2015 level of \$5,800 to \$5,900. However, the table below illustrates how with the application of the State Share %, Fairview Park actually will be receiving \$223 less per pupil than the prior year:

| Actual  | Projected                                     |         |         |         |         |
|---------|---|---------|---------|---------|---------|
| 2015    | 2016  | 2017    | 2018    | 2019    | 2020    |
|         | Not Projected Based Upon Previous Fiscal Year |         |         |         |         |
| \$5,800 | \$5,900                                       | \$6,000 | \$6,100 | \$6,200 | \$6,300 |
| 27.7%   | 23.4%   | 23.9%   | 25.8%   | 31.0%   | 32.5%   |
| \$1,605 | \$1,382                                       | \$1,435 | \$1,572 | \$1,919 | \$2,047 |

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
(UNAUDITED)**

**Contacting the District's Financial Management**

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

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

STATEMENT OF NET POSITION  
JUNE 30, 2015

|   | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>        |
|---|------------------------------------|-------------------------------------|---------------------|
| <b>Assets:</b>  |                                    |                                     |                     |
| Equity in pooled cash and investments. . . . .          | \$ 21,278,947                      | \$ 155,941                          | \$ 21,434,888       |
| Receivables:  |                                    |                                     |                     |
| Property taxes . . . . .                                | 16,956,631                         | -                                   | 16,956,631          |
| Accounts. . . . .                                       | 3,228                              | 208                                 | 3,436               |
| Accrued interest . . . . .                              | 34,110                             | -                                   | 34,110              |
| Intergovernmental . . . . .                             | 314,444                            | 3,108                               | 317,552             |
| Prepayments . . . . .                                   | 50,041                             | -                                   | 50,041              |
| Materials and supplies inventory. . . . .               | -                                  | 753                                 | 753                 |
| Inventory held for resale. . . . .                      | -                                  | 7,494                               | 7,494               |
| Capital assets:   |                                    |                                     |                     |
| Nondepreciable capital assets . . . . .                 | 335,688                            | -                                   | 335,688             |
| Depreciable capital assets, net. . . . .                | 31,873,139                         | 69,285                              | 31,942,424          |
| Capital assets, net. . . . .                            | <u>32,208,827</u>                  | <u>69,285</u>                       | <u>32,278,112</u>   |
| Total assets. . . . .                                   | <u>70,846,228</u>                  | <u>236,789</u>                      | <u>71,083,017</u>   |
| <b>Deferred outflows of resources:</b>                  |                                    |                                     |                     |
| Unamortized deferred charges on debt refunding          | 1,443,030                          | -                                   | 1,443,030           |
| Pension - STRS . . . . .                                | 1,508,523                          | -                                   | 1,508,523           |
| Pension - SERS . . . . .                                | 414,181                            | 84,041                              | 498,222             |
| Total deferred outflows of resources . . . . .          | <u>3,365,734</u>                   | <u>84,041</u>                       | <u>3,449,775</u>    |
| <b>Liabilities:</b>                                     |                                    |                                     |                     |
| Accounts payable. . . . .                               | 22,679                             | 149                                 | 22,828              |
| Accrued wages and benefits payable . . . . .            | 1,743,414                          | 1,817                               | 1,745,231           |
| Intergovernmental payable . . . . .                     | 55,583                             | 1,236                               | 56,819              |
| Pension and post employment benefit obligation payable  | 259,809                            | 314                                 | 260,123             |
| Accrued interest payable . . . . .                      | 71,981                             | -                                   | 71,981              |
| Unearned revenue . . . . .                              | 14,750                             | -                                   | 14,750              |
| Claims payable. . . . .                                 | 313,997                            | -                                   | 313,997             |
| Long-term liabilities:                                  |                                    |                                     |                     |
| Due within one year. . . . .                            | 1,630,192                          | 16,684                              | 1,646,876           |
| Due in more than one year:                              |                                    |                                     |                     |
| Net pension liability. . . . .                          | 25,316,100                         | 947,437                             | 26,263,537          |
| Other amounts due in more than one year . . . . .       | 25,598,750                         | 50,883                              | 25,649,633          |
| Total liabilities . . . . .                             | <u>55,027,255</u>                  | <u>1,018,520</u>                    | <u>56,045,775</u>   |
| <b>Deferred inflows of resources:</b>                   |                                    |                                     |                     |
| Property taxes levied for the next fiscal year. . . . . | 12,435,871                         | -                                   | 12,435,871          |
| Pension - STRS. . . . .                                 | 3,819,737                          | -                                   | 3,819,737           |
| Pension - SERS. . . . .                                 | 757,840                            | 153,772                             | 911,612             |
| Total deferred inflows of resources . . . . .           | <u>17,013,448</u>                  | <u>153,772</u>                      | <u>17,167,220</u>   |
| <b>Net position:</b>                                    |                                    |                                     |                     |
| Net investment in capital assets . . . . .              | 7,882,991                          | 69,285                              | 7,952,276           |
| Restricted for:   |                                    |                                     |                     |
| Capital projects . . . . .                              | 540,935                            | -                                   | 540,935             |
| Debt service. . . . .                                   | 2,724,609                          | -                                   | 2,724,609           |
| Locally funded programs . . . . .                       | 9,300                              | -                                   | 9,300               |
| State funded programs. . . . .                          | 13,280                             | -                                   | 13,280              |
| Federally funded programs . . . . .                     | 50,260                             | -                                   | 50,260              |
| Student activities . . . . .                            | 26,448                             | -                                   | 26,448              |
| Unrestricted (deficit) . . . . .                        | (9,076,564)                        | (920,747)                           | (9,997,311)         |
| Total net position (deficit). . . . .                   | <u>\$ 2,171,259</u>                | <u>\$ (851,462)</u>                 | <u>\$ 1,319,797</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | Expenses             | Program Revenues                  |                                       |
|--|----------------------|-----------------------------------|---------------------------------------|
|  |                      | Charges for<br>Services and Sales | Operating Grants<br>and Contributions |
| <b>Governmental activities:</b>            |                      |                                   |                                       |
| Instruction:                               |                      |                                   |                                       |
| Regular . . . . .                          | \$ 10,613,471        | \$ 377,091                        | \$ 63,046                             |
| Special . . . . .                          | 3,017,452            | 29,083                            | 962,436                               |
| Vocational . . . . .                       | 85,816               | -                                 | 284                                   |
| Other . . . . .                            | 27,580               | -                                 | -                                     |
| Support services:                          |                      |                                   |                                       |
| Pupil . . . . .                            | 1,388,422            | -                                 | 114,345                               |
| Instructional staff . . . . .              | 481,574              | -                                 | 28,204                                |
| Board of education . . . . .               | 268,722              | -                                 | -                                     |
| Administration . . . . .                   | 1,419,446            | -                                 | 1,162                                 |
| Fiscal . . . . .                           | 594,717              | -                                 | -                                     |
| Business . . . . .                         | 18,594               | -                                 | -                                     |
| Operations and maintenance . . . . .       | 1,761,981            | 102,301                           | -                                     |
| Pupil transportation . . . . .             | 670,257              | 6,108                             | -                                     |
| Central . . . . .                          | 605,860              | -                                 | -                                     |
| Operation of non-instructional services:   |                      |                                   |                                       |
| Other non-instructional services . . . . . | 487,070              | -                                 | 457,319                               |
| Extracurricular activities . . . . .       | 449,449              | 116,018                           | 200                                   |
| Interest and fiscal charges . . . . .      | 534,058              | -                                 | -                                     |
| Total governmental activities . . . . .    | <u>22,424,469</u>    | <u>630,601</u>                    | <u>1,626,996</u>                      |
| <b>Business-type activities:</b>           |                      |                                   |                                       |
| Food service . . . . .                     | 378,023              | 184,078                           | 187,378                               |
| Day care service . . . . .                 | 717,833              | 741,552                           | -                                     |
| Total business-type activities . . . . .   | <u>1,095,856</u>     | <u>925,630</u>                    | <u>187,378</u>                        |
| Totals . . . . .                           | <u>\$ 23,520,325</u> | <u>\$ 1,556,231</u>               | <u>\$ 1,814,374</u>                   |

**General revenues:**

Property taxes levied for:

- General purposes . . . . .
- Debt service . . . . .
- Grants and entitlements not restricted  
to specific programs . . . . .
- Investment earnings . . . . .
- Miscellaneous . . . . .

Total general revenues . . . . .

Transfers . . . . .

Total general revenues and transfers . . . . .

Change in net position . . . . .

**Net position (deficit) at beginning of year (restated) . . . . .**

**Net position (deficit) at end of year . . . . .**

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

| <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>    |
|------------------------------------|-------------------------------------|-----------------|
| \$ (10,173,334)                    | \$ -                                | \$ (10,173,334) |
| (2,025,933)                        | -                                   | (2,025,933)     |
| (85,532)                           | -                                   | (85,532)        |
| (27,580)                           | -                                   | (27,580)        |
| (1,274,077)                        | -                                   | (1,274,077)     |
| (453,370)                          | -                                   | (453,370)       |
| (268,722)                          | -                                   | (268,722)       |
| (1,418,284)                        | -                                   | (1,418,284)     |
| (594,717)                          | -                                   | (594,717)       |
| (18,594)                           | -                                   | (18,594)        |
| (1,659,680)                        | -                                   | (1,659,680)     |
| (664,149)                          | -                                   | (664,149)       |
| (605,860)                          | -                                   | (605,860)       |
| (29,751)                           | -                                   | (29,751)        |
| (333,231)                          | -                                   | (333,231)       |
| (534,058)                          | -                                   | (534,058)       |
| (20,166,872)                       | -                                   | (20,166,872)    |
| -                                  | (6,567)                             | (6,567)         |
| -                                  | 23,719                              | 23,719          |
| -                                  | 17,152                              | 17,152          |
| (20,166,872)                       | 17,152                              | (20,149,720)    |
| 15,302,280                         | -                                   | 15,302,280      |
| 1,636,060                          | -                                   | 1,636,060       |
| 4,776,039                          | -                                   | 4,776,039       |
| 94,653                             | -                                   | 94,653          |
| 388,455                            | 8,185                               | 396,640         |
| 22,197,487                         | 8,185                               | 22,205,672      |
| (40,000)                           | 40,000                              | -               |
| 22,157,487                         | 48,185                              | 22,205,672      |
| 1,990,615                          | 65,337                              | 2,055,952       |
| 180,644                            | (916,799)                           | (736,155)       |
| \$ 2,171,259                       | \$ (851,462)                        | \$ 1,319,797    |

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

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

|  | <u>General</u>       | <u>Bond<br/>Retirement</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|----------------------|----------------------------|--|---|
| <b>Assets:</b>   |                      |                            |  |   |
| Equity in pooled cash and investments . . . . .                  | \$ 17,884,204        | \$ 2,570,503               | \$ 648,200                                 | \$ 21,102,907                           |
| Receivables:   |                      |                            |  |   |
| Property taxes . . . . .   | 15,384,563           | 1,572,068                  | -  | 16,956,631                              |
| Accounts . . . . .   | 3,004                | -                          | 224  | 3,228                                   |
| Accrued interest . . . . .                                       | 34,110               | -                          | -  | 34,110                                  |
| Interfund loans . . . . .  | 195,000              | -                          | -  | 195,000                                 |
| Intergovernmental . . . . .                                      | 63,303               | -                          | 251,141                                    | 314,444                                 |
| Prepayments . . . . .  | 50,041               | -                          | -  | 50,041                                  |
| Total assets . . . . .   | <u>\$ 33,614,225</u> | <u>\$ 4,142,571</u>        | <u>\$ 899,565</u>                          | <u>\$ 38,656,361</u>                    |
| <b>Liabilities:</b>  |                      |                            |  |   |
| Accounts payable . . . . .                                       | \$ 22,063            | \$ -                       | \$ 616                                     | \$ 22,679                               |
| Accrued wages and benefits payable . . . . .                     | 1,705,297            | -                          | 38,117                                     | 1,743,414                               |
| Compensated absences payable . . . . .                           | 129,401              | -                          | -  | 129,401                                 |
| Early retirement incentive payable . . . . .                     | 35,343               | -                          | -  | 35,343                                  |
| Intergovernmental payable . . . . .                              | 54,265               | -                          | 1,318                                      | 55,583                                  |
| Pension and post employment benefit obligation payable . . . . . | 254,635              | -                          | 5,174                                      | 259,809                                 |
| Interfund loans payable . . . . .                                | -                    | -                          | 195,000                                    | 195,000                                 |
| Unearned revenue . . . . .                                       | 14,750               | -                          | -  | 14,750                                  |
| Total liabilities . . . . .                                      | <u>2,215,754</u>     | <u>-</u>                   | <u>240,225</u>                             | <u>2,455,979</u>                        |
| <b>Deferred inflows of resources:</b>                            |                      |                            |  |   |
| Property taxes levied for the next fiscal year . . . . .         | 11,304,879           | 1,130,992                  | -  | 12,435,871                              |
| Delinquent property tax revenue not available . . . . .          | 397,256              | 40,594                     | -  | 437,850                                 |
| Intergovernmental revenue not available . . . . .                | 61,417               | -                          | 84,897                                     | 146,314                                 |
| Accrued interest not available . . . . .                         | 15,864               | -                          | -  | 15,864                                  |
| Total deferred inflows of resources . . . . .                    | <u>11,779,416</u>    | <u>1,171,586</u>           | <u>84,897</u>                              | <u>13,035,899</u>                       |
| <b>Fund balances:</b>  |                      |                            |  |   |
| Nonspendable:  |                      |                            |  |   |
| Prepays . . . . .  | 50,041               | -                          | -  | 50,041                                  |
| Unclaimed monies . . . . .                                       | 11,453               | -                          | -  | 11,453                                  |
| Restricted:  |                      |                            |  |   |
| Debt service . . . . .   | -                    | 2,970,985                  | -  | 2,970,985                               |
| Capital improvements . . . . .                                   | -                    | -                          | 540,935                                    | 540,935                                 |
| Non-public schools . . . . .                                     | -                    | -                          | 26,355                                     | 26,355                                  |
| Special education . . . . .                                      | -                    | -                          | 22,753                                     | 22,753                                  |
| Other purposes . . . . .   | -                    | -                          | 9,324                                      | 9,324                                   |
| Extracurricular . . . . .  | -                    | -                          | 26,448                                     | 26,448                                  |
| Assigned:  |                      |                            |  |   |
| Student instruction . . . . .                                    | 64,680               | -                          | -  | 64,680                                  |
| Student and staff support . . . . .                              | 179,139              | -                          | -  | 179,139                                 |
| Subsequent year's appropriations . . . . .                       | 1,298,000            | -                          | -  | 1,298,000                               |
| Other purposes . . . . .   | 8,665                | -                          | -  | 8,665                                   |
| Unassigned (deficit) . . . . .                                   | 18,007,077           | -                          | (51,372)                                   | 17,955,705                              |
| Total fund balances . . . . .                                    | <u>19,619,055</u>    | <u>2,970,985</u>           | <u>574,443</u>                             | <u>23,164,483</u>                       |
| Total liabilities, deferred inflows and fund balances . . . . .  | <u>\$ 33,614,225</u> | <u>\$ 4,142,571</u>        | <u>\$ 899,565</u>                          | <u>\$ 38,656,361</u>                    |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2015

|  |    |              |                  |
|--|----|--------------|------------------|
| <b>Total governmental fund balances</b>  |    | \$           | 23,164,483       |
| <i>Amounts reported for governmental activities on the statement of net position are different because:</i>  |    |              |                  |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.  |    |              | 32,208,827       |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.   |    |              |                  |
| Property taxes receivable  | \$ | 437,850      |                  |
| Accrued interest receivable  |    | 15,864       |                  |
| Intergovernmental receivable   |    | 146,314      |                  |
| Total  |    | 146,314      | 600,028          |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position. |    |              | (137,957)        |
| Unamortized premiums on bonds issued are not recognized in the funds.  |    |              | (2,429,595)      |
| Unamortized amounts on refundings are not recognized in the funds.   |    |              | 1,443,030        |
| Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.  |    |              | (71,981)         |
| The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows are not reported in governmental funds.  |    |              |                  |
| Deferred outflows - Pension  |    | 1,922,704    |                  |
| Deferred Inflows - Pension   |    | (4,577,577)  |                  |
| Net pension liability  |    | (25,316,100) |                  |
| Total  |    | (25,316,100) | (27,970,973)     |
| 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   |    | (23,234,706) |                  |
| Capital lease obligations  |    | (295,755)    |                  |
| Compensated absences   |    | (1,104,142)  |                  |
| Total  |    | (24,634,603) | (24,634,603)     |
| <b>Net position of governmental activities</b>   |    | <b>\$</b>    | <b>2,171,259</b> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | General              | Bond<br>Retirement  | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|---------------------|-----------------------------------|--------------------------------|
| <b>Revenues:</b>  |                      |                     |                                   |                                |
| From local sources:   |                      |                     |                                   |                                |
| Property taxes . . . . .  | \$ 15,777,552        | \$ 1,686,443        | \$ -                              | \$ 17,463,995                  |
| Tuition . . . . .   | 208,922              | -                   | -                                 | 208,922                        |
| Transportation fees . . . . .                                       | 6,108                | -                   | -                                 | 6,108                          |
| Earnings on investments . . . . .                                   | 88,027               | -                   | 487                               | 88,514                         |
| Extracurricular . . . . .   | 68,077               | -                   | 113,198                           | 181,275                        |
| Classroom materials and fees . . . . .                              | 79,799               | -                   | 27,643                            | 107,442                        |
| Rental income . . . . .   | 102,301              | -                   | -                                 | 102,301                        |
| Contributions and donations . . . . .                               | 10,471               | -                   | 200                               | 10,671                         |
| Contract services . . . . .   | 19,485               | -                   | -                                 | 19,485                         |
| Other local revenues . . . . .                                      | 5,371                | -                   | 5,068                             | 10,439                         |
| Intergovernmental - state . . . . .                                 | 4,949,259            | 269,218             | 436,283                           | 5,654,760                      |
| Intergovernmental - federal . . . . .                               | 18,938               | -                   | 733,404                           | 752,342                        |
| <b>Total revenues . . . . .</b>                                     | <b>21,334,310</b>    | <b>1,955,661</b>    | <b>1,316,283</b>                  | <b>24,606,254</b>              |
| <b>Expenditures:</b>  |                      |                     |                                   |                                |
| Current:  |                      |                     |                                   |                                |
| Instruction:  |                      |                     |                                   |                                |
| Regular . . . . .   | 9,375,110            | -                   | 145,085                           | 9,520,195                      |
| Special . . . . .   | 2,521,216            | -                   | 541,967                           | 3,063,183                      |
| Vocational . . . . .  | 104,218              | -                   | -                                 | 104,218                        |
| Other . . . . .   | 12,029               | -                   | -                                 | 12,029                         |
| Support services:   |                      |                     |                                   |                                |
| Pupil . . . . .   | 1,290,430            | -                   | 120,682                           | 1,411,112                      |
| Instructional staff . . . . .                                       | 420,855              | -                   | 29,719                            | 450,574                        |
| Board of education . . . . .  | 268,996              | -                   | -                                 | 268,996                        |
| Administration . . . . .  | 1,460,093            | -                   | 1,304                             | 1,461,397                      |
| Fiscal . . . . .  | 610,334              | 1,182               | -                                 | 611,516                        |
| Business . . . . .  | 18,594               | -                   | -                                 | 18,594                         |
| Operations and maintenance . . . . .                                | 1,642,424            | -                   | 168,464                           | 1,810,888                      |
| Pupil transportation . . . . .                                      | 582,532              | -                   | 146,930                           | 729,462                        |
| Central . . . . .   | 332,040              | -                   | 456,097                           | 788,137                        |
| Operation of non-instructional services:                            |                      |                     |                                   |                                |
| Other operation of non-instructional . . . . .                      | 2,851                | -                   | 485,582                           | 488,433                        |
| Extracurricular activities . . . . .                                | 341,499              | -                   | 119,160                           | 460,659                        |
| Facilities acquisition and construction . . . . .                   | -                    | -                   | 100,095                           | 100,095                        |
| Debt service:   |                      |                     |                                   |                                |
| Principal retirement . . . . .                                      | -                    | 1,053,000           | 150,893                           | 1,203,893                      |
| Interest and fiscal charges . . . . .                               | -                    | 702,049             | 800                               | 702,849                        |
| <b>Total expenditures . . . . .</b>                                 | <b>18,983,221</b>    | <b>1,756,231</b>    | <b>2,466,778</b>                  | <b>23,206,230</b>              |
| Excess (deficiency) of revenues over (under) expenditures . . . . . | 2,351,089            | 199,430             | (1,150,495)                       | 1,400,024                      |
| <b>Other financing sources (uses):</b>                              |                      |                     |                                   |                                |
| Sale of assets . . . . .  | 667                  | -                   | 430,773                           | 431,440                        |
| Transfers in . . . . .  | -                    | -                   | 899,000                           | 899,000                        |
| Transfers (out) . . . . .   | (979,000)            | -                   | -                                 | (979,000)                      |
| <b>Total other financing sources (uses) . . . . .</b>               | <b>(978,333)</b>     | <b>-</b>            | <b>1,329,773</b>                  | <b>351,440</b>                 |
| Net change in fund balances . . . . .                               | 1,372,756            | 199,430             | 179,278                           | 1,751,464                      |
| <b>Fund balances at beginning of year . . . . .</b>                 | <b>18,246,299</b>    | <b>2,771,555</b>    | <b>395,165</b>                    | <b>21,413,019</b>              |
| <b>Fund balances at end of year . . . . .</b>                       | <b>\$ 19,619,055</b> | <b>\$ 2,970,985</b> | <b>\$ 574,443</b>                 | <b>\$ 23,164,483</b>           |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   |             |             |
|---|-------------|-------------|
| <b>Net change in fund balances - total governmental funds</b>   | \$          | 1,751,464   |
| <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.  |             |             |
| Capital asset additions   | \$ 383,049  |             |
| Current year depreciation   | (1,367,979) |             |
| Total   |             | (984,930)   |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.   |             |             |
|   |             | (49,391)    |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.  |             |             |
| Property taxes  | (525,655)   |             |
| Earnings on investments   | 6,626       |             |
| Intergovernmental   | (14,190)    |             |
| Total   |             | (533,219)   |
| Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:   |             |             |
| Bonds   | 1,053,000   |             |
| Capital leases  | 150,893     |             |
| Total   |             | 1,203,893   |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:   |             |             |
| Decrease in accrued interest payable  | 96,218      |             |
| Accreted interest on capital appreciation bonds   | (144,306)   |             |
| Amortization of bond premiums   | 269,950     |             |
| Amortization of deferred charges  | (53,071)    |             |
| Total   |             | 168,791     |
| Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.  |             |             |
|   |             | (65,314)    |
| Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.   |             |             |
|   |             | 1,679,067   |
| Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.  |             |             |
|   |             | (1,053,991) |
| An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net expense of the internal service fund is allocated among the governmental activities. |             |             |
|   |             | (125,755)   |
| <b>Change in net position of governmental activities</b>  | \$          | 1,990,615   |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Budgeted Amounts</u>     |                             |                             | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-----------------------------|-----------------------------|-----------------------------|---|
|  | <u>Original</u>             | <u>Final</u>                | <u>Actual</u>               |   |
| <b>Revenues:</b>   |                             |                             |                             |   |
| From local sources:  |                             |                             |                             |   |
| Property taxes . . . . .   | \$ 15,032,845               | \$ 14,006,394               | \$ 15,174,245               | \$ 1,167,851  |
| Tuition. . . . .   | 221,400                     | 206,281                     | 223,481                     | 17,200  |
| Transportation fees. . . . .                                       | 6,051                       | 5,638                       | 6,108                       | 470   |
| Earnings on investments . . . . .                                  | 120,472                     | 112,246                     | 121,605                     | 9,359   |
| Extracurricular. . . . .   | 1,026                       | 956                         | 1,036                       | 80  |
| Classroom materials and fees . . . . .                             | 79,065                      | 73,667                      | 79,809                      | 6,142   |
| Rental income . . . . .  | 101,348                     | 94,428                      | 102,301                     | 7,873   |
| Contributions and donations . . . . .                              | 1,025                       | 955                         | 1,035                       | 80  |
| Contract services. . . . .   | 19,304                      | 17,985                      | 19,485                      | 1,500   |
| Other local revenues . . . . .                                     | 1,889                       | 1,760                       | 1,907                       | 147   |
| Intergovernmental - intermediate . . . . .                         | 5,525                       | 5,148                       | 5,577                       | 429   |
| Intergovernmental - state . . . . .                                | 4,958,537                   | 4,619,965                   | 5,005,177                   | 385,212   |
| Intergovernmental - federal . . . . .                              | 23,036                      | 21,463                      | 23,253                      | 1,790   |
| Total revenues . . . . .   | <u>20,571,523</u>           | <u>19,166,886</u>           | <u>20,765,019</u>           | <u>1,598,133</u>  |
| <b>Expenditures:</b>   |                             |                             |                             |   |
| Current:   |                             |                             |                             |   |
| Instruction:   |                             |                             |                             |   |
| Regular . . . . .  | 8,549,092                   | 9,276,613                   | 9,113,631                   | 162,982   |
| Special. . . . .   | 2,513,622                   | 2,648,121                   | 2,569,840                   | 78,281  |
| Vocational. . . . .  | 100,284                     | 107,488                     | 103,378                     | 4,110   |
| Other. . . . .   | 15,440                      | 12,254                      | 12,029                      | 225   |
| Support services:  |                             |                             |                             |   |
| Pupil. . . . .   | 1,244,421                   | 1,304,614                   | 1,282,082                   | 22,532  |
| Instructional staff . . . . .                                      | 450,427                     | 449,070                     | 429,455                     | 19,615  |
| Board of education . . . . .                                       | 138,105                     | 310,992                     | 303,839                     | 7,153   |
| Administration. . . . .  | 1,495,237                   | 1,491,414                   | 1,425,389                   | 66,025  |
| Fiscal . . . . .   | 743,169                     | 686,623                     | 604,199                     | 82,424  |
| Business . . . . .   | 24,224                      | 22,285                      | 20,584                      | 1,701   |
| Operations and maintenance. . . . .                                | 2,613,793                   | 1,951,205                   | 1,736,776                   | 214,429   |
| Pupil transportation . . . . .                                     | 636,335                     | 641,978                     | 627,003                     | 14,975  |
| Central. . . . .   | 352,982                     | 355,570                     | 329,344                     | 26,226  |
| Extracurricular activities. . . . .                                | 370,004                     | 367,746                     | 361,223                     | 6,523   |
| Total expenditures . . . . .                                       | <u>19,247,135</u>           | <u>19,625,973</u>           | <u>18,918,772</u>           | <u>707,201</u>  |
| Excess (deficiency) of revenues over (under) expenditures. . . . . | <u>1,324,388</u>            | <u>(459,087)</u>            | <u>1,846,247</u>            | <u>2,305,334</u>  |
| <b>Other financing sources (uses):</b>                             |                             |                             |                             |   |
| Refund of prior year's expenditures . . . . .                      | 41,686                      | 38,840                      | 42,078                      | 3,238   |
| Transfers (out). . . . .   | (1,087,898)                 | (1,296,977)                 | (1,279,000)                 | 17,977  |
| Advances (out) . . . . .   | (50,517)                    | (212,600)                   | (185,000)                   | 27,600  |
| Sale of assets. . . . .  | 661                         | 616                         | 667                         | 51  |
| Total other financing sources (uses) . . . . .                     | <u>(1,096,068)</u>          | <u>(1,470,121)</u>          | <u>(1,421,255)</u>          | <u>48,866</u>   |
| Net change in fund balance . . . . .                               | 228,320                     | (1,929,208)                 | 424,992                     | 2,354,200   |
| <b>Fund balance at beginning of year . . . . .</b>                 | <b>16,891,981</b>           | <b>16,891,981</b>           | <b>16,891,981</b>           | <b>-</b>  |
| <b>Prior year encumbrances appropriated . . . . .</b>              | <b>270,060</b>              | <b>270,060</b>              | <b>270,060</b>              | <b>-</b>  |
| <b>Fund balance at end of year . . . . .</b>                       | <b><u>\$ 17,390,361</u></b> | <b><u>\$ 15,232,833</u></b> | <b><u>\$ 17,587,033</u></b> | <b><u>\$ 2,354,200</u></b>  |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015

|  | <b>Food<br/>Service</b> | <b>Day Care<br/>Services</b> | <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise<br/>Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|-------------------------|------------------------------|--|---|
| <b>Assets:</b>   |                         |                              |  |   |
| Equity in pooled cash<br>and investments . . . . .     | \$ 68,892               | \$ 87,049                    | \$ 155,941   | \$ 176,040  |
| Receivables:   |                         |                              |  |   |
| Accounts . . . . .                                     | 208                     | -                            | 208  | -   |
| Intergovernmental . . . . .                            | 3,108                   | -                            | 3,108  | -   |
| Materials and supplies inventory . . . . .             | 753                     | -                            | 753  | -   |
| Inventory held for resale . . . . .                    | 7,494                   | -                            | 7,494  | -   |
| Total current assets . . . . .                         | <u>80,455</u>           | <u>87,049</u>                | <u>167,504</u>   | <u>176,040</u>  |
| Noncurrent assets:                                     |                         |                              |  |   |
| Depreciable capital assets, net . . . . .              | 69,285                  | -                            | 69,285   | -   |
| Total assets . . . . .                                 | <u>149,740</u>          | <u>87,049</u>                | <u>236,789</u>   | <u>176,040</u>  |
| <b>Deferred outflows of resources:</b>                 |                         |                              |  |   |
| Pension - SERS . . . . .                               | 19,564                  | 64,477                       | 84,041   | -   |
| Total deferred outflows of resources . . . . .         | <u>19,564</u>           | <u>64,477</u>                | <u>84,041</u>  | <u>-</u>  |
| <b>Liabilities:</b>                                    |                         |                              |  |   |
| Accounts payable . . . . .                             | -                       | 149                          | 149  | -   |
| Accrued wages and benefits . . . . .                   | -                       | 1,817                        | 1,817  | -   |
| Compensated absences . . . . .                         | -                       | 16,684                       | 16,684   | -   |
| Pension and post employment benefit obligation payable | -                       | 314                          | 314  | -   |
| Intergovernmental payable . . . . .                    | 274                     | 962                          | 1,236  | -   |
| Claims payable . . . . .                               | -                       | -                            | -  | 313,997   |
| Total current liabilities . . . . .                    | <u>274</u>              | <u>19,926</u>                | <u>20,200</u>  | <u>313,997</u>  |
| Long-term liabilities:                                 |                         |                              |  |   |
| Compensated absences payable . . . . .                 | 4,399                   | 46,484                       | 50,883   | -   |
| Net pension liability . . . . .                        | 220,552                 | 726,885                      | 947,437  | -   |
| Total long-term liabilities . . . . .                  | <u>224,951</u>          | <u>773,369</u>               | <u>998,320</u>   | <u>-</u>  |
| Total liabilities . . . . .                            | <u>225,225</u>          | <u>793,295</u>               | <u>1,018,520</u>   | <u>313,997</u>  |
| <b>Deferred inflows of resources:</b>                  |                         |                              |  |   |
| Pension - SERS . . . . .                               | 35,796                  | 117,976                      | 153,772  | -   |
| Total deferred inflows of resources . . . . .          | <u>35,796</u>           | <u>117,976</u>               | <u>153,772</u>   | <u>-</u>  |
| <b>Net position:</b>                                   |                         |                              |  |   |
| Investment in capital assets . . . . .                 | 69,285                  | -                            | 69,285   | -   |
| Unrestricted (deficit) . . . . .                       | (161,002)               | (759,745)                    | (920,747)  | (137,957)   |
| Total net position (deficit) . . . . .                 | <u>\$ (91,717)</u>      | <u>\$ (759,745)</u>          | <u>\$ (851,462)</u>  | <u>\$ (137,957)</u>   |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <b>Food<br/>Service</b> | <b>Day Care<br/>Services</b> | <b>Total<br/>Business-Type<br/>Activities -<br/>Enterprise<br/>Funds</b> | <b>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</b> |
|--|-------------------------|------------------------------|--|---|
| <b>Operating revenues:</b>   |                         |                              |  |   |
| Sales/charges for services. . . . .  | \$ 184,078              | \$ 741,552                   | \$ 925,630   | \$ 2,738,531  |
| Other . . . . .  | -                       | 8,185                        | 8,185  | 7,077   |
| Total operating revenues . . . . .   | <u>184,078</u>          | <u>749,737</u>               | <u>933,815</u>   | <u>2,745,608</u>  |
| <b>Operating expenses:</b>   |                         |                              |  |   |
| Personal services. . . . .   | 155,121                 | 604,963                      | 760,084  | -   |
| Purchased services. . . . .  | 29,618                  | 101,918                      | 131,536  | -   |
| Materials and supplies . . . . .   | 180,444                 | 9,708                        | 190,152  | -   |
| Other. . . . .   | 834                     | 1,244                        | 2,078  | -   |
| Claims . . . . .   | -                       | -                            | -  | 2,911,363   |
| Depreciation . . . . .   | 12,006                  | -                            | 12,006   | -   |
| Total operating expenses. . . . .  | <u>378,023</u>          | <u>717,833</u>               | <u>1,095,856</u>   | <u>2,911,363</u>  |
| Operating income (loss) . . . . .  | <u>(193,945)</u>        | <u>31,904</u>                | <u>(162,041)</u>   | <u>(165,755)</u>  |
| <b>Nonoperating revenues:</b>  |                         |                              |  |   |
| Grants and subsidies. . . . .  | 187,378                 | -                            | 187,378  | -   |
| Total nonoperating revenues. . . . .                                       | <u>187,378</u>          | <u>-</u>                     | <u>187,378</u>   | <u>-</u>  |
| Income (loss) before<br>transfers . . . . .                                | (6,567)                 | 31,904                       | 25,337   | (165,755)   |
| Transfer in . . . . .  | 40,000                  | -                            | 40,000   | 40,000  |
| Change in net position . . . . .   | <u>33,433</u>           | <u>31,904</u>                | <u>65,337</u>  | <u>(125,755)</u>  |
| <b>Net position (deficit) at beginning<br/>of year (restated). . . . .</b> | <u>(125,150)</u>        | <u>(791,649)</u>             | <u>(916,799)</u>   | <u>(12,202)</u>   |
| <b>Net position (deficit) at end of year . . . . .</b>                     | <u>\$ (91,717)</u>      | <u>\$ (759,745)</u>          | <u>\$ (851,462)</u>  | <u>\$ (137,957)</u>   |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Food<br/>Service</u>    | <u>Day Care<br/>Services</u> | <u>Total<br/>Business-Type<br/>Activities -<br/>Enterprise<br/>Funds</u> | <u>Governmental<br/>Activities -<br/>Internal<br/>Service Funds</u> |
|--|----------------------------|------------------------------|--|---|
| <b>Cash flows from operating activities:</b>   |                            |                              |  |   |
| Cash received from sales/charges for services. . . . .   | \$ 184,540                 | \$ 741,672                   | \$ 926,212   | \$ 2,738,531  |
| Cash received from other operations . . . . .  | -                          | 8,125                        | 8,125  | 7,077   |
| Cash payments for personal services. . . . .   | (194,362)                  | (597,677)                    | (792,039)  | -   |
| Cash payments for contractual services . . . . .   | (29,618)                   | (102,064)                    | (131,682)  | -   |
| Cash payments for materials and supplies . . . . .   | (164,872)                  | (9,708)                      | (174,580)  | -   |
| Cash payments for claims . . . . .   | -                          | -                            | -  | (2,796,666)   |
| Cash payments for other expenses . . . . .   | (834)                      | (1,244)                      | (2,078)  | -   |
| Net cash provided by (used in)<br>operating activities . . . . .   | <u>(205,146)</u>           | <u>39,104</u>                | <u>(166,042)</u>   | <u>(51,058)</u>   |
| <b>Cash flows from noncapital financing activities:</b>  |                            |                              |  |   |
| Cash received from grants and subsidies. . . . .   | 167,567                    | -                            | 167,567  | -   |
| Cash received from transfers in . . . . .  | 40,000                     | -                            | 40,000   | 40,000  |
| Net cash provided by noncapital<br>financing activities. . . . .   | <u>207,567</u>             | <u>-</u>                     | <u>207,567</u>   | <u>40,000</u>   |
| Net increase (decrease) in cash and cash<br>equivalents. . . . .   | 2,421                      | 39,104                       | 41,525   | (11,058)  |
| <b>Cash and cash equivalents<br/>at beginning of year . . . . .</b>  | <u>66,471</u>              | <u>47,945</u>                | <u>114,416</u>   | <u>187,098</u>  |
| <b>Cash and cash equivalents at end of year . . . . .</b>  | <u><u>\$ 68,892</u></u>    | <u><u>\$ 87,049</u></u>      | <u><u>\$ 155,941</u></u>   | <u><u>\$ 176,040</u></u>  |
| <b>Reconciliation of operating income (loss) to net<br/>cash provided by (used in) operating activities:</b> |                            |                              |  |   |
| Operating income (loss) . . . . .  | \$ (193,945)               | \$ 31,904                    | \$ (162,041)   | \$ (165,755)  |
| Adjustments:   |                            |                              |  |   |
| Depreciation. . . . .  | 12,006                     | -                            | 12,006   | -   |
| Federal donated commodities . . . . .  | 16,703                     | -                            | 16,703   | -   |
| Changes in assets and liabilities:   |                            |                              |  |   |
| Decrease in materials and supplies inventory . . . . .   | 6,363                      | -                            | 6,363  | -   |
| Increase in inventory held for resale. . . . .   | (7,494)                    | -                            | (7,494)  | -   |
| Decrease in accounts receivable. . . . .   | 462                        | 60                           | 522  | -   |
| Decrease in accounts payable. . . . .  | -                          | (146)                        | (146)  | -   |
| Decrease in accrued wages and benefits. . . . .  | (6,940)                    | (12,452)                     | (19,392)   | -   |
| (Decrease) in intergovernmental payable. . . . .   | (156)                      | (101)                        | (257)  | -   |
| Increase (decrease) in compensated absences payable. . . . .   | (4,689)                    | 10,534                       | 5,845  | -   |
| (Decrease) in pension and postemployment benefit obligation payable  | (6,911)                    | (4,822)                      | (11,733)   | -   |
| Decrease in net pension liability. . . . .   | (55,471)                   | (95,038)                     | (150,509)  | -   |
| Increase in deferred inflows - pension. . . . .  | 35,796                     | 117,976                      | 153,772  | -   |
| Increase in deferred outflows - pension. . . . .   | (870)                      | (8,811)                      | (9,681)  | -   |
| Increase in claims payable. . . . .  | -                          | -                            | -  | 114,697   |
| Net cash provided by (used in)<br>operating activities. . . . .  | <u><u>\$ (205,146)</u></u> | <u><u>\$ 39,104</u></u>      | <u><u>\$ (166,042)</u></u>   | <u><u>\$ (51,058)</u></u>   |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2015

|   | <b>Private-Purpose Trust</b> |               |
|---|------------------------------|---------------|
|   | <b>Scholarship</b>           | <b>Agency</b> |
| <b>Assets:</b>                                  |                              |               |
| Current assets:                                 |                              |               |
| Equity in pooled cash and investments . . . . . | \$ 3,615,783                 | \$ 1,330,216  |
| Receivables:                                    |                              |               |
| Accrued interest. . . . .                       | 21,441                       | -             |
| Total assets. . . . .                           | 3,637,224                    | \$ 1,330,216  |
| <b>Liabilities:</b>                             |                              |               |
| Accounts payable. . . . .                       | -                            | \$ 283        |
| Due to students. . . . .                        | -                            | 43,308        |
| Undistributed monies. . . . .                   | -                            | 1,286,625     |
| Total liabilities . . . . .                     | -                            | \$ 1,330,216  |
| <b>Net position:</b>                            |                              |               |
| Held in trust for scholarships . . . . .        | 3,637,224                    |               |
| Total net position. . . . .                     | \$ 3,637,224                 |               |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <b>Private-Purpose<br/>Trust</b> |
|---|----------------------------------|
|   | <b>Scholarship</b>               |
| <b>Additions:</b>                                 |                                  |
| Interest . . . . .                                | \$ 35,289                        |
| <br><b>Deductions:</b>                            |                                  |
| Scholarships awarded . . . . .                    | 29,720                           |
| Change in net position . . . . .                  | 5,569                            |
| <b>Net position at beginning of year. . . . .</b> | <b>3,631,655</b>                 |
| <b>Net position at end of year . . . . .</b>      | <b>\$ 3,637,224</b>              |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 1 - DESCRIPTION OF THE DISTRICT AND THE REPORTING ENTITY**

The Fairview Park City School District (the "District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District is located in Fairview Park, Ohio, Cuyahoga County. The District operates under a locally elected five-member Board form of government and provides educational services as mandated by State and/or federal agencies. The Board of Education controls the District's instructional/support facilities staffed by 65 classified employees, 115 certificated full-time teaching personnel, and 14 administrators who provide services to 1,782 students and other community members.

The Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only the financial activity of the District (the primary government).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

*JOINTLY GOVERNED ORGANIZATIONS*

North Coast Council

The District is a member of the North Coast Council (NCC) which was formed when the Lakeshore Northeast Ohio Computer Association and the Lake Erie Educational Computer Association merged during fiscal year 2012. NCC was organized for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among 34 member districts. Each of the governments of these schools supports the NCC based on a per pupil charge. The District contributed \$75,596 to NCC during fiscal year 2015. NCC is governed by a nine member Board of Directors consisting of superintendents from member school districts. Financial information can be obtained by contacting the North Coast Council at 5700 West Canal Road, Valley View, Ohio 44125.

Polaris Career Center

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. The Board of Education consists of representatives from the Board of each participating school district, independent of the District. The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information may be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

Ohio Schools' Council Association

The Ohio Schools Council (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2015, the District paid \$110,602 to the Council for annual membership and other fees. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The District participates in the natural gas purchase program. This program allows the District to purchase natural gas at reduced rates. Compass Energy is the natural gas supplier and program manager. There are currently 143 participants in the program including the Fairview Park City School District. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

*INSURANCE PURCHASING POOLS*

Southwestern Ohio Educational Purchasing Council Group Rating Program

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

Great Lakes Regional Council of Governments

The District participates in the Great Lakes Regional Council of Governments (COG), an insurance purchasing pool. The COG contracts with Medical Mutual, LLC. to process and pay health benefit claims incurred by its members. The District is the fiscal agent for the COG. The COG activity is accounted for in an agency fund.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**A. Fund Accounting**

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

*GOVERNMENTAL FUNDS*

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance.

The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

*Bond retirement fund* - The bond retirement fund is used to account for and report resources that are restricted, committed or assigned to expenditure for principal and interest related to retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans, shall be paid into this fund.

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

*PROPRIETARY FUNDS*

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

*Enterprise funds* - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds account for the financial transactions related to the food service operations and day care services. Both the food service operations and the day care services funds are major funds.

*Internal service funds* - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. The District's internal service funds account for a flexible spending account for employee benefits and self-insurance for employee medical and dental benefits.

*FIDUCIARY FUNDS*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for money set aside for scholarships. The income from such a fund may be expended, but the principal must remain intact. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds are student managed activities, Ohio High School Athletic Association Tournaments, Great Lakes Regional Council of Governments and workers' compensation.

**B. Basis of Presentation**

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. Generally, interfund transactions are eliminated for reporting on the government-wide financial statements; however, interfund services provided and used are not eliminated for reporting on the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

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

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

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

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences between the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

*Revenues - Exchange and Non-Exchange Transactions* - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of year end.

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

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

*Deferred Outflows of Resources and Deferred Inflows of Resources* - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources have been reported for the following two items related the District's net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District's contributions to the pension systems subsequent to the measurement date. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The District also reports a deferred inflow of resources for the net difference between projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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

**D. Equity in Pooled Cash and Investments**

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

During fiscal year 2015, investments included federal agency securities, U.S. Government treasury notes, corporate bonds, U.S. Government money market mutual funds, nonnegotiable certificates of deposit and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the state to pool their funds for investment purposes. STAR Ohio is not registered with SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2015.

Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2015 amounted to \$88,027 which includes \$19,464 assigned from other funds.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

**E. Inventory**

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

**F. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the assets or materially extend an asset's life are not.

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

**G. Interfund Balances**

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

**H. Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service and salary related payments, if applicable.

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

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

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

**I. Accrued Liabilities and Long-Term Obligations**

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**J. Fund Balance**

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

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

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted 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 District Board of Education. The Board of Education assigns fund balance by resolution. 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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**K. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**L. Estimates**

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

**M. Operating Revenues and Expenses**

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

**N. Interfund Activity**

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

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

**O. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2015.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

**P. Budgetary Data**

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed prior to fiscal year end.

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

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

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

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 17.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**R. Budget Stabilization Arrangement**

The District has established a budget stabilization reserve in accordance with authority established by State law. Additions to the budget stabilization reserve can only be made by formal resolution of the Board of Education. Expenditures out of the budget stabilization reserve can only be made to offset future budget deficits. At June 30, 2015, the balance in the budget stabilization reserve was \$373,830. This amount is included in unassigned fund balance of the general fund and in unrestricted net position on the statement of net position.

**S. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles/Restatement of Net Position**

For fiscal year 2015, the District has implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27", GASB Statement No. 69 "Government Combinations and Disposals of Government Operations", and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68".

GASB Statement No. 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the District.

GASB Statement No. 68 improves the accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The implementation of GASB Statement No. 68 affected the District's pension plan disclosures, as presented in Note 12 to the financial statements, and added required supplementary information which is presented after the notes to the basic financial statements.

GASB Statement No. 71 improves the accounting and financial reporting by addressing an issue in GASB Statement No. 68, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employers and nonemployer contributing entities.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

A net position restatement is required in order to implement GASB Statement No 68 and 71. The governmental activities, business-type activities and major proprietary funds at July 1, 2014 have been restated as follows:

|  | <u>Governmental<br/>Activities</u> | <u>Business-Type<br/>Activities</u> | <u>Food<br/>Service Fund</u> | <u>Daycare<br/>Services Fund</u> |
|--|------------------------------------|-------------------------------------|------------------------------|----------------------------------|
| Net position as previously reported                            | \$ 28,776,693                      | \$ 106,787                          | \$ 132,179                   | \$ (25,392)                      |
| Deferred outflows - payments<br>subsequent to measurement date | 1,500,083                          | 74,360                              | 18,694                       | 55,666                           |
| Net pension liability  | <u>(30,096,132)</u>                | <u>(1,097,946)</u>                  | <u>(276,023)</u>             | <u>(821,923)</u>                 |
| Restated net position at July 1, 2014                          | <u>\$ 180,644</u>                  | <u>\$ (916,799)</u>                 | <u>\$ (125,150)</u>          | <u>\$ (791,649)</u>              |

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available. The restatement had no effect on fund balances.

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

Fund balances / net position at June 30, 2015 included the following individual fund deficits:

| <u>Major funds</u>                    | <u>Deficit</u> |
|---------------------------------------|----------------|
| Food service                          | \$ 91,717      |
| Daycare                               | 759,745        |
| <u>Nonmajor funds</u>                 |                |
| Title I                               | 24,761         |
| Early Childhood Education Development | 9,540          |
| Improving Teacher Quality             | 17,071         |
| Health Self Insurance                 | 150,629        |

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances/net position resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

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

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

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

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

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

**A. Cash on Hand**

At June 30, 2015, the District had \$100 in undeposited cash on hand, which is included on the financial statements of the District as part of “equity in pooled cash and investments”.

**B. Deposits**

At June 30, 2015 the carrying amount of the District’s deposits was \$7,086,957, including \$2,505,746 in non-negotiable certificate of deposits and \$1,804,969 in STAR Plus. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2015, \$5,053,748 of the District’s \$7,291,948 bank balance was covered by Federal Depository Insurance (FDIC) and \$2,238,200 was uninsured and collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the District’s name.

Custodial credit risk is the risk that, in the event of bank failure, the District’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**C. Investments**

As of June 30, 2015, the District had the following investments and maturities:

| Investment type            | Fair Value           | Investment Maturities |                     |                     |                   |                        |
|----------------------------|----------------------|-----------------------|---------------------|---------------------|-------------------|------------------------|
|                            |                      | 6 months or less      | 7 to 12 months      | 13 to 18 months     | 19 to 24 months   | Greater than 24 months |
| FFCB                       | \$ 1,590,435         | \$ -                  | \$ 750,975          | \$ -                | \$ -              | \$ 839,460             |
| FHLB                       | 2,500,530            | -                     | 259,982             | 501,440             | -                 | 1,739,108              |
| FHLMC                      | 5,060,787            | 751,004               | 204,431             | 476,889             | -                 | 3,628,463              |
| FNMA                       | 3,652,511            | 201,367               | 375,520             | 747,232             | 201,796           | 2,126,596              |
| US Government money market | 2,014,727            | 2,014,727             | -                   | -                   | -                 | -                      |
| US Treasury notes          | 1,071,938            | 150,053               | 75,077              | -                   | -                 | 846,808                |
| Corporate bonds            | 1,014,200            | -                     | -                   | -                   | -                 | 1,014,200              |
| Star Ohio                  | 2,388,702            | 2,388,702             | -                   | -                   | -                 | -                      |
| <b>Total</b>               | <b>\$ 19,293,830</b> | <b>\$ 5,505,853</b>   | <b>\$ 1,665,985</b> | <b>\$ 1,725,561</b> | <b>\$ 201,796</b> | <b>\$ 10,194,635</b>   |

The weighted average maturity of investments is 1.97 years.

The District has a formal investment policy. The District follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and records all its investments at fair value. At June 30, 2015, the decrease in fair value of investments was \$60,642 which is reported as a component of investment earnings on the financial statements. Fair value is determined by quoted market prices and acceptable other pricing methodologies.

**D. Interest Rate Risk**

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

**E. Credit Risk**

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**F. Custodial Credit Risk**

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

**G. Concentration of Credit Risk**

The District places no limit on the amount it may invest in any one issuer. The District's investments in federal agency securities, U.S. Treasury bills and notes and U.S. government money market mutual funds represent 82.36 percent of the District's total investments. All other investments not explicitly guaranteed by the U.S. government are 17.64 percent of the District's total investments.

Investments at year end were as follows:

| <u>Investment type</u>     | <u>Fair Value</u>    | <u>% of Total</u> |
|----------------------------|----------------------|-------------------|
| FFCB                       | \$ 1,590,435         | 8.24              |
| FHLB                       | 2,500,530            | 12.96             |
| FHLMC                      | 5,060,787            | 26.23             |
| FNMA                       | 3,652,511            | 18.93             |
| US Government money market | 2,014,727            | 10.44             |
| US Treasury notes          | 1,071,938            | 5.56              |
| Corporate bonds            | 1,014,200            | 5.26              |
| Star Ohio                  | <u>2,388,702</u>     | <u>12.38</u>      |
|                            | <u>\$ 19,293,830</u> | <u>100.00</u>     |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

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

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2015:

|   |                          |
|---|--------------------------|
| <u>Cash and investments per note</u>                          |                          |
| Carrying amount of deposits                                   | \$ 7,086,957             |
| Investments   | 19,293,830               |
| Cash on hand  | <u>100</u>               |
| <br>Total   | <br><u>\$ 26,380,887</u> |
| <br><u>Cash and investments per statement of net position</u> |                          |
| Governmental activities                                       | \$ 21,278,947            |
| Business-type activities                                      | 155,941                  |
| Private-purpose trust fund                                    | 3,615,783                |
| Agency fund   | <u>1,330,216</u>         |
| <br>Total   | <br><u>\$ 26,380,887</u> |

**NOTE 5 - INTERFUND TRANSFERS AND BALANCES**

**A. Interfund Transfers**

During fiscal year 2015, interfund transfers were as follows:

Transfers from general fund to:

|                             |            |
|-----------------------------|------------|
| Nonmajor governmental funds | \$ 899,000 |
| Food service fund           | 40,000     |
| Internal service funds      | 40,000     |

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 5 - INTERFUND TRANSFERS AND BALANCES – (Continued)**

**B. Interfund Balances**

Interfund balances on fund financial statements at June 30, 2015 consist of the following:

| <u>Receivable fund</u> | <u>Payable fund</u>         | <u>Amount</u>     |
|------------------------|-----------------------------|-------------------|
| General                | Nonmajor governmental funds | \$ 195,000        |
| Total                  |                             | <u>\$ 195,000</u> |

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

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed values as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2015 represent the collection of calendar year 2014 taxes. Public utility real and personal property taxes received in calendar year 2015 became a lien on December 31, 2013, were levied after April 1, 2014, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 operations. The amount available as an advance at June 30, 2015 was \$3,682,428 in the general fund and \$400,482 in the bond retirement fund. This amount is recorded as revenue. The amount available for advance at June 30, 2014 was \$3,079,121 in the general fund and \$335,110 in the bond retirement fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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

The assessed values upon which the fiscal year 2015 taxes were collected are:

|   | 2014 Second<br>Half Collections |                      | 2015 First<br>Half Collections |                      |
|---|---------------------------------|----------------------|--------------------------------|----------------------|
|   | <u>Amount</u>                   | <u>Percent</u>       | <u>Amount</u>                  | <u>Percent</u>       |
| Agricultural/residential<br>and other real estate | \$ 340,827,800                  | 98.73                | \$ 334,796,640                 | 98.64                |
| Public utility personal                           | <u>4,394,500</u>                | <u>1.27</u>          | <u>4,598,810</u>               | <u>1.36</u>          |
| <b>Total</b>                                      | <b><u>\$ 345,222,300</u></b>    | <b><u>100.00</u></b> | <b><u>\$ 339,395,450</u></b>   | <b><u>100.00</u></b> |
| Tax rate per \$1,000 of<br>assessed valuation     | \$ 96.47                        |                      | \$ 96.47                       |                      |

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2015 consisted of property taxes, accounts (rent and billings for user charged services), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

|                                      |                             |
|--------------------------------------|-----------------------------|
| Property taxes                       | \$ 16,956,631               |
| Accounts                             | 3,228                       |
| Intergovernmental                    | 314,444                     |
| Accrued interest                     | <u>34,110</u>               |
| <b>Total governmental activities</b> | <b><u>\$ 17,308,413</u></b> |

**Business-type activities:**

|                                       |                        |
|---------------------------------------|------------------------|
| Accounts                              | \$ 208                 |
| Intergovernmental                     | <u>3,108</u>           |
| <b>Total business-type activities</b> | <b><u>\$ 3,316</u></b> |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 7 – RECEIVABLES – (Continued)**

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

**NOTE 8 - RISK MANAGEMENT**

**A. Property and Liability**

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

The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., provides building and personal property insurance as well as commercial inland marine insurance. The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., also provides public employee dishonesty coverage (commercial crime coverage). The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., provides boiler and machinery insurance. The Argonaut Insurance Company, through the Governmental Underwriters of America, Inc., provides commercial general liability insurance, employer’s liability insurance, employee benefits liability insurance, automobile liability insurance, and uninsured motorists insurance.

A \$100,000 public official bond for the Treasurer is maintained by Travelers Casualty and Surety Company of America Insurance Company. Other employees handling money are also covered by performance bonds provided by Travelers Casualty and Surety Company of America Insurance Company. During fiscal year 2015, the District had the following coverage in effect:

| <u>Company</u>       | <u>Type of Coverage</u>                    | <u>Coverage<br/>Amount</u> |
|----------------------|--|----------------------------|
| Argonaut Insurance   | Building and Contents (\$1,000 deductible) | \$80,231,457               |
| Argonaut Insurance   | Extra Expense Coverage                     | 1,000,000                  |
| Argonaut Insurance   | Boiler and machinery (\$1,000 deductible)  | 80,231,457                 |
| Cincinnati Insurance | Crime Insurance (\$1,000 deductible)       | 250,000                    |
| Argonaut Insurance   | Vehicles (\$1,000 deductible)              | 5,000,000                  |
| Argonaut Insurance   | General Liability (per occurrence)         | 1,000,000                  |
| Argonaut Insurance   | General Liability (aggregate)              | 3,000,000                  |
| Argonaut Insurance   | Uninsured Motorist (per occurrence)        | 1,000,000                  |

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

**B. Workers' Compensation**

The District participated in the PROCOMP Management Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool for calendar year 2015 (Note 1). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of PROCOMP Management provides administrative, cost control, and actuarial services to the GRP.

**C. Employee Group Medical/Surgical, Dental and Life Insurance**

Medical/surgical and dental insurance is offered to employees through a self-insurance internal service fund. The District is a member of the Great Lakes Regional Council of Governments, an insurance purchasing pool, in which monthly premiums are paid to the fiscal agent who in turn pays the claims on the District's behalf. The claims liability of \$313,997 reported in the internal service fund at June 30, 2015 is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

Changes in claims activity for the past fiscal year is as follows:

|      | <u>Beginning<br/>of Year</u> | <u>Current<br/>Year Claims</u> | <u>Claim Payments</u> | <u>Balance at<br/>End of Year</u> |
|------|------------------------------|--------------------------------|-----------------------|-----------------------------------|
| 2015 | \$ 199,300                   | \$ 2,911,363                   | \$ (2,796,666)        | \$ 313,997                        |
| 2014 | -                            | 2,529,887                      | (2,330,587)           | 199,300                           |

Medical coverage was provided through Medical Mutual. For full-time certified employees and administrators, the District paid 85% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$432.11, \$821.00 and \$1,425.96, respectively, in fiscal year 2015. For full-time classified employees, the District paid 89.80% of the monthly premium. The District's required monthly premium for single, two-person and family coverage was \$456.51, \$867.36 and \$1,506.48, respectively, in fiscal year 2015. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day by the employee. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$508.36 in fiscal year 2015.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

Dental coverage was provided through MetLife. For full-time certified employees and administrators, the District paid over 87% of the single monthly premium, over 86% for two-person coverage and over 87% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$34.68, \$67.30 and \$116.86, respectively, in fiscal year 2015. For full-time classified employees and administrators, the District paid over 87% of the single monthly premium, over 93% for two-person coverage and over 96% of the family monthly premium. The District's required monthly premium for single, two-person and family coverage was \$34.68, \$67.30 and \$116.86, respectively, in fiscal year 2015. For part-time classified employees, who are eligible for coverage, the District's portion of the monthly insurance premium varied depending upon the number of hours worked per day. For day care employees, the District paid 100% of the monthly cost of coverage which, for a single individual, was \$39.68 in fiscal year 2015.

Life insurance coverage was provided through MetLife. Classified and certified employees received \$50,000 in coverage with the District paying 100% of the monthly premium which was \$5.00 for fiscal year 2015. Administrators received \$125,000 in coverage with the District paying 100% of the monthly premium which was \$10.00 for fiscal year 2015. Day care employees received \$13,000 in coverage with the District paying 100% of the monthly premium which was \$1.30 for fiscal year 2015.

**NOTE 9 - EMPLOYEE BENEFITS**

Compensated Absences

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

**A. Vacation Leave**

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

School support personnel accumulate annual vacation leave as follows:

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

Administrative personnel accumulate 20 days vacation leave. The Superintendent and Treasurer's vacation accumulation is dictated by their contracts.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 9 - EMPLOYEE BENEFITS - (Continued)**

**B. Sick Leave**

Each professional staff member is entitled to fifteen (15) days sick leave with pay for each year under contract. The sick leave accrues at the rate of one and one fourth (1- 1/4) days for each calendar month under contract. Upon retirement, an administrative or certified employee receives payment for 25% of their accumulated but unused sick leave balance up to a maximum of 40 days. Upon retirement, a classified employee receives payment for 50% of their accumulated but unused sick leave up to a maximum of 80 days.

**C. Retirement Incentive**

In place of the “1/4 and 40 day” limitation, administrators and certified employees electing to retire in their first year of eligibility who meet the eligibility requirements for retirement with either: **a)** twenty-five years of service and age 55 or over, **b)** five years of service and age 60 or over, or **c)** any age with thirty years of service shall be eligible for an extended severance pay benefit. This extended severance pay benefit shall be equal to the employee’s daily rate of pay times 100 percent of the employee’s first 165 days for both certified and classified employees of accrued but unused sick leave. The extended severance pay benefit is only available for employees on step 14 or higher of the salary schedule at the time of retirement and the 165 days of payment is reduced to 82.5 days for employees who are on step 14 to 18 at the date of retirement. Payment of the extended severance pay benefit will be made in two equal installments. The first payment will be made on or after January 1<sup>st</sup> and no later than January 15<sup>th</sup> of the year following retirement, and the second payment will be made between January 1<sup>st</sup> and January 15<sup>th</sup> of the second year following retirement. At June 30, 2015, the District had \$35,343 recorded as a liability for retirement incentives. The full liability is due for payment in fiscal year 2016.

**NOTE 10 - OTHER COMMITMENTS**

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

| <u>Fund</u>        | <u>Year-End Encumbrances</u> |
|--------------------|------------------------------|
| General            | \$ 194,633                   |
| Other governmental | <u>67,951</u>                |
| Total              | <u>\$ 262,584</u>            |

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 11 - CAPITAL ASSETS**

Governmental capital asset activity for the fiscal year ended June 30, 2015, was as follows:

|   | Balance<br><u>July 1, 2014</u> | <u>Additions</u>    | <u>Deductions</u>  | Balance<br><u>June 30, 2015</u> |
|---|--------------------------------|---------------------|--------------------|---------------------------------|
| <b>Governmental activities:</b>               |                                |                     |                    |                                 |
| <i>Capital assets, not being depreciated:</i> |                                |                     |                    |                                 |
| Land  | \$ 379,797                     | \$ -                | \$ (44,109)        | \$ 335,688                      |
| Total capital assets, not being depreciated   | <u>379,797</u>                 | <u>-</u>            | <u>(44,109)</u>    | <u>335,688</u>                  |
| <i>Capital assets, being depreciated:</i>     |                                |                     |                    |                                 |
| Land improvements                             | 1,651,702                      | -                   | -                  | 1,651,702                       |
| Buildings and improvements                    | 43,007,936                     | -                   | -                  | 43,007,936                      |
| Furniture, fixtures and equipment             | 2,761,863                      | 301,776             | -                  | 3,063,639                       |
| Vehicles                                      | 1,178,731                      | 81,273              | (52,816)           | 1,207,188                       |
| Textbooks                                     | <u>1,673,417</u>               | <u>-</u>            | <u>-</u>           | <u>1,673,417</u>                |
| Total capital assets, being depreciated       | <u>50,273,649</u>              | <u>383,049</u>      | <u>(52,816)</u>    | <u>50,603,882</u>               |
| <i>Less: accumulated depreciation</i>         |                                |                     |                    |                                 |
| Land improvements                             | (868,331)                      | (61,828)            | -                  | (930,159)                       |
| Buildings and improvements                    | (12,296,371)                   | (1,014,546)         | -                  | (13,310,917)                    |
| Furniture, fixtures and equipment             | (2,059,191)                    | (152,300)           | -                  | (2,211,491)                     |
| Vehicles                                      | (699,984)                      | (119,652)           | 47,534             | (772,102)                       |
| Textbooks                                     | <u>(1,486,421)</u>             | <u>(19,653)</u>     | <u>-</u>           | <u>(1,506,074)</u>              |
| Total accumulated depreciation                | <u>(17,410,298)</u>            | <u>(1,367,979)</u>  | <u>47,534</u>      | <u>(18,730,743)</u>             |
| Total capital assets, being depreciated, net  | <u>32,863,351</u>              | <u>(984,930)</u>    | <u>(5,282)</u>     | <u>31,873,139</u>               |
| Governmental activities capital assets, net   | <u>\$ 33,243,148</u>           | <u>\$ (984,930)</u> | <u>\$ (49,391)</u> | <u>\$ 32,208,827</u>            |

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

|                                     |                     |
|-------------------------------------|---------------------|
| <u>Instruction:</u>                 |                     |
| Regular                             | \$ 1,289,568        |
| <u>Support services:</u>            |                     |
| Pupil                               | 346                 |
| Instructional staff                 | 23,743              |
| Administration                      | 6,263               |
| Operations and maintenance of plant | 877                 |
| Pupil transportation                | 31,462              |
| Central                             | 14,527              |
| Extracurricular                     | <u>1,193</u>        |
| Total depreciation expense          | <u>\$ 1,367,979</u> |

Business-type capital asset activity for the fiscal year ended June 30, 2015, was as follows:

|  | Balance             |                    |                   | Balance              |
|--|---------------------|--------------------|-------------------|----------------------|
|  | <u>July 1, 2014</u> | <u>Additions</u>   | <u>Deductions</u> | <u>June 30, 2015</u> |
| <b>Business-type activities:</b>             |                     |                    |                   |                      |
| <i>Capital assets, being depreciated:</i>    |                     |                    |                   |                      |
| Furniture, fixtures and equipment            | \$ 354,288          | \$ -               | \$ -              | \$ 354,288           |
| Total capital assets, being depreciated      | <u>354,288</u>      | <u>-</u>           | <u>-</u>          | <u>354,288</u>       |
| <i>Less: accumulated depreciation</i>        |                     |                    |                   |                      |
| Furniture, fixtures and equipment            | <u>(272,997)</u>    | <u>(12,006)</u>    | <u>-</u>          | <u>(285,003)</u>     |
| Total accumulated depreciation               | <u>(272,997)</u>    | <u>(12,006)</u>    | <u>-</u>          | <u>(285,003)</u>     |
| Total capital assets, being depreciated, net | <u>81,291</u>       | <u>(12,006)</u>    | <u>-</u>          | <u>69,285</u>        |
| Business-type activities capital assets, net | <u>\$ 81,291</u>    | <u>\$ (12,006)</u> | <u>\$ -</u>       | <u>\$ 69,285</u>     |

All depreciation expense was charged to the food service fund.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the District’s obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *pension and postemployment benefit obligation payable* on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description –District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. 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 Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

Age and service requirements for retirement are as follows:

|                              | Eligible to<br>Retire on or before<br>August 1, 2017 *                          | Eligible to<br>Retire after<br>August 1, 2017  |
|------------------------------|---|--|
| Full Benefits                | Any age with 30 years of service credit   | Age 67 with 10 years of service credit; or<br>Age 57 with 30 years of service credit |
| Actuarially Reduced Benefits | Age 60 with 5 years of service credit<br>Age 55 with 25 years of service credit | Age 62 with 10 years of service credit; or<br>Age 60 with 25 years of service credit |

\* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The District’s contractually required contribution to SERS was \$450,418 for fiscal year 2015.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description –District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://www.strsoh.org).

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. 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 DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$1,309,753 for fiscal year 2015.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

|  | <u>SERS</u>  | <u>STRS</u>   | <u>Total</u>  |
|--|--------------|---------------|---------------|
| Proportionate share of the net pension liability | \$ 5,616,735 | \$ 20,646,802 | \$ 26,263,537 |
| Proportion of the net pension liability          | 0.11098200%  | 0.08488430%   |               |
| Pension expense                                  | \$ 327,776   | \$ 800,902    | \$ 1,128,678  |

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | <u>SERS</u>       | <u>STRS</u>         | <u>Total</u>        |
|--|-------------------|---------------------|---------------------|
| <b>Deferred outflows of resources</b>  |                   |                     |                     |
| Differences between expected and actual experience                               | \$ 47,804         | \$ 198,770          | \$ 246,574          |
| District contributions subsequent to the measurement date                        | <u>450,418</u>    | <u>1,309,753</u>    | <u>1,760,171</u>    |
| Total deferred outflows of resources   | <u>\$ 498,222</u> | <u>\$ 1,508,523</u> | <u>\$ 2,006,745</u> |
| <b>Deferred inflows of resources</b>   |                   |                     |                     |
| Net difference between projected and actual earnings on pension plan investments | <u>\$ 911,612</u> | <u>\$ 3,819,737</u> | <u>\$ 4,731,349</u> |

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FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

\$1,760,171 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Fiscal Year Ending June 30: | <u>SERS</u>         | <u>STRS</u>           | <u>Total</u>          |
|-----------------------------|---------------------|-----------------------|-----------------------|
| 2016                        | \$ (215,952)        | \$ (905,241)          | \$ (1,121,193)        |
| 2017                        | (215,952)           | (905,241)             | (1,121,193)           |
| 2018                        | (215,952)           | (905,241)             | (1,121,193)           |
| 2019                        | <u>(215,952)</u>    | <u>(905,244)</u>      | <u>(1,121,196)</u>    |
| Total                       | <u>\$ (863,808)</u> | <u>\$ (3,620,967)</u> | <u>\$ (4,484,775)</u> |

***Actuarial Assumptions - SERS***

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

|  |  |
|--|--|
| Wage Inflation                               | 3.25 percent   |
| Future Salary Increases, including inflation | 4.00 percent to 22 percent                                   |
| COLA or Ad Hoc COLA                          | 3 percent  |
| Investment Rate of Return                    | 7.75 percent net of investments expense, including inflation |
| Actuarial Cost Method                        | Entry Age Normal   |

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

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

| <u>Asset Class</u>     | <u>Target<br/>Allocation</u> | <u>Long-Term Expected<br/>Real Rate of Return</u> |
|------------------------|------------------------------|---|
| Cash                   | 1.00 %                       | 0.00 %  |
| US Stocks              | 22.50                        | 5.00  |
| Non-US Stocks          | 22.50                        | 5.50  |
| Fixed Income           | 19.00                        | 1.50  |
| Private Equity         | 10.00                        | 10.00   |
| Real Assets            | 10.00                        | 5.00  |
| Multi-Asset Strategies | 15.00                        | 7.50  |
| Total                  | <u>100.00 %</u>              |   |

**Discount Rate** The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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

|  | 1% Decrease<br>(6.75%) | Current<br>Discount Rate<br>(7.75%) | 1% Increase<br>(8.75%) |
|--|------------------------|-------------------------------------|------------------------|
| District's proportionate share<br>of the net pension liability | \$ 8,013,413           | \$ 5,616,735                        | \$ 3,600,923           |

***Actuarial Assumptions - STRS***

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                      |  |
|--------------------------------------|--|
| Inflation                            | 2.75 percent   |
| Projected salary increases           | 2.75 percent at age 70 to 12.25 percent at age 20  |
| Investment Rate of Return            | 7.75 percent, net of investment expenses   |
| Cost-of-Living Adjustments<br>(COLA) | 2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date. |

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

| Asset Class          | Target<br>Allocation | Long-Term Expected<br>Real Rate of Return |
|----------------------|----------------------|---|
| Domestic Equity      | 31.00 %              | 8.00 %                                    |
| International Equity | 26.00                | 7.85                                      |
| Alternatives         | 14.00                | 8.00                                      |
| Fixed Income         | 18.00                | 3.75                                      |
| Real Estate          | 10.00                | 6.75                                      |
| Liquidity Reserves   | 1.00                 | 3.00                                      |
| Total                | 100.00 %             |   |

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

|   | 1% Decrease<br>(6.75%) | Current<br>Discount Rate<br>(7.75%) | 1% Increase<br>(8.75%) |
|---|------------------------|-------------------------------------|------------------------|
|   |                        |                                     |                        |
| District's proportionate share of the net pension liability | \$ 29,558,148          | \$ 20,646,802                       | \$ 13,110,802          |

**NOTE 13 - POSTEMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

**Health Care Plan Description** - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) 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 as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. 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.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the District's surcharge obligation was \$48,044.

The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$82,508, \$58,268, and \$54,803, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

**B. State Teachers Retirement System**

Plan Description – The District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS 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. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$88,732, and \$93,499, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

**NOTE 14 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

The District is involved in no material litigation as either plaintiff or defendant.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 – CONTINGENCIES – (Continued)**

**C. Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**NOTE 15 - ENDOWMENT**

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

**NOTE 16 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

In the prior year, the District entered into capital leases for the acquisition of computer equipment. Capital lease payments have been reclassified and are reflected as debt service expenditures in the fund financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by lease have been capitalized in an amount equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability has been recorded as a long-term obligation.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of June 30, 2015:

| <u>Year Ending June 30</u>              | <u>Amount</u>     |
|---|-------------------|
| 2016                                    | \$ 151,693        |
| 2017                                    | <u>151,693</u>    |
| Total minimum lease payment             | 303,386           |
| Less: amount representing interest      | <u>(7,631)</u>    |
| Present value of minimum lease payments | <u>\$ 295,755</u> |

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 17 - LONG-TERM OBLIGATIONS**

The long-term obligations at June 30, 2014 have been restated as described in Note 3.A. The changes in the District's long-term obligations during fiscal year 2015 were as follows:

|  | Restated<br>Balance<br><u>June 30, 2014</u> | <u>Additions</u>  | <u>Reductions</u>     | Balance<br><u>June 30, 2015</u> | Amounts<br>Due In<br><u>One Year</u> |
|--|---|-------------------|-----------------------|---------------------------------|--------------------------------------|
| <b>Governmental activities:</b>              |   |                   |                       |                                 |                                      |
| Series 2005 School Improvement Bonds         |   |                   |                       |                                 |                                      |
| Serial Bond - 3.00% - 5.00%                  | \$ 795,000                                  | \$ -              | \$ (795,000)          | \$ -                            | \$ -                                 |
| Series 2014 Refunding Bonds                  |   |                   |                       |                                 |                                      |
| Serial Bond - 3.75%                          | 6,901,000                                   | -                 | (23,000)              | 6,878,000                       | 822,000                              |
| Series 2012 & 2013 Refunding Bonds           |   |                   |                       |                                 |                                      |
| Serial Bond - 1.00% - 3.50%                  | 16,220,000                                  | -                 | (130,000)             | 16,090,000                      | 130,000                              |
| Capital Appreciation Bonds                   | <u>75,486</u>                               | <u>-</u>          | <u>(23,769)</u>       | <u>51,717</u>                   | <u>12,698</u>                        |
| Total Bonds Payable before<br>Deferrals      | <u>23,991,486</u>                           | <u>-</u>          | <u>(971,769)</u>      | <u>23,019,717</u>               | <u>964,698</u>                       |
| Deferrals for:                               |   |                   |                       |                                 |                                      |
| Issuance Premiums                            | <u>2,699,545</u>                            | <u>-</u>          | <u>(269,950)</u>      | <u>2,429,595</u>                | <u>164,795</u>                       |
| Total Bonds Payable                          | <u>26,691,031</u>                           | <u>-</u>          | <u>(1,241,719)</u>    | <u>25,449,312</u>               | <u>1,129,493</u>                     |
| Accretion of Capital<br>Appreciation Bonds   | 151,914                                     | 144,306           | (81,231)              | 214,989                         | 92,302                               |
| Capital Lease obligation                     | 446,648                                     | -                 | (150,893)             | 295,755                         | 146,620                              |
| Retirement Incentive                         | 168,015                                     | 35,343            | (168,015)             | 35,343                          | 35,343                               |
| Net pension liability                        | 30,096,132                                  | -                 | (4,780,032)           | 25,316,100                      | -                                    |
| Compensated Absences                         | <u>1,149,445</u>                            | <u>278,286</u>    | <u>(194,188)</u>      | <u>1,233,543</u>                | <u>226,434</u>                       |
| Total Governmental Long-Term<br>Obligations  | <u>\$ 58,703,185</u>                        | <u>\$ 457,935</u> | <u>\$ (6,616,078)</u> | <u>\$ 52,545,042</u>            | <u>\$ 1,630,192</u>                  |
| <b>Business-type activities:</b>             |   |                   |                       |                                 |                                      |
| Net pension liability                        | 1,097,946                                   | -                 | (150,509)             | 947,437                         | -                                    |
| Compensated Absences                         | <u>61,722</u>                               | <u>15,797</u>     | <u>(9,952)</u>        | <u>67,567</u>                   | <u>16,684</u>                        |
| Total Business-Type Long-Term<br>obligations | <u>\$ 1,159,668</u>                         | <u>\$ 15,797</u>  | <u>\$ (160,461)</u>   | <u>\$ 1,015,004</u>             | <u>\$ 16,684</u>                     |

Compensated absences will be paid from the general fund and termination benefits fund which is combined and reported with the general fund on a GAAP-basis. Retirement incentive payments were paid from the termination benefits fund which is combined and reported with the general fund on a GAAP-basis. Capital lease obligations will be paid from the permanent improvement fund (a nonmajor governmental fund).

**FAIRVIEW PARK CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 17 - LONG-TERM OBLIGATIONS - (Continued)**

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

Series 2005 Refunding Library Improvement General Obligation Bonds

On July 20, 2005, the District issued general obligation bonds to advance refund the callable portion of the Series 1995 Library Improvement General Obligation Bonds. The \$2,729,999 issuance proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes the debt has been considered defeased and therefore removed as a liability from the District's government-wide financial statements. There is no remaining defeased debt outstanding.

The refunding issue is comprised of both current interest serial bonds, par value \$2,520,000, and capital appreciation bonds, par value \$209,999. The interest rate on the current interest bonds range from 3.00 percent to 5.00 percent. The capital appreciation bonds matured on December 1, 2010 (effective interest 14.276 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date.

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

Series 2005 School Improvement General Obligation Bonds

On July 20, 2005, the District issued \$28,499,993 in general obligation bonds for the purpose of constructing, adding to, renovating, furnishing, equipping and otherwise improving school facilities and improving their sites as an integral part of a cooperative project with the City of Fairview Park. During fiscal year 2013 and 2014, \$16,540,000 and \$6,910,000, respectively, of the Series 2005 School Improvement General Obligation Bonds were advance refunded with proceeds from the Series 2012, Series 2013 and Series 2014 Refunding Bonds described below.

The original issue was comprised of both current interest serial and term bonds, par value \$28,130,000, and capital appreciation bonds par value \$369,993. The interest rates on the current interest bonds range from 3.00 percent to 5.00 percent. During fiscal year 2013 and 2014, \$16,540,000 and \$6,910,000, respectively, of the current interest bonds were advanced refunded. The remaining Series 2005 bonds were paid off during fiscal year 2015.

Series 2012 and Series 2013 Refunding General Obligation Bonds

On July 18, 2012 and January 3, 2013, the District issued a total of \$16,539,980 of general obligation bonds (Series 2012 and Series 2013 Refunding Bonds) to advance refund the callable of the Series 2005 School Improvement current interest bonds (both term and serial bonds). This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. There is no remaining defeased debt outstanding.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 17 - LONG-TERM OBLIGATIONS - (Continued)**

The refunding issue is comprised of both current interest bonds, par value \$16,420,000, and capital appreciation bonds par value \$119,980. The interest rates on the current interest bonds range from 1.00% to 3.50%. The capital appreciation bonds mature on December 1 of each year 2013 through 2022 and on December 1, 2029 (coupon rates ranging from 1.047% to 2.40% and effective interest rates ranging from 61.3% to 78.6%) at redemption prices equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the remaining capital appreciation bonds is \$3,315,000. Total accreted interest of \$214,989 has been included in the statement of net position at June 30, 2015.

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

The reacquisition price exceeded the net carrying amount of the old debt by \$2,043,176. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2014 Refunding General Obligation Bonds

On October 16, 2013, the District issued \$6,901,000 of general obligation bonds to advance refund a portion of the Series 2005 School Improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2015, is \$6,910,000.

The refunding issue is comprised of current interest bonds, par value \$6,901,000. The interest rates on the bonds is 3.75%.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2022.

The reacquisition price exceeded the net carrying amount of the old debt by \$377,438. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE 17 - LONG-TERM OBLIGATIONS - (Continued)**

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2015 are as follows:

| Fiscal<br>Year Ending, | Serial and Term Bonds |                     | Capital Appreciation Bonds |                     | Total                |                      |
|------------------------|-----------------------|---------------------|----------------------------|---------------------|----------------------|----------------------|
|                        | Principal             | Interest            | Principal                  | Interest            | Principal            | Interest             |
| 2016                   | \$ 952,000            | \$ 686,008          | \$ 12,698                  | \$ 92,302           | \$ 964,698           | \$ 778,310           |
| 2017                   | 982,000               | 653,882             | 7,106                      | 102,894             | 989,106              | 756,776              |
| 2018                   | 887,000               | 621,282             | 13,212                     | 226,788             | 900,212              | 848,070              |
| 2019                   | 920,000               | 588,020             | 7,544                      | 232,456             | 927,544              | 820,476              |
| 2020                   | 951,000               | 553,519             | 4,315                      | 235,685             | 955,315              | 789,204              |
| 2021 - 2025            | 5,466,000             | 2,213,381           | 6,828                      | 1,018,172           | 5,472,828            | 3,231,553            |
| 2026 - 2030            | 5,965,000             | 1,414,684           | 14                         | 1,354,986           | 5,965,014            | 2,769,670            |
| 2031 - 2034            | <u>6,845,000</u>      | <u>459,988</u>      | <u>-</u>                   | <u>-</u>            | <u>6,845,000</u>     | <u>459,988</u>       |
| Total                  | <u>\$ 22,968,000</u>  | <u>\$ 7,190,764</u> | <u>\$ 51,717</u>           | <u>\$ 3,263,283</u> | <u>\$ 23,019,717</u> | <u>\$ 10,454,047</u> |

Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2015, are a voted debt margin of \$10,496,859 (including available funds of \$23,019,717) and an unvoted debt margin of \$339,395.

**NOTE 18 - BUDGETARY BASIS OF ACCOUNTING**

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

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 18 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

**Net Change in Fund Balance**

|   | <u>General Fund</u> |
|---|---------------------|
| Budget basis                            | \$ 424,992          |
| Net adjustment for revenue accruals     | 489,750             |
| Net adjustment for expenditure accruals | (325,725)           |
| Net adjustment for other sources/uses   | 442,922             |
| Funds budgeted elsewhere                | 128,702             |
| Adjustment for encumbrances             | 212,115             |
| GAAP basis                              | <u>\$ 1,372,756</u> |

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**NOTE 19 - SET-ASIDES**

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

|   | <u>Capital<br/>Improvements</u> |
|---|---------------------------------|
| Set-aside balance June 30, 2014             | \$ -                            |
| Current year set-aside requirement          | 294,307                         |
| Current year offsets                        | <u>(294,307)</u>                |
| Total                                       | <u>\$ -</u>                     |
| Balance carried forward to fiscal year 2016 | <u>\$ -</u>                     |
| Set-aside balance June 30, 2015             | <u>\$ -</u>                     |

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REQUIRED SUPPLEMENTARY INFORMATION

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TWO FISCAL YEARS

|   | <b>2014</b>  | <b>2013</b>  |
|---|--------------|--------------|
| District's proportion of the net pension liability  | 0.11098200%  | 0.11098200%  |
| District's proportionate share of the net pension liability   | \$ 5,616,735 | \$ 6,599,743 |
| District's covered-employee payroll   | \$ 3,224,928 | \$ 3,193,569 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 174.17%      | 206.66%      |
| Plan fiduciary net position as a percentage of the total pension liability                                  | 71.70%       | 65.52%       |

Note: Information prior to fiscal year 2013 was unavailable.

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TWO FISCAL YEARS

|   | <b>2014</b>   | <b>2013</b>   |
|---|---------------|---------------|
| District's proportion of the net pension liability  | 0.08488430%   | 0.08488430%   |
| District's proportionate share of the net pension liability   | \$ 20,646,802 | \$ 24,594,335 |
| District's covered-employee payroll   | \$ 8,672,831  | \$ 9,349,892  |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 238.06%       | 263.04%       |
| Plan fiduciary net position as a percentage of the total pension liability                                  | 74.70%        | 69.30%        |

Note: Information prior to fiscal year 2013 was unavailable.

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

|  | <u>2015</u>      | <u>2014</u>      | <u>2013</u>      | <u>2012</u>      |
|--|------------------|------------------|------------------|------------------|
| Contractually required contribution                                  | \$ 450,418       | \$ 446,975       | \$ 441,990       | \$ 455,533       |
| Contributions in relation to the contractually required contribution | <u>(450,418)</u> | <u>(446,975)</u> | <u>(441,990)</u> | <u>(455,533)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| District's covered-employee payroll                                  | \$ 3,417,436     | \$ 3,224,928     | \$ 3,193,569     | \$ 3,386,862     |
| Contributions as a percentage of covered-employee payroll            | 13.18%           | 13.86%           | 13.84%           | 13.45%           |

| <u>2011</u>      | <u>2010</u>      | <u>2009</u>      | <u>2008</u>      | <u>2007</u>      | <u>2006</u>      |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 400,916       | \$ 407,077       | \$ 131,327       | \$ 272,040       | \$ 298,610       | \$ 346,744       |
| <u>(400,916)</u> | <u>(407,077)</u> | <u>(131,327)</u> | <u>(272,040)</u> | <u>(298,610)</u> | <u>(346,744)</u> |
| <u>\$ -</u>      |
| \$ 3,189,467     | \$ 3,006,477     | \$ 1,334,624     | \$ 2,770,265     | \$ 2,795,974     | \$ 3,277,353     |
| 12.57%           | 13.54%           | 9.84%            | 9.82%            | 10.68%           | 10.58%           |

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

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

|  | <u>2015</u>        | <u>2014</u>        | <u>2013</u>        | <u>2012</u>        |
|--|--------------------|--------------------|--------------------|--------------------|
| Contractually required contribution                                  | \$ 1,309,753       | \$ 1,127,468       | \$ 1,215,486       | \$ 1,222,636       |
| Contributions in relation to the contractually required contribution | <u>(1,309,753)</u> | <u>(1,127,468)</u> | <u>(1,215,486)</u> | <u>(1,222,636)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        |
| District's covered-employee payroll                                  | \$ 9,355,379       | \$ 8,672,831       | \$ 9,349,892       | \$ 9,404,892       |
| Contributions as a percentage of covered-employee payroll            | 14.00%             | 13.00%             | 13.00%             | 13.00%             |

| <u>2011</u>        | <u>2010</u>        | <u>2009</u>        | <u>2008</u>        | <u>2007</u>        | <u>2006</u>        |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| \$ 1,199,772       | \$ 1,229,619       | \$ 1,143,442       | \$ 1,098,482       | \$ 1,114,969       | \$ 1,247,430       |
| <u>(1,199,772)</u> | <u>(1,229,619)</u> | <u>(1,143,442)</u> | <u>(1,098,482)</u> | <u>(1,114,969)</u> | <u>(1,247,430)</u> |
| <u>\$ -</u>        |
| \$ 9,229,015       | \$ 9,458,608       | \$ 8,795,708       | \$ 8,449,862       | \$ 8,576,685       | \$ 9,595,615       |
| 13.00%             | 13.00%             | 13.00%             | 13.00%             | 13.00%             | 13.00%             |

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financials for the methods and assumptions in this calculation.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

*Changes in benefit terms* : There were no changes in benefit terms from the amounts reported for fiscal year 2014 and 2015.

*Changes in assumptions* : There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2014 and 2015. See the notes to the basic financials for the methods and assumptions in this calculation.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### General Fund

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

### Other Major Fund

**Bond Retirement** - The bond retirement fund is used to account for and report resources that are restricted, committed or assigned to expenditure for principal and interest related to retirement of serial bonds and short term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans, shall be paid into this fund.

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BOND RETIREMENT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|---------------------|---|
|   | <u>Final</u>            | <u>Actual</u>       |   |
| Total revenues and other financing sources  | \$ 2,205,732            | \$ 1,890,289        | \$ (315,443)  |
| Total expenditures and other financing uses | 1,882,959               | 1,756,231           | 126,728   |
| Net change in fund balance                  | 322,773                 | 134,058             | (188,715)   |
| Fund balance at beginning of year           | 2,436,445               | 2,436,445           | -   |
| Fund balance at end of year                 | <u>\$ 2,759,218</u>     | <u>\$ 2,570,503</u> | <u>\$ (188,715)</u>   |

# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### Nonmajor Special Revenue Funds

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

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

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

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

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

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

**Race to the Top** - This fund accounts for revenues that are restricted to provide for either a new program or expansion of an existing program to support initiatives in the following areas: standards and assessments; using data to improve instruction; great teachers and leaders; and turning around the lowest achieving schools.

**IDEA, Part B Special Education** - The purpose of this federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool elementary and secondary levels.

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

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

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

(Continued)

# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### Nonmajor Special Revenue Funds

(Continued)

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

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

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

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

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

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

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

### Nonmajor Capital Projects Funds

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

(Continued)

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS**

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**Nonmajor Capital Projects Funds**

(Continued)

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

**Building** - This fund accounts for and reports resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets. All proceeds from the sale of bonds, notes or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

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

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015

|   | <u>Nonmajor<br/>Special Revenue<br/>Funds</u> | <u>Nonmajor<br/>Capital Projects<br/>Funds</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|---|---|--|--|
| <b>Assets:</b>  |   |  |  |
| Equity in pooled cash and investments . . . . .         | \$ 107,460                                    | \$ 540,740                                     | \$ 648,200   |
| Receivables:  |   |  |  |
| Accounts . . . . .                                      | 29  | 195  | 224  |
| Intergovernmental . . . . .                             | 251,141                                       | -  | 251,141  |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total assets . . . . .                                  | <u>\$ 358,630</u>                             | <u>\$ 540,935</u>                              | <u>\$ 899,565</u>                                    |
| <br><b>Liabilities:</b>                                 |   |  |  |
| Accounts payable . . . . .                              | \$ 616  | \$ -   | \$ 616   |
| Accrued wages and benefits . . . . .                    | 38,117  | -  | 38,117   |
| Interfund loans payable . . . . .                       | 195,000                                       | -  | 195,000  |
| Intergovernmental payable . . . . .                     | 1,318   | -  | 1,318  |
| Pension and post employment benefit obligation payable  | 5,174   | -  | 5,174  |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total liabilities . . . . .                             | <u>240,225</u>                                | <u>-</u>                                       | <u>240,225</u>                                       |
| <br><b>Deferred inflows of resources:</b>               |   |  |  |
| Intergovernmental revenue not available . . . . .       | 84,897  | -  | 84,897   |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total deferred inflows of resources . . . . .           | <u>84,897</u>                                 | <u>-</u>                                       | <u>84,897</u>  |
| <br><b>Fund Balances:</b>                               |   |  |  |
| Restricted:   |   |  |  |
| Capital improvements . . . . .                          | -   | 540,935  | 540,935  |
| Non-public schools . . . . .                            | 26,355  | -  | 26,355   |
| Special education . . . . .                             | 22,753  | -  | 22,753   |
| Other purposes . . . . .                                | 9,324   | -  | 9,324  |
| Extracurricular . . . . .                               | 26,448  | -  | 26,448   |
| Unassigned (deficit) . . . . .                          | (51,372)                                      | -  | (51,372)   |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total fund balances . . . . .                           | <u>33,508</u>                                 | <u>540,935</u>                                 | <u>574,443</u>                                       |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total liabilities, deferred inflows and fund balances . | <u>\$ 358,630</u>                             | <u>\$ 540,935</u>                              | <u>\$ 899,565</u>                                    |

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <b>Nonmajor<br/>Special Revenue<br/>Funds</b> | <b>Nonmajor<br/>Capital Projects<br/>Funds</b> | <b>Total<br/>Nonmajor<br/>Governmental<br/>Funds</b> |
|---|---|--|--|
| <b>Revenues:</b>                                    |   |  |  |
| From local sources:                                 |   |  |  |
| Earnings on investments . . . . .                   | \$ 487  | \$ -   | \$ 487   |
| Extracurricular . . . . .                           | 113,198                                       | -  | 113,198  |
| Classroom materials and fees . . . . .              | -   | 27,643   | 27,643   |
| Contributions and donations . . . . .               | 200   | -  | 200  |
| Other local revenues . . . . .                      | 1,784   | 3,284  | 5,068  |
| Intergovernmental - state . . . . .                 | 436,283                                       | -  | 436,283  |
| Intergovernmental - federal . . . . .               | 733,404                                       | -  | 733,404  |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total revenue . . . . .                             | 1,285,356                                     | 30,927   | 1,316,283  |
| <b>Expenditures:</b>                                |   |  |  |
| Current:  |   |  |  |
| Instruction:  |   |  |  |
| Regular . . . . .                                   | 71,313  | 73,772   | 145,085  |
| Special . . . . .                                   | 541,967                                       | -  | 541,967  |
| Support services:                                   |   |  |  |
| Pupil . . . . .                                     | 120,682                                       | -  | 120,682  |
| Instructional staff . . . . .                       | 29,719  | -  | 29,719   |
| Administration . . . . .                            | 1,304   | -  | 1,304  |
| Operations and maintenance . . . . .                | -   | 168,464  | 168,464  |
| Pupil transportation . . . . .                      | -   | 146,930  | 146,930  |
| Central . . . . .                                   | -   | 456,097  | 456,097  |
| Operation of non-instructional services:            |   |  |  |
| Other non-instructional services . . . . .          | 485,582                                       | -  | 485,582  |
| Extracurricular activities . . . . .                | 119,160                                       | -  | 119,160  |
| Facilities acquisition and construction . . . . .   | -   | 100,095  | 100,095  |
| Debt service:                                       |   |  |  |
| Principal retirement . . . . .                      | -   | 150,893  | 150,893  |
| Interest and fiscal charges . . . . .               | -   | 800  | 800  |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total expenditures . . . . .                        | 1,369,727                                     | 1,097,051                                      | 2,466,778  |
| Excess of expenditures<br>over revenues . . . . .   | (84,371)                                      | (1,066,124)                                    | (1,150,495)  |
| <b>Other financing sources (uses):</b>              |   |  |  |
| Transfers in . . . . .                              | -   | 899,000  | 899,000  |
| Sale of assets . . . . .                            | -   | 430,773  | 430,773  |
|   | <hr/>   | <hr/>  | <hr/>  |
| Total other financing sources (uses) . . . . .      | -   | 1,329,773                                      | 1,329,773  |
| Net change in fund balances . . . . .               | (84,371)                                      | 263,649  | 179,278  |
| <b>Fund balances at beginning of year . . . . .</b> | <hr/> <b>117,879</b>                          | <hr/> <b>277,286</b>                           | <hr/> <b>395,165</b>                                 |
| <b>Fund balances at end of year . . . . .</b>       | <hr/> <b>\$ 33,508</b>                        | <hr/> <b>\$ 540,935</b>                        | <hr/> <b>\$ 574,443</b>                              |

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2015

|   | <u>Other Grants</u> | <u>District<br/>Managed<br/>Student<br/>Activity</u> | <u>Auxiliary<br/>Services</u> | <u>IDEA, Part B<br/>Special<br/>Education</u> |
|---|---------------------|--|-------------------------------|---|
| <b>Assets:</b>  |                     |  |                               |   |
| Equity in pooled cash and investments . . . . .         | \$ 9,300            | \$ 36,630  | \$ 32,186                     | \$ 17,786                                     |
| Receivables:  |                     |  |                               |   |
| Accounts . . . . .                                      | -                   | 29   | -                             | -   |
| Intergovernmental . . . . .                             | -                   | -  | -                             | 112,282                                       |
| Total assets . . . . .                                  | <u>\$ 9,300</u>     | <u>\$ 36,659</u>                                     | <u>\$ 32,186</u>              | <u>\$ 130,068</u>                             |
| <b>Liabilities:</b>                                     |                     |  |                               |   |
| Accounts payable . . . . .                              | \$ -                | \$ 204   | \$ 412                        | \$ -  |
| Accrued wages and benefits . . . . .                    | -                   | -  | 4,437                         | 3,519   |
| Interfund loans payable . . . . .                       | -                   | 10,000   | -                             | 75,000  |
| Intergovernmental payable . . . . .                     | -                   | 7  | 255                           | 85  |
| Pension and post employment benefit obligation payable  | -                   | -  | 727                           | 394   |
| Total liabilities . . . . .                             | <u>-</u>            | <u>10,211</u>  | <u>5,831</u>                  | <u>78,998</u>                                 |
| <b>Deferred inflows of resources:</b>                   |                     |  |                               |   |
| Intergovernmental revenue not available . . . . .       | -                   | -  | -                             | 28,317  |
| Total deferred inflows of resources . . . . .           | <u>-</u>            | <u>-</u>   | <u>-</u>                      | <u>28,317</u>                                 |
| <b>Fund Balances:</b>                                   |                     |  |                               |   |
| Restricted:   |                     |  |                               |   |
| Non-public schools . . . . .                            | -                   | -  | 26,355                        | -   |
| Special education . . . . .                             | -                   | -  | -                             | 22,753  |
| Other purposes . . . . .                                | 9,300               | -  | -                             | -   |
| Extracurricular . . . . .                               | -                   | 26,448   | -                             | -   |
| Unassigned (deficit) . . . . .                          | -                   | -  | -                             | -   |
| Total fund balances . . . . .                           | <u>9,300</u>        | <u>26,448</u>  | <u>26,355</u>                 | <u>22,753</u>                                 |
| Total liabilities, deferred inflows and fund balances . | <u>\$ 9,300</u>     | <u>\$ 36,659</u>                                     | <u>\$ 32,186</u>              | <u>\$ 130,068</u>                             |

| <b>Limited English Proficiency</b> | <b>Title I</b>    | <b>Early Childhood Education Development</b> | <b>Improving Teacher Quality</b> | <b>Total Nonmajor Special Revenue Funds</b> |
|------------------------------------|-------------------|--|----------------------------------|---|
| \$ 67                              | \$ 5,148          | \$ 2,170                                     | \$ 4,173                         | \$ 107,460                                  |
| -                                  | -                 | -  | -                                | 29  |
| -                                  | 101,989           | 2,065  | 34,805                           | 251,141                                     |
| <u>\$ 67</u>                       | <u>\$ 107,137</u> | <u>\$ 4,235</u>                              | <u>\$ 38,978</u>                 | <u>\$ 358,630</u>                           |
| \$ -                               | \$ -              | \$ -   | \$ -                             | \$ 616                                      |
| -                                  | -                 | 12,102                                       | 18,059                           | 38,117                                      |
| -                                  | 75,000            | -  | 35,000                           | 195,000                                     |
| 43                                 | 318               | 167  | 443                              | 1,318                                       |
| -                                  | -                 | 1,506  | 2,547                            | 5,174                                       |
| <u>43</u>                          | <u>75,318</u>     | <u>13,775</u>                                | <u>56,049</u>                    | <u>240,225</u>                              |
| -                                  | 56,580            | -  | -                                | 84,897                                      |
| -                                  | 56,580            | -  | -                                | 84,897                                      |
| -                                  | -                 | -  | -                                | 26,355                                      |
| -                                  | -                 | -  | -                                | 22,753                                      |
| 24                                 | -                 | -  | -                                | 9,324                                       |
| -                                  | -                 | -  | -                                | 26,448                                      |
| -                                  | (24,761)          | (9,540)                                      | (17,071)                         | (51,372)                                    |
| <u>24</u>                          | <u>(24,761)</u>   | <u>(9,540)</u>                               | <u>(17,071)</u>                  | <u>33,508</u>                               |
| <u>\$ 67</u>                       | <u>\$ 107,137</u> | <u>\$ 4,235</u>                              | <u>\$ 38,978</u>                 | <u>\$ 358,630</u>                           |

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Other<br/>Grants</u> | <u>District<br/>Managed<br/>Student<br/>Activity</u> | <u>Auxiliary<br/>Services</u> | <u>Entry Year<br/>Programs</u> |
|--|-------------------------|--|-------------------------------|--------------------------------|
| <b>Revenues:</b>                           |                         |  |                               |                                |
| From local sources:                        |                         |  |                               |                                |
| Earnings on investments . . . . .          | \$ -                    | \$ -   | \$ 487                        | \$ -                           |
| Extracurricular . . . . .                  | -                       | 113,198  | -                             | -                              |
| Contributions and donations . . . . .      | -                       | 200  | -                             | -                              |
| Other local revenues . . . . .             | -                       | 1,784  | -                             | -                              |
| Intergovernmental - state . . . . .        | -                       | -  | 429,083                       | -                              |
| Intergovernmental - federal . . . . .      | -                       | -  | -                             | -                              |
|  | <hr/>                   | <hr/>  | <hr/>                         | <hr/>                          |
| Total revenue. . . . .                     | -                       | 115,182  | 429,570                       | -                              |
| <b>Expenditures:</b>                       |                         |  |                               |                                |
| Current:                                   |                         |  |                               |                                |
| Instruction:                               |                         |  |                               |                                |
| Regular. . . . .                           | -                       | -  | -                             | -                              |
| Special . . . . .                          | -                       | -  | -                             | -                              |
| Support services:                          |                         |  |                               |                                |
| Pupil . . . . .                            | -                       | -  | -                             | -                              |
| Instructional staff. . . . .               | -                       | -  | -                             | 350                            |
| Administration . . . . .                   | -                       | -  | -                             | -                              |
| Operation of non-instructional services:   |                         |  |                               |                                |
| Other non-instructional services . . . . . | 51                      | 651  | 455,384                       | -                              |
| Extracurricular activities. . . . .        | -                       | 119,160  | -                             | -                              |
|  | <hr/>                   | <hr/>  | <hr/>                         | <hr/>                          |
| Total expenditures . . . . .               | 51                      | 119,811  | 455,384                       | 350                            |
| Net change in fund balances . . . . .      | (51)                    | (4,629)  | (25,814)                      | (350)                          |
| <b>Fund balances</b>                       |                         |  |                               |                                |
| at beginning of year . . . . .             | <hr/> 9,351             | <hr/> 31,077   | <hr/> 52,169                  | <hr/> 350                      |
| <b>Fund balances (deficit)</b>             |                         |  |                               |                                |
| at end of year. . . . .                    | <hr/> <hr/> \$ 9,300    | <hr/> <hr/> \$ 26,448                                | <hr/> <hr/> \$ 26,355         | <hr/> <hr/> \$ -               |

| <u>Data<br/>Communication</u> | <u>IDEA, Part B<br/>Special<br/>Education</u> | <u>Limited<br/>English<br/>Proficiency</u> | <u>Title I</u>     | <u>Drug Free<br/>Schools</u> | <u>Early<br/>Childhood<br/>Education<br/>Development</u> |
|-------------------------------|---|--|--------------------|------------------------------|--|
| \$ -                          | \$ -  | \$ -                                       | \$ -               | \$ -                         | \$ -   |
| -                             | -   | -  | -                  | -                            | -  |
| -                             | -   | -  | -                  | -                            | -  |
| -                             | -   | -  | -                  | -                            | -  |
| 7,200                         | -   | -  | -                  | -                            | -  |
| -                             | 460,534                                       | 10,443                                     | 176,662            | -                            | 31,499   |
| <u>7,200</u>                  | <u>460,534</u>                                | <u>10,443</u>                              | <u>176,662</u>     | <u>-</u>                     | <u>31,499</u>  |
| -                             | -   | -  | -                  | -                            | -  |
| -                             | 289,793                                       | 10,418                                     | 199,101            | -                            | 42,655   |
| -                             | 120,363                                       | 301  | -                  | 18                           | -  |
| 7,200                         | 21,793  | -  | 376                | -                            | -  |
| -                             | -   | -  | 1,056              | -                            | -  |
| -                             | 22,033  | -  | 7,405              | -                            | 58   |
| -                             | -   | -  | -                  | -                            | -  |
| <u>7,200</u>                  | <u>453,982</u>                                | <u>10,719</u>                              | <u>207,938</u>     | <u>18</u>                    | <u>42,713</u>  |
| -                             | 6,552   | (276)                                      | (31,276)           | (18)                         | (11,214)   |
| -                             | 16,201  | 300  | 6,515              | 18                           | 1,674  |
| <u>\$ -</u>                   | <u>\$ 22,753</u>                              | <u>\$ 24</u>                               | <u>\$ (24,761)</u> | <u>\$ -</u>                  | <u>\$ (9,540)</u>  |

-- Continued

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <b>Improving<br/>Teacher<br/>Quality</b> | <b>Total<br/>Nonmajor<br/>Special Revenue<br/>Funds</b> |
|--|--|---|
| <b>Revenues:</b>                           |  |   |
| From local sources:                        |  |   |
| Earnings on investments . . . . .          | \$ -                                     | \$ 487  |
| Extracurricular . . . . .                  | -  | 113,198   |
| Contributions and donations . . . . .      | -  | 200   |
| Other local revenues . . . . .             | -  | 1,784   |
| Intergovernmental - state . . . . .        | -  | 436,283   |
| Intergovernmental - federal . . . . .      | 54,266                                   | 733,404   |
|  | <u>54,266</u>                            | <u>733,404</u>  |
| <br>Total revenue. . . . .                 | <u>54,266</u>                            | <u>1,285,356</u>  |
| <br><b>Expenditures:</b>                   |  |   |
| Current:                                   |  |   |
| Instruction:                               |  |   |
| Regular . . . . .                          | 71,313                                   | 71,313  |
| Special . . . . .                          | -  | 541,967   |
| Support services:                          |  |   |
| Pupil . . . . .                            | -  | 120,682   |
| Instructional staff. . . . .               | -  | 29,719  |
| Administration . . . . .                   | 248                                      | 1,304   |
| Operation of non-instructional services:   |  |   |
| Other non-instructional services . . . . . | -  | 485,582   |
| Extracurricular activities. . . . .        | -  | 119,160   |
|  | <u>71,561</u>                            | <u>1,369,727</u>  |
| <br>Total expenditures . . . . .           | <u>71,561</u>                            | <u>1,369,727</u>  |
| <br>Net change in fund balances . . . . .  | <u>(17,295)</u>                          | <u>(84,371)</u>   |
| <br><b>Fund balances</b>                   |  |   |
| <b>at beginning of year . . . . .</b>      | <u>224</u>                               | <u>117,879</u>  |
| <br><b>Fund balances (deficit)</b>         |  |   |
| <b>at end of year. . . . .</b>             | <u>\$ (17,071)</u>                       | <u>\$ 33,508</u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|------------------|---|
|  | <u>Final</u>            | <u>Actual</u>    | <u>(Negative)</u>   |
| <b><u>Other Grants Fund</u></b>                      |                         |                  |   |
| Total revenues and other financing sources           | \$ 4,000                | \$ -             | \$ (4,000)  |
| Total expenditures and other financing uses          | <u>10,500</u>           | <u>3,031</u>     | <u>7,469</u>  |
| Net change in fund balance                           | (6,500)                 | (3,031)          | 3,469   |
| Fund balance at beginning of year                    | 9,351                   | 9,351            | -   |
| Prior year encumbrances appropriated                 | <u>-</u>                | <u>-</u>         | <u>-</u>  |
| Fund balance at end of year                          | <u>\$ 2,851</u>         | <u>\$ 6,320</u>  | <u>\$ 3,469</u>   |
| <b><u>District Managed Student Activity Fund</u></b> |                         |                  |   |
| Total revenues and other financing sources           | \$ 118,000              | \$ 115,403       | \$ (2,597)  |
| Total expenditures and other financing uses          | <u>168,529</u>          | <u>120,101</u>   | <u>48,428</u>   |
| Net change in fund balance                           | (50,529)                | (4,698)          | 45,831  |
| Fund balance at beginning of year                    | 28,302                  | 28,302           | -   |
| Prior year encumbrances appropriated                 | <u>12,529</u>           | <u>12,529</u>    | <u>-</u>  |
| Fund balance at end of year                          | <u>\$ (9,698)</u>       | <u>\$ 36,133</u> | <u>\$ 45,831</u>  |
| <b><u>Auxiliary Services Fund</u></b>                |                         |                  |   |
| Total revenues and other financing sources           | \$ 489,700              | \$ 429,654       | \$ (60,046)   |
| Total expenditures and other financing uses          | <u>491,787</u>          | <u>485,748</u>   | <u>6,039</u>  |
| Net change in fund balance                           | (2,087)                 | (56,094)         | (54,007)  |
| Fund balance at beginning of year                    | 58,740                  | 58,740           | -   |
| Prior year encumbrances appropriated                 | <u>1,696</u>            | <u>1,696</u>     | <u>-</u>  |
| Fund balance at end of year                          | <u>\$ 58,349</u>        | <u>\$ 4,342</u>  | <u>\$ (54,007)</u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                    | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|--------------------|---|
|   | <u>Final</u>            | <u>Actual</u>      |   |
| <b><u>Entry Year Programs Fund</u></b>      |                         |                    |   |
| Total revenues and other financing sources  | \$ 350                  | \$ 350             | \$ -  |
| Total expenditures and other financing uses | <u>350</u>              | <u>350</u>         | <u>-</u>  |
| Net change in fund balance                  | -                       | -                  | -   |
| Fund balance at beginning of year           | <u>-</u>                | <u>-</u>           | <u>-</u>  |
| Fund balance at end of year                 | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u> | <u><u>\$ -</u></u>  |
| <b><u>Data Communication Fund</u></b>       |                         |                    |   |
| Total revenues and other financing sources  | \$ 7,200                | \$ 7,200           | \$ -  |
| Total expenditures and other financing uses | <u>7,200</u>            | <u>7,200</u>       | <u>-</u>  |
| Net change in fund balance                  | -                       | -                  | -   |
| Fund balance at beginning of year           | <u>-</u>                | <u>-</u>           | <u>-</u>  |
| Fund balance at end of year                 | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u> | <u><u>\$ -</u></u>  |
| <b><u>Race to the Top Fund</u></b>          |                         |                    |   |
| Total revenues and other financing sources  | \$ 1,750                | \$ -               | \$ (1,750)  |
| Total expenditures and other financing uses | <u>1,750</u>            | <u>-</u>           | <u>1,750</u>  |
| Net change in fund balance                  | -                       | -                  | -   |
| Fund balance at beginning of year           | <u>-</u>                | <u>-</u>           | <u>-</u>  |
| Fund balance at end of year                 | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u> | <u><u>\$ -</u></u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                 | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|-----------------|---|
|   | <u>Final</u>            | <u>Actual</u>   |   |
| <b><u>IDEA, Part B Special Education Fund</u></b> |                         |                 |   |
| Total revenues and other financing sources        | \$ 540,000              | \$ 451,569      | \$ (88,431)   |
| Total expenditures and other financing uses       | <u>558,797</u>          | <u>471,873</u>  | <u>86,924</u>   |
| Net change in fund balance                        | (18,797)                | (20,304)        | (1,507)   |
| Fund balance at beginning of year                 | 12,334                  | 12,334          | -   |
| Prior year encumbrances appropriated              | <u>8,535</u>            | <u>8,535</u>    | <u>-</u>  |
| Fund balance at end of year                       | <u>\$ 2,072</u>         | <u>\$ 565</u>   | <u>\$ (1,507)</u>   |
| <b><u>Limited English Proficiency Fund</u></b>    |                         |                 |   |
| Total revenues and other financing sources        | \$ 16,500               | \$ 10,443       | \$ (6,057)  |
| Total expenditures and other financing uses       | <u>12,903</u>           | <u>10,676</u>   | <u>2,227</u>  |
| Net change in fund balance                        | 3,597                   | (233)           | (3,830)   |
| Fund balance at beginning of year                 | 200                     | 200             | -   |
| Prior year encumbrances appropriated              | <u>100</u>              | <u>100</u>      | <u>-</u>  |
| Fund balance at end of year                       | <u>\$ 3,897</u>         | <u>\$ 67</u>    | <u>\$ (3,830)</u>   |
| <b><u>Title I Fund</u></b>                        |                         |                 |   |
| Total revenues and other financing sources        | \$ 286,284              | \$ 234,132      | \$ (52,152)   |
| Total expenditures and other financing uses       | <u>261,506</u>          | <u>231,221</u>  | <u>30,285</u>   |
| Net change in fund balance                        | 24,778                  | 2,911           | (21,867)  |
| Fund balance at beginning of year                 | (3,713)                 | (3,713)         | -   |
| Prior year encumbrances appropriated              | <u>5,350</u>            | <u>5,350</u>    | <u>-</u>  |
| Fund balance at end of year                       | <u>\$ 26,415</u>        | <u>\$ 4,548</u> | <u>\$ (21,867)</u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Budgeted Amounts</u> |                 | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|-----------------|---|
|  | <u>Final</u>            | <u>Actual</u>   |   |
| <b><u>Drug Free Schools Fund</u></b>                     |                         |                 |   |
| Total expenditures and other financing uses              | \$ 18                   | \$ 18           | \$ -  |
| Net change in fund balance                               | (18)                    | (18)            | -   |
| Fund balance at beginning of year                        | \$ 18                   | \$ 18           | \$ -  |
| Fund balance at end of year                              | <u>\$ -</u>             | <u>\$ -</u>     | <u>\$ -</u>   |
| <b><u>Early Childhood Education Development Fund</u></b> |                         |                 |   |
| Total revenues and other financing sources               | \$ 48,313               | \$ 29,434       | \$ (18,879)   |
| Total expenditures and other financing uses              | <u>34,999</u>           | <u>29,495</u>   | <u>5,504</u>  |
| Net change in fund balance                               | 13,314                  | (61)            | (13,375)  |
| Fund balance at beginning of year                        | 1,793                   | 1,793           | -   |
| Prior year encumbrances appropriated                     | <u>438</u>              | <u>438</u>      | <u>-</u>  |
| Fund balance at end of year                              | <u>\$ 15,545</u>        | <u>\$ 2,170</u> | <u>\$ (13,375)</u>  |
| <b><u>Improving Teacher Quality Fund</u></b>             |                         |                 |   |
| Total revenues and other financing sources               | \$ 55,164               | \$ 54,766       | \$ (398)  |
| Total expenditures and other financing uses              | <u>54,570</u>           | <u>51,111</u>   | <u>3,459</u>  |
| Net change in fund balance                               | 594                     | 3,655           | 3,061   |
| Fund balance at beginning of year                        | -                       | -               | -   |
| Prior year encumbrances appropriated                     | <u>-</u>                | <u>-</u>        | <u>-</u>  |
| Fund balance at end of year                              | <u>\$ 594</u>           | <u>\$ 3,655</u> | <u>\$ 3,061</u>   |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                  | <u>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---|-------------------------|------------------|---|
|   | <u>Final</u>            | <u>Actual</u>    |   |
| <b><u>Public School Support Fund</u></b>    |                         |                  |   |
| Total revenues and other financing sources  | \$ 86,000               | \$ 76,216        | \$ (9,784)  |
| Total expenditures and other financing uses | <u>114,157</u>          | <u>75,241</u>    | <u>38,916</u>   |
| Net change in fund balance                  | (28,157)                | 975              | 29,132  |
| Fund balance at beginning of year           | 42,934                  | 42,934           | -   |
| Prior year encumbrances appropriated        | <u>1,226</u>            | <u>1,226</u>     | <u>-</u>  |
| Fund balance at end of year                 | <u>\$ 16,003</u>        | <u>\$ 45,135</u> | <u>\$ 29,132</u>  |
| <b><u>Summer School Fund</u></b>            |                         |                  |   |
| Total revenues and other financing sources  | \$ 1,000                | \$ -             | \$ (1,000)  |
| Total expenditures and other financing uses | <u>4,822</u>            | <u>-</u>         | <u>4,822</u>  |
| Net change in fund balance                  | (3,822)                 | -                | 3,822   |
| Fund balance at beginning of year           | <u>4,354</u>            | <u>4,354</u>     | <u>-</u>  |
| Fund balance at end of year                 | <u>\$ 532</u>           | <u>\$ 4,354</u>  | <u>\$ 3,822</u>   |
| <b><u>Termination Benefits Fund</u></b>     |                         |                  |   |
| Total revenues and other financing sources  | \$ 300,760              | \$ 300,000       | \$ (760)  |
| Total expenditures and other financing uses | <u>320,000</u>          | <u>289,079</u>   | <u>30,921</u>   |
| Net change in fund balance                  | (19,240)                | 10,921           | 30,161  |
| Fund balance at beginning of year           | <u>19,239</u>           | <u>19,239</u>    | <u>-</u>  |
| Fund balance at end of year                 | <u>\$ (1)</u>           | <u>\$ 30,160</u> | <u>\$ 30,161</u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|------------------|---|
|   | <u>Final</u>            | <u>Actual</u>    |   |
| <b><u>Special Trusts Fund</u></b>           |                         |                  |   |
| Total revenues and other financing sources  | \$ 1,000                | \$ 3,251         | \$ 2,251  |
| Total expenditures and other financing uses | <u>5,227</u>            | <u>2,059</u>     | <u>3,168</u>  |
| Net change in fund balance                  | (4,227)                 | 1,192            | 5,419   |
| Fund balance at beginning of year           | 18,001                  | 18,001           | -   |
| Prior year encumbrances appropriated        | <u>39</u>               | <u>39</u>        | <u>-</u>  |
| Fund balance at end of year                 | <u>\$ 13,813</u>        | <u>\$ 19,232</u> | <u>\$ 5,419</u>   |

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

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2015

|   | <u>Permanent<br/>Improvement</u> | <u>Building</u> | <u>Total<br/>Nonmajor<br/>Capital Projects<br/>Funds</u> |
|---|----------------------------------|-----------------|--|
| <b>Assets:</b>                                  |                                  |                 |  |
| Equity in pooled cash and investments . . . . . | \$ 538,373                       | \$ 2,367        | \$ 540,740   |
| Receivables:                                    |                                  |                 |  |
| Accounts . . . . .                              | <u>195</u>                       | <u>-</u>        | <u>195</u>   |
| Total assets. . . . .                           | <u>\$ 538,568</u>                | <u>\$ 2,367</u> | <u>\$ 540,935</u>  |
| <b>Fund Balances:</b>                           |                                  |                 |  |
| Restricted:                                     |                                  |                 |  |
| Capital improvements . . . . .                  | <u>538,568</u>                   | <u>2,367</u>    | <u>540,935</u>   |
| Total fund balances . . . . .                   | <u>538,568</u>                   | <u>2,367</u>    | <u>540,935</u>   |
| Total liabilities and fund balances . . . . .   | <u>\$ 538,568</u>                | <u>\$ 2,367</u> | <u>\$ 540,935</u>  |

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <b>Permanent<br/>Improvement</b> | <b>Building</b> | <b>Total<br/>Nonmajor<br/>Capital Projects<br/>Funds</b> |
|--|----------------------------------|-----------------|--|
| <b>Revenues:</b>   |                                  |                 |  |
| From local sources:  |                                  |                 |  |
| Classroom materials and fees . . . . .                                 | \$ 27,643                        | \$ -            | \$ 27,643  |
| Other local revenues . . . . .   | 3,284                            | -               | 3,284  |
| Total revenue . . . . .  | 30,927                           | -               | 30,927   |
| <b>Expenditures:</b>   |                                  |                 |  |
| Current:   |                                  |                 |  |
| Instruction:   |                                  |                 |  |
| Regular . . . . .  | 73,772                           | -               | 73,772   |
| Support services:  |                                  |                 |  |
| Operations and maintenance . . . . .                                   | 168,464                          | -               | 168,464  |
| Pupil transportation . . . . .   | 146,930                          | -               | 146,930  |
| Central . . . . .  | 456,097                          | -               | 456,097  |
| Facilities acquisition and construction . . . . .                      | 99,033                           | 1,062           | 100,095  |
| Debt service:  |                                  |                 |  |
| Principal retirement . . . . .   | 150,893                          | -               | 150,893  |
| Interest and fiscal charges . . . . .                                  | 800                              | -               | 800  |
| Total expenditures . . . . .   | 1,095,989                        | 1,062           | 1,097,051  |
| Excess (deficiency) of revenues<br>over (under) expenditures . . . . . | (1,065,062)                      | (1,062)         | (1,066,124)  |
| <b>Other financing sources:</b>  |                                  |                 |  |
| Transfers in . . . . .   | 899,000                          | -               | 899,000  |
| Sale of assets . . . . .   | 430,773                          | -               | 430,773  |
| Total other financing sources . . . . .                                | 1,329,773                        | -               | 1,329,773  |
| Net change in fund balances . . . . .                                  | 264,711                          | (1,062)         | 263,649  |
| <b>Fund balances at beginning of year . . . . .</b>                    | <b>273,857</b>                   | <b>3,429</b>    | <b>277,286</b>   |
| <b>Fund balances at end of year . . . . .</b>                          | <b>\$ 538,568</b>                | <b>\$ 2,367</b> | <b>\$ 540,935</b>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                          | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|--------------------------|---|
|   | <u>Final</u>            | <u>Actual</u>            |   |
| <b><u>Permanent Improvement Fund</u></b>    |                         |                          |   |
| Total revenues and other financing sources  | \$ 1,650,000            | \$ 1,403,963             | \$ (246,037)  |
| Total expenditures and other financing uses | <u>1,834,135</u>        | <u>1,114,742</u>         | <u>719,393</u>  |
| Net change in fund balance                  | (184,135)               | 289,221                  | 473,356   |
| Fund balance at beginning of year           | 43,628                  | 43,628                   | -   |
| Prior year encumbrances appropriated        | <u>186,821</u>          | <u>186,821</u>           | <u>-</u>  |
| Fund balance at end of year                 | <u><u>\$ 46,314</u></u> | <u><u>\$ 519,670</u></u> | <u><u>\$ 473,356</u></u>  |
| <b><u>Building Fund</u></b>                 |                         |                          |   |
| Total expenditures and other financing uses | <u>\$ 3,427</u>         | <u>\$ 1,062</u>          | <u>\$ 2,365</u>   |
| Net change in fund balance                  | (3,427)                 | (1,062)                  | 2,365   |
| Fund balance at beginning of year           | <u>3,429</u>            | <u>3,429</u>             | <u>-</u>  |
| Fund balance at end of year                 | <u><u>\$ 2</u></u>      | <u><u>\$ 2,367</u></u>   | <u><u>\$ 2,365</u></u>  |

# FAIRVIEW PARK CITY SCHOOL DISTRICT

## DESCRIPTION OF FUNDS

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### Major Enterprise Funds

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

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

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

### Internal Service Funds

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

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

**Health Self Insurance Fund** - A fund provided to account for monies received from other funds as payment for providing medical employee benefits.

### Fiduciary Funds

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

#### **Private Purpose Trust Fund**

**Endowment Trust** - This fund accounts for money set aside for scholarships. 55% of interest earned is to be used for scholarships and 45% of interest earned is added to existing principal.

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

#### **Agency Funds**

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

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

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**DESCRIPTION OF FUNDS**

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**Agency Funds - (Continued)**

**Great Lakes Regional Council of Governments** - This fund accounts is accounts for an insurance purchasing pool in which the District is fiscal agent.

**OHSAA Tournaments** - This fund reflects resources that are collected for various tournaments and remitted to the Ohio High School Athletic Association.

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Budgeted Amounts</u> |                  | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|------------------|---|
|  | <u>Final</u>            | <u>Actual</u>    |   |
| <b><u>Food Services Fund</u></b>           |                         |                  |   |
| Total revenues and other financing sources | \$ 420,000              | \$ 392,107       | \$ (27,893)   |
| Total expenses and other financing uses    | <u>441,358</u>          | <u>391,345</u>   | <u>50,013</u>   |
| Net change in fund equity                  | (21,358)                | 762              | 22,120  |
| Fund equity at beginning of year           | 59,452                  | 59,452           | -   |
| Prior year encumbrances appropriated       | <u>7,019</u>            | <u>7,019</u>     | <u>-</u>  |
| Fund equity at end of year                 | <u>\$ 45,113</u>        | <u>\$ 67,233</u> | <u>\$ 22,120</u>  |
| <b><u>Day Care Services Fund</u></b>       |                         |                  |   |
| Total revenues and other financing sources | \$ 850,000              | \$ 749,797       | \$ (100,203)  |
| Total expenses and other financing uses    | <u>853,423</u>          | <u>713,474</u>   | <u>139,949</u>  |
| Net change in fund equity                  | (3,423)                 | 36,323           | 39,746  |
| Fund equity at beginning of year           | 44,522                  | 44,522           | -   |
| Prior year encumbrances appropriated       | <u>3,423</u>            | <u>3,423</u>     | <u>-</u>  |
| Fund equity at end of year                 | <u>\$ 44,522</u>        | <u>\$ 84,268</u> | <u>\$ 39,746</u>  |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 JUNE 30, 2015

|   | <u>Employee Flex<br/>Benefits Plan</u> | <u>Health Self<br/>Insurance Fund</u> | <u>Total<br/>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</u> |
|---|--|---------------------------------------|---|
| <b>Assets:</b>                              |  |                                       |   |
| Current assets:                             |  |                                       |   |
| Equity in pooled cash and investments . . . | \$ 12,672                              | \$ 163,368                            | \$ 176,040  |
| Total assets. . . . .                       | <u>12,672</u>                          | <u>163,368</u>                        | <u>176,040</u>  |
| <b>Liabilities:</b>                         |  |                                       |   |
| Claims payable . . . . .                    | -                                      | 313,997                               | 313,997   |
| Total liabilities . . . . .                 | <u>-</u>                               | <u>313,997</u>                        | <u>313,997</u>  |
| <b>Net position:</b>                        |  |                                       |   |
| Unrestricted (deficit) . . . . .            | 12,672                                 | (150,629)                             | (137,957)   |
| Total net position (deficit) . . . . .      | <u>\$ 12,672</u>                       | <u>\$ (150,629)</u>                   | <u>\$ (137,957)</u>   |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <b>Employee Flex<br/>Benefits Plan</b> | <b>Health Self<br/>Insurance Fund</b> | <b>Total<br/>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</b> |
|--|--|---------------------------------------|---|
| <b>Operating revenues:</b>                           |  |                                       |   |
| Sales/charges for services. . . . .                  | \$ -                                   | \$ 2,738,531                          | \$ 2,738,531  |
| Other . . . . .                                      | 7,077                                  | -                                     | 7,077   |
| Total operating revenues . . . . .                   | <u>7,077</u>                           | <u>2,738,531</u>                      | <u>2,745,608</u>  |
| <b>Operating expenses:</b>                           |  |                                       |   |
| Claims . . . . .                                     | -                                      | 2,911,363                             | 2,911,363   |
| Total operating expenses. . . . .                    | <u>-</u>                               | <u>2,911,363</u>                      | <u>2,911,363</u>  |
| Operating income (loss). . . . .                     | <u>7,077</u>                           | <u>(172,832)</u>                      | <u>(165,755)</u>  |
| Transfer in . . . . .                                | <u>-</u>                               | <u>40,000</u>                         | <u>40,000</u>   |
| Change in net position. . . . .                      | 7,077                                  | (132,832)                             | (125,755)   |
| <b>Net position at beginning of year</b>             | <u>5,595</u>                           | <u>(17,797)</u>                       | <u>(12,202)</u>   |
| <b>Net position (deficit) at end of year . . . .</b> | <u>\$ 12,672</u>                       | <u>\$ (150,629)</u>                   | <u>\$ (137,957)</u>   |

**FAIRVIEW PARK CITY SCHOOL DISTRICT**  
**CUYAHOGA COUNTY, OHIO**  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <b>Employee Flex<br/>Benefits Plan</b> | <b>Health Self<br/>Insurance Fund</b> | <b>Total<br/>Governmental<br/>Activities -<br/>Internal Service<br/>Funds</b> |
|---|--|---------------------------------------|---|
| <b>Cash flows from operating activities:</b>  |  |                                       |   |
| Cash received from sales/charges for services. . . . .  | \$ -                                   | \$ 2,738,531                          | \$ 2,738,531  |
| Cash received from other operations . . . . .   | 7,077                                  | -                                     | 7,077   |
| Cash payments for claims . . . . .  | -                                      | (2,796,666)                           | (2,796,666)   |
|   |  |                                       |   |
| Net cash provided by (used in)<br>operating activities . . . . .                                    | 7,077                                  | (58,135)                              | (51,058)  |
| <b>Cash flows from noncapital financing activities:</b>   |  |                                       |   |
| Cash received from transfers in . . . . .   | -                                      | 40,000                                | 40,000  |
|   |  |                                       |   |
| Net cash provided by noncapital<br>financing activities. . . . .                                    | -                                      | 40,000                                | 40,000  |
| Net increase (decrease) in cash and<br>cash equivalents . . . . .                                   | 7,077                                  | (18,135)                              | (11,058)  |
| <b>Cash and cash equivalents at beginning of year . . .</b>   | <b>5,595</b>                           | <b>181,503</b>                        | <b>187,098</b>  |
| <b>Cash and cash equivalents at end of year . . . . .</b>   | <b>\$ 12,672</b>                       | <b>\$ 163,368</b>                     | <b>\$ 176,040</b>   |
| <b>Reconciliation of operating loss to net<br/>cash provided by (used in) operating activities:</b> |  |                                       |   |
| Operating income (loss). . . . .  | \$ 7,077                               | \$ (172,832)                          | \$ (165,755)  |
| Changes in assets and liabilities:  |  |                                       |   |
| Increase in claims payable . . . . .  | -                                      | 114,697                               | 114,697   |
|   |  |                                       |   |
| Net cash provided by (used in)<br>operating activities . . . . .                                    | \$ 7,077                               | \$ (58,135)                           | \$ (51,058)   |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|  | <u>Budgeted Amounts</u> |                          | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|--------------------------|---|
|  | <u>Final</u>            | <u>Actual</u>            | <u>(Negative)</u>   |
| <b><u>Employee Flex Benefits Plan Fund</u></b> |                         |                          |   |
| Total revenues and other financing sources     | \$ 125,000              | \$ 7,077                 | \$ (117,923)  |
| Total expenses and other financing uses        | <u>36,000</u>           | <u>-</u>                 | <u>36,000</u>   |
| Net change in fund equity                      | 89,000                  | 7,077                    | (81,923)  |
| Fund equity at beginning of year               | <u>5,595</u>            | <u>5,595</u>             | <u>-</u>  |
| Fund equity at end of year                     | <u><u>\$ 94,595</u></u> | <u><u>\$ 12,672</u></u>  | <u><u>\$ (81,923)</u></u>   |
| <b><u>Health Self Insurance Fund</u></b>       |                         |                          |   |
| Total revenues and other financing sources     | \$ 3,066,000            | \$ 2,780,650             | \$ (285,350)  |
| Total expenses and other financing uses        | <u>3,179,117</u>        | <u>2,732,348</u>         | <u>446,769</u>  |
| Net change in fund balance                     | (113,117)               | 48,302                   | 161,419   |
| Fund balance at beginning of year              | <u>115,066</u>          | <u>115,066</u>           | <u>-</u>  |
| Fund balance at end of year                    | <u><u>\$ 1,949</u></u>  | <u><u>\$ 163,368</u></u> | <u><u>\$ 161,419</u></u>  |

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

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <u>Budgeted Amounts</u> |                     | <b>Variance with<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|---------------------|---|
|   | <u>Final</u>            | <u>Actual</u>       |   |
| <b><u>Endowment Trust Fund</u></b>          |                         |                     |   |
| Total revenues and other financing sources  | \$ 80,000               | \$ 55,295           | \$ (24,705)   |
| Total expenditures and other financing uses | <u>97,037</u>           | <u>56,220</u>       | <u>40,817</u>   |
| Net change in fund equity                   | (17,037)                | (925)               | 16,112  |
| Fund equity at beginning of year            | 3,618,403               | 3,618,403           | -   |
| Prior year encumbrances appropriated        | <u>17,037</u>           | <u>17,037</u>       | <u>-</u>  |
| Fund equity at end of year                  | <u>\$ 3,618,403</u>     | <u>\$ 3,634,515</u> | <u>\$ 16,112</u>  |

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <b>Beginning<br/>Balance<br/>June 30, 2014</b> | <b>Additions</b>     | <b>Deletions</b>     | <b>Ending<br/>Balance<br/>June 30, 2015</b> |
|---|--|----------------------|----------------------|---|
| <b><u>Workers' Compensation</u></b>                       |  |                      |                      |   |
| <b>Assets:</b>  |  |                      |                      |   |
| Equity in pooled cash and investments . . . . .           | \$ 289,885                                     | \$ 56,700            | \$ 64,345            | \$ 282,240                                  |
| Total assets . . . . .                                    | <u>\$ 289,885</u>                              | <u>\$ 56,700</u>     | <u>\$ 64,345</u>     | <u>\$ 282,240</u>                           |
| <b>Liabilities:</b>                                       |  |                      |                      |   |
| Undistributed monies . . . . .                            | \$ 289,885                                     | \$ 56,700            | \$ 64,345            | \$ 282,240                                  |
| Total liabilities. . . . .                                | <u>\$ 289,885</u>                              | <u>\$ 56,700</u>     | <u>\$ 64,345</u>     | <u>\$ 282,240</u>                           |
| <b><u>Student Managed Activities</u></b>                  |  |                      |                      |   |
| <b>Assets:</b>  |  |                      |                      |   |
| Equity in pooled cash and investments . . . . .           | \$ 48,417                                      | \$ 58,345            | \$ 63,171            | \$ 43,591                                   |
| Total assets . . . . .                                    | <u>\$ 48,417</u>                               | <u>\$ 58,345</u>     | <u>\$ 63,171</u>     | <u>\$ 43,591</u>                            |
| <b>Liabilities:</b>                                       |  |                      |                      |   |
| Accounts payable . . . . .                                | \$ 2,660                                       | \$ 283               | \$ 2,660             | \$ 283                                      |
| Due to students . . . . .                                 | 45,757   | 58,062               | 60,511               | 43,308                                      |
| Total liabilities. . . . .                                | <u>\$ 48,417</u>                               | <u>\$ 58,345</u>     | <u>\$ 63,171</u>     | <u>\$ 43,591</u>                            |
| <b><u>Great Lakes Regional Council of Governments</u></b> |  |                      |                      |   |
| <b>Assets:</b>  |  |                      |                      |   |
| Equity in pooled cash and investments . . . . .           | \$ 1,484,498                                   | \$ 11,602,030        | \$ 12,082,143        | \$ 1,004,385                                |
| Total assets . . . . .                                    | <u>\$ 1,484,498</u>                            | <u>\$ 11,602,030</u> | <u>\$ 12,082,143</u> | <u>\$ 1,004,385</u>                         |
| <b>Liabilities:</b>                                       |  |                      |                      |   |
| Undistributed monies . . . . .                            | \$ 1,484,498                                   | \$ 11,602,030        | \$ 12,082,143        | \$ 1,004,385                                |
| Total liabilities. . . . .                                | <u>\$ 1,484,498</u>                            | <u>\$ 11,602,030</u> | <u>\$ 12,082,143</u> | <u>\$ 1,004,385</u>                         |

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

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

|   | <b>Beginning<br/>Balance<br/>June 30, 2014</b> | <b>Additions</b> | <b>Deletions</b> | <b>Ending<br/>Balance<br/>June 30, 2015</b> |
|---|--|------------------|------------------|---|
| <b><u>OHSAA Tournaments</u></b>                 |  |                  |                  |   |
| <b>Assets:</b>                                  |  |                  |                  |   |
| Equity in pooled cash and investments . . . . . | \$ -   | \$ 2,118         | \$ 2,118         | \$ -  |
| Total assets . . . . .                          | \$ -   | \$ 2,118         | \$ 2,118         | \$ -  |
| <b>Liabilities:</b>                             |  |                  |                  |   |
| Undistributed monies . . . . .                  | \$ -   | \$ 2,118         | \$ 2,118         | \$ -  |
| Total liabilities. . . . .                      | \$ -   | \$ 2,118         | \$ 2,118         | \$ -  |
| <b><u>Totals</u></b>                            |  |                  |                  |   |
| <b>Assets:</b>                                  |  |                  |                  |   |
| Equity in pooled cash and investments . . . . . | \$ 1,822,800                                   | \$ 11,719,193    | \$ 12,211,777    | \$ 1,330,216                                |
| Total assets . . . . .                          | \$ 1,822,800                                   | \$ 11,719,193    | \$ 12,211,777    | \$ 1,330,216                                |
| <b>Liabilities:</b>                             |  |                  |                  |   |
| Accounts payable . . . . .                      | \$ 2,660                                       | \$ 283           | \$ 2,660         | \$ 283                                      |
| Undistributed monies . . . . .                  | 1,774,383                                      | 11,660,848       | 12,148,606       | 1,286,625                                   |
| Due to students . . . . .                       | 45,757   | 58,062           | 60,511           | 43,308                                      |
| Total liabilities. . . . .                      | \$ 1,822,800                                   | \$ 11,719,193    | \$ 12,211,777    | \$ 1,330,216                                |

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# STATISTICAL SECTION



Learning to Believe & Achieve

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

STATISTICAL SECTION

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

| <b><u>Contents</u></b>   | <b><u>Page</u></b> |
|--|--------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.   | <b>122-135</b>     |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.   | <b>136-141</b>     |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.                            | <b>142-147</b>     |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.  | <b>148</b>         |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | <b>149-160</b>     |

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

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

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|   | <u>2015</u>         | <u>2014 (2)</u>     | <u>2013 (1)</u>      | <u>2012 (1)</u>      |
|---|---------------------|---------------------|----------------------|----------------------|
| <b>Governmental activities</b>                  |                     |                     |                      |                      |
| Net investment in capital assets                | \$ 7,882,991        | \$ 7,601,570        | \$ 7,549,500         | \$ 8,373,342         |
| Invested in capital assets, net of related debt | -                   | -                   | -                    | -                    |
| Restricted for:                                 |                     |                     |                      |                      |
| Capital projects                                | 540,935             | 3,429               | 48,029               | 18,167               |
| Debt service                                    | 2,724,609           | 2,542,419           | 2,635,272            | 2,467,211            |
| Locally funded programs                         | 9,300               | 9,351               | 9,352                | 9,938                |
| State funded programs                           | 13,280              | 41,370              | 23,137               | 37,313               |
| Federally funded programs                       | 50,260              | 118,984             | 214,015              | 25,051               |
| Student activities                              | 26,448              | 31,077              | 27,784               | 57,117               |
| Public school support                           | -                   | -                   | -                    | -                    |
| Other purposes                                  | -                   | -                   | -                    | -                    |
| Special Revenue                                 | -                   | -                   | -                    | -                    |
| Set Asides                                      | -                   | -                   | -                    | -                    |
| Unrestricted (deficit)                          | <u>(9,076,564)</u>  | <u>(10,167,556)</u> | <u>15,179,958</u>    | <u>12,562,342</u>    |
| Total governmental activities net position      | <u>2,171,259</u>    | <u>180,644</u>      | <u>25,687,047</u>    | <u>23,550,481</u>    |
| <b>Business-type activities</b>                 |                     |                     |                      |                      |
| Net investment in capital assets                | 69,285              | 81,291              | 94,072               | 109,865              |
| Invested in capital assets                      | -                   | -                   | -                    | -                    |
| Unrestricted (deficit)                          | <u>(920,747)</u>    | <u>25,496</u>       | <u>(170,180)</u>     | <u>(254,234)</u>     |
| Total business-type activities net position     | <u>(851,462)</u>    | <u>106,787</u>      | <u>(76,108)</u>      | <u>(144,369)</u>     |
| <b>Primary government</b>                       |                     |                     |                      |                      |
| Net investment in capital assets                | 7,952,276           | 7,682,861           | 7,643,572            | 8,483,207            |
| Invested in capital assets, net of related debt | -                   | -                   | -                    | -                    |
| Restricted for:                                 |                     |                     |                      |                      |
| Capital projects                                | 540,935             | 3,429               | 48,029               | 18,167               |
| Debt service                                    | 2,724,609           | 2,542,419           | 2,635,272            | 2,467,211            |
| Locally funded programs                         | 9,300               | 9,351               | 9,352                | 9,938                |
| State funded programs                           | 13,280              | 41,370              | 23,137               | 37,313               |
| Federally funded programs                       | 50,260              | 118,984             | 214,015              | 25,051               |
| Student activities                              | 26,448              | 31,077              | 27,784               | 57,117               |
| Public school support                           | -                   | -                   | -                    | -                    |
| Other purposes                                  | -                   | -                   | -                    | -                    |
| Special Revenue                                 | -                   | -                   | -                    | -                    |
| Set Asides                                      | -                   | -                   | -                    | -                    |
| Unrestricted (deficit)                          | <u>(9,997,311)</u>  | <u>(10,142,060)</u> | <u>15,009,778</u>    | <u>12,308,108</u>    |
| Total primary government net position           | <u>\$ 1,319,797</u> | <u>\$ 287,431</u>   | <u>\$ 25,610,939</u> | <u>\$ 23,406,112</u> |

**Source:** School District financial records.

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

(2) Net position restated for GASB Statement No. 68, which was implemented in 2015.

| <u>2011</u>          | <u>2010</u>          | <u>2009</u>          | <u>2008</u>          | <u>2007</u>          | <u>2006</u>         |
|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                |
| 9,202,452            | 6,393,963            | 4,067,939            | 3,115,203            | 19,694,843           | 2,895,485           |
| 95,693               | 1,261,175            | 1,954,926            | 2,715,093            | -                    | -                   |
| 2,344,828            | 2,443,764            | 2,374,692            | 2,266,165            | 248,507              | -                   |
| 10,985               | 39,180               | -                    | -                    | -                    | -                   |
| 128,670              | 112,716              | -                    | -                    | -                    | -                   |
| 171,206              | 54,051               | -                    | -                    | -                    | -                   |
| 38,907               | 22,248               | -                    | -                    | -                    | -                   |
| -                    | 65,549               | -                    | -                    | -                    | -                   |
| -                    | 22,416               | -                    | -                    | -                    | -                   |
| -                    | -                    | 133,881              | 145,131              | 304,764              | 304,764             |
| -                    | 364,682              | 364,682              | 364,682              | 364,682              | -                   |
| 10,108,424           | 10,795,395           | 10,924,003           | 9,190,897            | (8,009,371)          | (603,882)           |
| <u>22,101,165</u>    | <u>21,575,139</u>    | <u>19,820,123</u>    | <u>17,797,171</u>    | <u>12,603,425</u>    | <u>2,596,367</u>    |
| -                    | -                    | -                    | -                    | -                    | -                   |
| 130,266              | 11,878               | 14,988               | 17,816               | 20,643               | 23,471              |
| <u>(292,148)</u>     | <u>(311,466)</u>     | <u>(189,365)</u>     | <u>(12,444)</u>      | <u>629</u>           | <u>(9,366)</u>      |
| <u>(161,882)</u>     | <u>(299,588)</u>     | <u>(174,377)</u>     | <u>5,372</u>         | <u>21,272</u>        | <u>14,105</u>       |
| -                    | -                    | -                    | -                    | -                    | -                   |
| 9,332,718            | 6,405,841            | 4,082,927            | 3,133,019            | 19,715,486           | 2,918,956           |
| 95,693               | 1,261,175            | 1,954,926            | 2,715,093            | -                    | -                   |
| 2,344,828            | 2,443,764            | 2,374,692            | 2,266,165            | 248,507              | -                   |
| 10,985               | 39,180               | -                    | -                    | -                    | -                   |
| 128,670              | 112,716              | -                    | -                    | -                    | -                   |
| 171,206              | 54,051               | -                    | -                    | -                    | -                   |
| 38,907               | 22,248               | -                    | -                    | -                    | -                   |
| -                    | 65,549               | -                    | -                    | -                    | -                   |
| -                    | 22,416               | -                    | -                    | -                    | -                   |
| -                    | -                    | 133,881              | 145,131              | 304,764              | 304,764             |
| -                    | 364,682              | 364,682              | 364,682              | 364,682              | -                   |
| 9,816,276            | 10,483,929           | 10,734,638           | 9,178,453            | (8,008,742)          | (613,248)           |
| <u>\$ 21,939,283</u> | <u>\$ 21,275,551</u> | <u>\$ 19,645,746</u> | <u>\$ 17,802,543</u> | <u>\$ 12,624,697</u> | <u>\$ 2,610,472</u> |

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

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

| <b>Expenses</b>                          | <b>2015</b>          | <b>2014</b>          | <b>2013</b>          | <b>2012</b>          |
|--|----------------------|----------------------|----------------------|----------------------|
| <b>Governmental activities:</b>          |                      |                      |                      |                      |
| Instruction:                             |                      |                      |                      |                      |
| Regular                                  | \$ 10,613,471        | \$ 10,160,176        | \$ 10,159,477        | \$ 10,527,461        |
| Special                                  | 3,017,452            | 2,966,148            | 2,763,960            | 2,044,031            |
| Vocational                               | 85,816               | 119,372              | 101,276              | 101,336              |
| Other instructional                      | 27,580               | 28,429               | 27,004               | 26,963               |
| Support services:                        |                      |                      |                      |                      |
| Pupil                                    | 1,388,422            | 1,327,486            | 1,372,568            | 1,402,845            |
| Instructional staff                      | 481,574              | 508,121              | 589,672              | 1,227,221            |
| Board of education                       | 268,722              | 63,735               | 33,499               | 24,499               |
| Administration                           | 1,419,446            | 1,530,055            | 1,465,239            | 1,525,224            |
| Fiscal                                   | 594,717              | 821,468              | 682,284              | 808,236              |
| Business                                 | 18,594               | 15,969               | 33,442               | 15,108               |
| Operations and maintenance               | 1,761,981            | 2,339,963            | 1,767,999            | 1,848,672            |
| Pupil transportation                     | 670,257              | 635,344              | 636,919              | 598,342              |
| Central                                  | 605,860              | 317,623              | 271,886              | 703,144              |
| Operation of non-instructional services: |                      |                      |                      |                      |
| Other non-instructional services         | 487,070              | 435,425              | 448,198              | 440,844              |
| Extracurricular activities               | 449,449              | 475,581              | 531,641              | 546,593              |
| Interest and fiscal charges              | 534,058              | 782,309              | 861,026              | 1,343,335            |
| Bond issuance costs                      | -                    | 79,000               | 304,956              | -                    |
| Total governmental activities expenses   | <u>22,424,469</u>    | <u>22,606,204</u>    | <u>22,051,046</u>    | <u>23,183,854</u>    |
| <b>Business-type activities:</b>         |                      |                      |                      |                      |
| Food service                             | 378,023              | 407,926              | 431,845              | 409,011              |
| Day care services                        | 717,833              | 710,406              | 728,605              | 732,200              |
| Total business-type activities expenses  | <u>1,095,856</u>     | <u>1,118,332</u>     | <u>1,160,450</u>     | <u>1,141,211</u>     |
| Total primary government expenses        | <u>\$ 23,520,325</u> | <u>\$ 23,724,536</u> | <u>\$ 23,211,496</u> | <u>\$ 24,325,065</u> |

|    | <u>2011</u>       | <u>2010</u>       | <u>2009</u>       | <u>2008</u>       | <u>2007</u>       | <u>2006</u>       |
|----|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ | 10,442,452        | \$ 10,359,053     | \$ 9,734,851      | \$ 7,894,286      | \$ 6,904,558      | \$ 9,875,549      |
|    | 2,124,180         | 2,608,089         | 3,068,363         | 2,696,239         | 2,475,614         | 2,846,548         |
|    | 88,669            | 172,084           | 17,430            | 5,070             | 160,020           | 264,185           |
|    | 24,695            | 6,538             | 15,305            | 31,041            | 25,479            | 89,072            |
|    | 1,261,354         | 1,092,469         | 1,202,917         | 1,073,956         | 1,094,099         | 1,339,071         |
|    | 1,406,625         | 1,297,713         | 1,764,724         | 1,228,859         | 1,228,523         | 1,323,560         |
|    | 27,523            | 30,939            | 27,381            | 21,868            | 19,398            | 20,235            |
|    | 1,437,284         | 1,491,518         | 1,361,033         | 1,157,334         | 918,746           | 1,396,018         |
|    | 857,173           | 868,247           | 741,625           | 682,164           | 698,716           | 573,589           |
|    | 20,454            | 201,637           | 219,281           | 57,978            | 23,176            | 24,882            |
|    | 1,952,349         | 2,018,495         | 2,156,645         | 1,809,402         | 1,871,949         | 2,020,131         |
|    | 630,610           | 709,469           | 703,411           | 1,110,868         | 524,392           | 578,268           |
|    | 602,701           | 585,207           | 244,236           | 228,198           | 160,140           | 153,966           |
|    | 567,715           | 523,037           | 637,148           | 469,812           | 636,714           | 537,553           |
|    | 556,263           | 454,972           | 613,848           | 386,666           | 419,166           | 658,994           |
|    | 1,413,555         | 1,528,481         | 1,441,200         | 1,679,026         | 1,380,019         | 1,659,845         |
|    | -                 | -                 | -                 | -                 | -                 | -                 |
|    | <u>23,413,602</u> | <u>23,947,948</u> | <u>23,949,398</u> | <u>20,532,767</u> | <u>18,540,709</u> | <u>23,361,466</u> |
|    | 385,275           | 415,012           | 345,918           | 315,287           | 222,957           | 564,054           |
|    | <u>677,048</u>    | <u>725,270</u>    | <u>925,404</u>    | <u>863,641</u>    | <u>861,174</u>    | <u>803,623</u>    |
|    | <u>1,062,323</u>  | <u>1,140,282</u>  | <u>1,271,322</u>  | <u>1,178,928</u>  | <u>1,084,131</u>  | <u>1,367,677</u>  |
| \$ | <u>24,475,925</u> | <u>25,088,230</u> | <u>25,220,720</u> | <u>21,711,695</u> | <u>19,624,840</u> | <u>24,729,143</u> |

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

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

| <b>Program Revenues</b>                                | <b>2015</b>            | <b>2014</b>            | <b>2013</b>            | <b>2012</b>            |
|--|------------------------|------------------------|------------------------|------------------------|
| <b>Governmental activities:</b>                        |                        |                        |                        |                        |
| Charges for services and sales:                        |                        |                        |                        |                        |
| Instruction:   |                        |                        |                        |                        |
| Regular  | \$ 377,091             | \$ 336,844             | \$ 414,852             | \$ 405,162             |
| Special  | 29,083                 | 38,480                 | 33,017                 | 11,753                 |
| Vocational   | -                      | -                      | -                      | -                      |
| Other instructional                                    | -                      | -                      | -                      | 1,712                  |
| Support services:                                      |                        |                        |                        |                        |
| Pupil  | -                      | -                      | -                      | -                      |
| Instructional staff                                    | -                      | -                      | -                      | -                      |
| Board of education                                     | -                      | -                      | -                      | -                      |
| Administration   | -                      | -                      | -                      | 1,872                  |
| Fiscal   | -                      | -                      | -                      | -                      |
| Business   | -                      | -                      | -                      | -                      |
| Operations and maintenance                             | 102,301                | 102,164                | 101,970                | 104,119                |
| Pupil transportation                                   | 6,108                  | 29,600                 | 35,520                 | 33,382                 |
| Central  | -                      | -                      | 1,431                  | -                      |
| Operation of non-instructional services:               |                        |                        |                        |                        |
| Other non-instructional services                       | -                      | 1,990                  | 1,237                  | 172                    |
| Extracurricular activities                             | 116,018                | 101,150                | 103,829                | 96,092                 |
| <b>Operating grants and contributions:</b>             |                        |                        |                        |                        |
| Instruction:   |                        |                        |                        |                        |
| Regular  | 63,046                 | 63,770                 | 64,233                 | 66,040                 |
| Special  | 962,436                | 952,668                | 727,450                | 392,629                |
| Vocational   | 284                    | 140                    | 7,802                  | 7,802                  |
| Adult/Continuing                                       | -                      | -                      | -                      | -                      |
| Other instructional                                    | -                      | -                      | 784                    | 654                    |
| Support services:                                      |                        |                        |                        |                        |
| Pupil  | 114,345                | 104,071                | 177,360                | 122,200                |
| Instructional staff                                    | 28,204                 | 44,373                 | 62,143                 | -                      |
| Board of education                                     | -                      | -                      | -                      | -                      |
| Administration   | 1,162                  | 4,133                  | 8,771                  | 2,831                  |
| Fiscal   | -                      | 25,756                 | 26,018                 | 9,975                  |
| Operations and maintenance                             | -                      | 2,589                  | -                      | 1,161                  |
| Pupil transportation                                   | -                      | -                      | -                      | 37,082                 |
| Central  | -                      | -                      | 2,146                  | 8,321                  |
| Operation of non-instructional services:               |                        |                        |                        |                        |
| Other non-instructional services                       | 457,319                | 448,969                | 430,875                | 438,194                |
| Extracurricular activities                             | 200                    | 1,825                  | 6,306                  | 25,737                 |
| <b>Capital grants and contributions:</b>               |                        |                        |                        |                        |
| Instruction:   |                        |                        |                        |                        |
| Regular  | -                      | -                      | -                      | -                      |
| Support services:                                      |                        |                        |                        |                        |
| Pupil transportation                                   | -                      | -                      | -                      | -                      |
| Operations and maintenance                             | -                      | -                      | -                      | -                      |
| <b>Total governmental program revenues</b>             | <b>2,257,597</b>       | <b>2,258,522</b>       | <b>2,205,744</b>       | <b>1,766,890</b>       |
| <b>Business-type activities:</b>                       |                        |                        |                        |                        |
| Charges for services and sales:                        |                        |                        |                        |                        |
| Food service   | 184,078                | 228,269                | 232,193                | 199,724                |
| Day care services                                      | 741,552                | 793,720                | 791,579                | 746,139                |
| Operating grants and contributions:                    |                        |                        |                        |                        |
| Food service   | 187,378                | 171,535                | 188,987                | 202,397                |
| <b>Total business-type activities program revenues</b> | <b>1,113,008</b>       | <b>1,193,524</b>       | <b>1,212,759</b>       | <b>1,148,260</b>       |
| <b>Total primary government program revenue</b>        | <b>3,370,605</b>       | <b>3,452,046</b>       | <b>3,418,503</b>       | <b>2,915,150</b>       |
| <b>Net (Expense)/Revenue</b>                           |                        |                        |                        |                        |
| Governmental activities                                | (20,166,872)           | (20,347,682)           | (19,845,302)           | (21,416,964)           |
| Business-type activities                               | 17,152                 | 75,192                 | 52,309                 | 7,049                  |
| <b>Total primary government net expense</b>            | <b>\$ (20,149,720)</b> | <b>\$ (20,272,490)</b> | <b>\$ (19,792,993)</b> | <b>\$ (21,409,915)</b> |

|    | 2011                | 2010                | 2009                | 2008                | 2007                | 2006                |
|----|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ | 369,546             | \$ 373,012          | \$ 262,454          | \$ 272,244          | \$ 305,364          | \$ 408,350          |
|    | -                   | -                   | 53,948              | 61,418              | 7,000               | -                   |
|    | -                   | -                   | 333                 | 939                 | -                   | -                   |
|    | 2,257               | 3,435               | -                   | 408                 | -                   | 14,597              |
|    | -                   | -                   | 20,926              | 22,968              | -                   | 31,231              |
|    | 479                 | 11,063              | 31,346              | 5,663               | -                   | -                   |
|    | -                   | -                   | 530                 | 540                 | 1,510               | 1,515               |
|    | -                   | -                   | 27,200              | 28,527              | 2,445               | 121,329             |
|    | -                   | -                   | 14,731              | 15,969              | -                   | -                   |
|    | -                   | -                   | 4,098               | 1,423               | -                   | -                   |
|    | 103,635             | 87,782              | 47,017              | 43,932              | 144,419             | -                   |
|    | 21,541              | 19,363              | 12,392              | 11,152              | 6,328               | 38,974              |
|    | 230                 | 307                 | 6,587               | 5,466               | -                   | -                   |
|    | 1,750               | 6,258               | 7,636               | 14,748              | 19,573              | -                   |
|    | 117,699             | 99,970              | 100,987             | 98,290              | 99,590              | 101,819             |
|    | 189,310             | 86,014              | 63,267              | 60,335              | 70,533              | 76,432              |
|    | 654,196             | 673,625             | 405,537             | 319,520             | 294,779             | 301,995             |
|    | 7,802               | 7,744               | 3,133               | -                   | 66,019              | 51,943              |
|    | -                   | -                   | -                   | -                   | 1,240               | -                   |
|    | 290                 | -                   | 17,258              | 6,743               | 15,592              | -                   |
|    | 144,588             | 146,765             | 163,928             | 249,076             | 239,775             | 218,654             |
|    | 77,163              | 101,288             | 38,154              | 87,891              | 30,546              | 58,587              |
|    | -                   | -                   | -                   | -                   | 6,858               | -                   |
|    | 17,816              | 20,605              | 16,607              | -                   | -                   | -                   |
|    | 18,249              | 14,596              | 9,352               | -                   | -                   | -                   |
|    | 130,747             | 78,839              | -                   | -                   | -                   | -                   |
|    | -                   | 38,444              | -                   | -                   | 7,020               | -                   |
|    | 5,030               | 5,170               | 6,695               | 6,624               | -                   | -                   |
|    | 519,233             | 527,822             | 556,617             | 525,936             | 525,529             | 520,874             |
|    | 1,193               | 125                 | -                   | -                   | -                   | -                   |
|    | -                   | -                   | -                   | -                   | 150,000             | -                   |
|    | -                   | -                   | -                   | 6,510               | -                   | -                   |
|    | 1,256               | -                   | -                   | -                   | -                   | -                   |
|    | <u>2,384,010</u>    | <u>2,302,227</u>    | <u>1,870,733</u>    | <u>1,846,322</u>    | <u>1,994,120</u>    | <u>1,946,300</u>    |
|    | 179,685             | 193,762             | 211,747             | 144,409             | 122,413             | 265,835             |
|    | 686,999             | 637,749             | 688,074             | 841,474             | 858,810             | 836,309             |
|    | 175,548             | 145,805             | 125,262             | 111,834             | 51,752              | 125,519             |
|    | <u>1,042,232</u>    | <u>977,316</u>      | <u>1,025,083</u>    | <u>1,097,717</u>    | <u>1,032,975</u>    | <u>1,227,663</u>    |
|    | <u>3,426,242</u>    | <u>3,279,543</u>    | <u>2,895,816</u>    | <u>2,944,039</u>    | <u>3,027,095</u>    | <u>3,173,963</u>    |
|    | (21,029,592)        | (21,645,721)        | (22,078,665)        | (18,686,445)        | (16,546,589)        | (21,415,166)        |
|    | <u>(20,091)</u>     | <u>(162,966)</u>    | <u>(246,239)</u>    | <u>(81,211)</u>     | <u>(51,156)</u>     | <u>(140,014)</u>    |
| \$ | <u>(21,049,683)</u> | <u>(21,808,687)</u> | <u>(22,324,904)</u> | <u>(18,767,656)</u> | <u>(16,597,745)</u> | <u>(21,555,180)</u> |

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

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

|  | <u>2015</u>         | <u>2014</u>         | <u>2013</u>         | <u>2012</u>         |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>General Revenues and Other Changes in Net Position</b>      |                     |                     |                     |                     |
| Governmental activities:                                       |                     |                     |                     |                     |
| Property taxes levied for:                                     |                     |                     |                     |                     |
| General purposes   | \$ 15,302,280       | \$ 16,876,303       | \$ 15,093,080       | \$ 15,697,755       |
| Debt service   | 1,636,060           | 1,925,240           | 2,032,515           | 2,166,501           |
| Grants and entitlements not restricted<br>to specific programs | 4,776,039           | 4,580,830           | 4,744,664           | 4,773,368           |
| Investment earnings  | 94,653              | 135,563             | 31,082              | 118,471             |
| Miscellaneous  | 388,455             | 26,392              | 80,527              | 110,185             |
| Transfers  | (40,000)            | (107,000)           | -                   | -                   |
| Total governmental activities                                  | <u>22,157,487</u>   | <u>23,437,328</u>   | <u>21,981,868</u>   | <u>22,866,280</u>   |
| Business-type activities:                                      |                     |                     |                     |                     |
| Miscellaneous  | 8,185               | 703                 | 15,952              | 10,464              |
| Transfers  | 40,000              | 107,000             | -                   | -                   |
| Non-operating (revenues):                                      |                     |                     |                     |                     |
| Proceeds from sale of capital assets                           | -                   | -                   | -                   | -                   |
| Total business-type activities                                 | <u>48,185</u>       | <u>107,703</u>      | <u>15,952</u>       | <u>10,464</u>       |
| Total primary government                                       | <u>22,205,672</u>   | <u>23,545,031</u>   | <u>21,997,820</u>   | <u>22,876,744</u>   |
| <b>Change in Net Position</b>                                  |                     |                     |                     |                     |
| Governmental activities  | 1,990,615           | 3,089,646           | 2,136,566           | 1,449,316           |
| Business-type activities                                       | <u>65,337</u>       | <u>182,895</u>      | <u>68,261</u>       | <u>17,513</u>       |
| Total primary government                                       | <u>\$ 2,055,952</u> | <u>\$ 3,272,541</u> | <u>\$ 2,204,827</u> | <u>\$ 1,466,829</u> |

**Source:** School District financial records.

|    | <u>2011</u>       | <u>2010</u>         | <u>2009</u>         | <u>2008</u>         | <u>2007</u>         | <u>2006</u>         |
|----|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ | 14,008,337        | \$ 15,773,158       | \$ 16,115,346       | \$ 16,016,359       | \$ 16,103,726       | \$ 13,669,113       |
|    | 1,933,450         | 2,117,387           | 2,116,467           | 2,070,148           | 2,110,733           | 1,493,351           |
|    | 5,173,969         | 5,217,461           | 5,288,005           | 4,819,377           | 4,240,208           | 4,141,356           |
|    | 127,727           | 223,267             | 513,033             | 905,764             | 1,925,490           | 1,209,937           |
|    | 57,879            | 69,464              | 68,766              | 97,534              | 120,947             | 107,831             |
|    | -                 | -                   | -                   | (28,992)            | -                   | (143,536)           |
|    | <u>21,301,362</u> | <u>23,400,737</u>   | <u>24,101,617</u>   | <u>23,880,190</u>   | <u>24,501,104</u>   | <u>20,478,052</u>   |
|    | 36,709            | 37,755              | 66,490              | 36,319              | 14,150              | 14,920              |
|    | -                 | -                   | -                   | 28,992              | -                   | 143,536             |
|    | -                 | -                   | -                   | -                   | -                   | 4,710               |
|    | <u>36,709</u>     | <u>37,755</u>       | <u>66,490</u>       | <u>65,311</u>       | <u>14,150</u>       | <u>163,166</u>      |
|    | <u>21,338,071</u> | <u>23,438,492</u>   | <u>24,168,107</u>   | <u>23,945,501</u>   | <u>24,515,254</u>   | <u>20,641,218</u>   |
|    | 271,770           | 1,755,016           | 2,022,952           | 5,193,745           | 7,954,515           | (937,114)           |
|    | 16,618            | (125,211)           | (179,749)           | (15,900)            | (37,006)            | 23,152              |
| \$ | <u>288,388</u>    | <u>\$ 1,629,805</u> | <u>\$ 1,843,203</u> | <u>\$ 5,177,845</u> | <u>\$ 7,917,509</u> | <u>\$ (913,962)</u> |

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

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

|  | <u>2015</u>         | <u>2014</u>         | <u>2013</u>         | <u>2012</u>         |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>Governmental activities:</b>          |                     |                     |                     |                     |
| Instruction:                             |                     |                     |                     |                     |
| Regular                                  | \$ 440,137          | \$ 400,614          | \$ 479,085          | \$ 471,202          |
| Special                                  | 991,519             | 991,148             | 760,467             | 404,382             |
| Vocational                               | 284                 | 140                 | 7,802               | 7,802               |
| Adult/Continuing                         | -                   | -                   | -                   | -                   |
| Other instructional                      | -                   | -                   | 784                 | 2,366               |
| Support services:                        |                     |                     |                     |                     |
| Pupil                                    | 114,345             | 104,071             | 177,360             | 122,200             |
| Instructional staff                      | 28,204              | 44,373              | 62,143              | -                   |
| Board of education                       | -                   | -                   | -                   | -                   |
| Administration                           | 1,162               | 4,133               | 8,771               | 4,703               |
| Fiscal                                   | -                   | 25,756              | 26,018              | 9,975               |
| Business                                 | -                   | -                   | -                   | -                   |
| Operations and maintenance               | 102,301             | 104,753             | 101,970             | 105,280             |
| Pupil transportation                     | 6,108               | 29,600              | 35,520              | 70,464              |
| Central                                  | -                   | -                   | 3,577               | 8,321               |
| Operation of non-instructional services: |                     |                     |                     |                     |
| Other non-instructional services         | 457,319             | 450,959             | 432,112             | 438,366             |
| Extracurricular activities               | 116,218             | 102,975             | 110,135             | 121,829             |
| <b>Total governmental activities</b>     | <u>2,257,597</u>    | <u>2,258,522</u>    | <u>2,205,744</u>    | <u>1,766,890</u>    |
| <b>Business-type activities:</b>         |                     |                     |                     |                     |
| Food service                             | 371,456             | 399,804             | 421,180             | 402,121             |
| Day care services                        | 741,552             | 793,720             | 791,579             | 746,139             |
| <b>Total business-type activities</b>    | <u>1,113,008</u>    | <u>1,193,524</u>    | <u>1,212,759</u>    | <u>1,148,260</u>    |
| <b>Total primary government</b>          | <u>\$ 3,370,605</u> | <u>\$ 3,452,046</u> | <u>\$ 3,418,503</u> | <u>\$ 2,915,150</u> |

Source: School District financial records.

|    | <u>2011</u>      | <u>2010</u>         | <u>2009</u>         | <u>2008</u>         | <u>2007</u>         | <u>2006</u>         |
|----|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ | 558,856          | \$ 459,026          | \$ 325,721          | \$ 332,579          | \$ 375,897          | \$ 484,782          |
|    | 654,196          | 673,625             | 459,485             | 380,938             | 301,779             | 301,995             |
|    | 7,802            | 7,744               | 3,466               | 939                 | 66,019              | 51,943              |
|    | -                | -                   | -                   | -                   | 1,240               | -                   |
|    | 2,547            | 3,435               | 17,258              | 7,151               | 15,592              | 14,597              |
|    | 144,588          | 146,765             | 184,854             | 272,044             | 239,775             | 249,885             |
|    | 77,642           | 112,351             | 69,500              | 93,554              | 180,546             | 58,587              |
|    | -                | -                   | 530                 | 540                 | 8,368               | 1,515               |
|    | 17,816           | 20,605              | 43,807              | 28,527              | 2,445               | 121,329             |
|    | 18,249           | 14,596              | 24,083              | 15,969              | -                   | -                   |
|    | -                | -                   | 4,098               | 1,423               | -                   | -                   |
|    | 235,638          | 166,621             | 47,017              | 43,932              | 144,419             | -                   |
|    | 21,541           | 57,807              | 12,392              | 17,662              | 13,348              | 38,974              |
|    | 5,260            | 5,477               | 13,282              | 12,090              | -                   | -                   |
|    | 520,983          | 534,080             | 564,253             | 540,684             | 545,102             | 520,874             |
|    | 118,892          | 100,095             | 100,987             | 98,290              | 99,590              | 101,819             |
|    | <u>2,384,010</u> | <u>2,302,227</u>    | <u>1,870,733</u>    | <u>1,846,322</u>    | <u>1,994,120</u>    | <u>1,946,300</u>    |
|    | 355,233          | 339,567             | 337,009             | 256,243             | 174,165             | 391,354             |
|    | 686,999          | 637,749             | 688,074             | 841,474             | 858,810             | 836,309             |
|    | <u>1,042,232</u> | <u>977,316</u>      | <u>1,025,083</u>    | <u>1,097,717</u>    | <u>1,032,975</u>    | <u>1,227,663</u>    |
| \$ | <u>3,426,242</u> | <u>\$ 3,279,543</u> | <u>\$ 2,895,816</u> | <u>\$ 2,944,039</u> | <u>\$ 3,027,095</u> | <u>\$ 3,173,963</u> |

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

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

|                                    | <u>2015</u>          | <u>2014</u>          | <u>2013</u>          | <u>2012</u>          |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund:                      |                      |                      |                      |                      |
| Committed                          | \$ -                 | \$ -                 | \$ -                 | \$ 10,234            |
| Assigned                           | 1,550,484            | 313,968              | 223,219              | 294,570              |
| Nonspendable                       | 61,494               | 10,689               | 10,457               | 7,605                |
| Unassigned                         | 18,007,077           | 17,921,642           | 15,341,983           | 13,732,862           |
| Reserved                           | -                    | -                    | -                    | -                    |
| Unreserved (deficit)               | -                    | -                    | -                    | -                    |
| Total general fund                 | <u>19,619,055</u>    | <u>18,246,299</u>    | <u>15,575,659</u>    | <u>14,045,271</u>    |
| All Other Governmental Funds:      |                      |                      |                      |                      |
| Restricted                         | 3,596,800            | 2,892,863            | 2,822,345            | 2,638,222            |
| Committed                          | -                    | 273,857              | 374,441              | 111,584              |
| Unassigned (deficit)               | (51,372)             | -                    | (25,867)             | (4,961)              |
| Reserved                           | -                    | -                    | -                    | -                    |
| Unreserved (deficit), reported in: |                      |                      |                      |                      |
| Special revenue funds              | -                    | -                    | -                    | -                    |
| Debt service funds                 | -                    | -                    | -                    | -                    |
| Capital projects funds             | -                    | -                    | -                    | -                    |
| Total all other governmental funds | <u>3,545,428</u>     | <u>3,166,720</u>     | <u>3,170,919</u>     | <u>2,744,845</u>     |
| Total governmental funds           | <u>\$ 23,164,483</u> | <u>\$ 21,413,019</u> | <u>\$ 18,746,578</u> | <u>\$ 16,790,116</u> |

**Source:** School District financial records.

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

| <u>2011 (1)</u>      | <u>2010</u>          | <u>2009</u>          | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 178,302           | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| 326,450              | -                    | -                    | -                    | -                    | -                    |
| -                    | -                    | -                    | -                    | -                    | -                    |
| 12,512,850           | -                    | -                    | -                    | -                    | -                    |
| -                    | 2,889,744            | 3,089,568            | 2,604,233            | 2,581,171            | 1,974,419            |
| -                    | 9,225,324            | 9,066,925            | 7,599,626            | 3,976,489            | 194,327              |
| <u>13,017,602</u>    | <u>12,115,068</u>    | <u>12,156,493</u>    | <u>10,203,859</u>    | <u>6,557,660</u>     | <u>2,168,746</u>     |
| 2,652,841            | -                    | -                    | -                    | -                    | -                    |
| 299,333              | -                    | -                    | -                    | -                    | -                    |
| (129)                | -                    | -                    | -                    | -                    | -                    |
| -                    | 1,120,673            | 661,129              | 733,740              | 6,682,603            | 614,617              |
| -                    | (27,915)             | 166,615              | 261,212              | 229,768              | 214,666              |
| -                    | 2,122,537            | 2,045,656            | 2,011,929            | 2,007,092            | 1,829,141            |
| -                    | 616,222              | 965,628              | 2,416,869            | 4,985,364            | 26,351,410           |
| <u>2,952,045</u>     | <u>3,831,517</u>     | <u>3,839,028</u>     | <u>5,423,750</u>     | <u>13,904,827</u>    | <u>29,009,834</u>    |
| <u>\$ 15,969,647</u> | <u>\$ 15,946,585</u> | <u>\$ 15,995,521</u> | <u>\$ 15,627,609</u> | <u>\$ 20,462,487</u> | <u>\$ 31,178,580</u> |

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

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

|   | <u>2015</u>         | <u>2014</u>         | <u>2013</u>         | <u>2012</u>       |
|---|---------------------|---------------------|---------------------|-------------------|
| <b>Revenues</b>   |                     |                     |                     |                   |
| From local sources:                                     |                     |                     |                     |                   |
| Taxes   | \$ 17,463,995       | \$ 18,416,893       | \$ 17,392,923       | \$ 17,083,443     |
| Intergovernmental                                       | 6,407,102           | 6,368,137           | 5,994,215           | 6,084,947         |
| Tuition   | 208,922             | 222,481             | 306,080             | 266,691           |
| Earnings on investments                                 | 88,514              | 132,284             | 37,413              | 113,069           |
| Extracurricular   | 181,275             | 164,039             | 171,383             | 155,419           |
| Classroom materials and fees                            | 107,442             | 79,751              | 76,903              | 96,508            |
| Rental income   | 102,301             | 102,164             | 101,970             | 104,119           |
| Customer sales and services                             | -                   | -                   | -                   | -                 |
| Contributions and donations                             | 10,671              | 12,069              | 11,378              | 33,545            |
| Other local revenues                                    | 36,032              | 72,341              | 101,243             | 155,159           |
| Total revenues  | <u>24,606,254</u>   | <u>25,570,159</u>   | <u>24,193,508</u>   | <u>24,092,900</u> |
| <b>Expenditures</b>                                     |                     |                     |                     |                   |
| Current:  |                     |                     |                     |                   |
| Instruction:  |                     |                     |                     |                   |
| Regular   | 9,520,195           | 8,947,016           | 9,049,519           | 9,472,929         |
| Special   | 3,063,183           | 2,969,311           | 2,749,086           | 2,054,128         |
| Vocational  | 104,218             | 131,726             | 112,285             | 101,336           |
| Other   | 12,029              | 14,478              | 14,650              | 15,954            |
| Support services:                                       |                     |                     |                     |                   |
| Pupil   | 1,411,112           | 1,315,830           | 1,391,035           | 1,418,673         |
| Instructional staff                                     | 450,574             | 454,886             | 543,701             | 1,191,611         |
| Board of education                                      | 268,996             | 63,735              | 33,499              | 24,499            |
| Administration  | 1,461,397           | 1,514,324           | 1,446,104           | 1,525,693         |
| Fiscal  | 611,516             | 816,874             | 683,382             | 807,897           |
| Business  | 18,594              | 15,969              | 33,442              | 15,108            |
| Operations and maintenance                              | 1,810,888           | 1,695,749           | 1,708,857           | 1,714,845         |
| Pupil transportation                                    | 729,462             | 697,314             | 693,156             | 714,197           |
| Central   | 788,137             | 301,018             | 259,559             | 586,819           |
| Operation of non-instructional services:                |                     |                     |                     |                   |
| Other non-instructional services                        | 488,433             | 434,108             | 446,655             | 440,733           |
| Extracurricular activities                              | 460,659             | 473,027             | 531,056             | 545,067           |
| Facilities acquisition and construction                 | 100,095             | 821,181             | 409,514             | 263,660           |
| Capital outlay  | -                   | 446,648             | -                   | -                 |
| Issuance costs  | -                   | 79,000              | 304,956             | -                 |
| Debt service:   |                     |                     |                     |                   |
| Principal retirement                                    | 1,203,893           | 1,365,000           | 1,280,000           | 1,210,000         |
| Interest and fiscal charges                             | 702,849             | 729,413             | 854,092             | 1,174,282         |
| Total expenditures                                      | <u>23,206,230</u>   | <u>23,286,607</u>   | <u>22,544,548</u>   | <u>23,277,431</u> |
| Excess of revenues over (under) expenditures            | <u>1,400,024</u>    | <u>2,283,552</u>    | <u>1,648,960</u>    | <u>815,469</u>    |
| <b>Other Financing Sources (Uses)</b>                   |                     |                     |                     |                   |
| Transfers in  | 899,000             | 1,019,132           | 1,064,010           | 452,500           |
| Transfers (out)   | (979,000)           | (1,162,156)         | (1,064,010)         | (452,500)         |
| Sale of assets  | 431,440             | -                   | -                   | 5,000             |
| Capital lease transaction                               | -                   | 446,648             | -                   | -                 |
| General obligation bonds issued                         | -                   | -                   | -                   | -                 |
| Refunding bonds issued                                  | -                   | 6,901,000           | 16,539,980          | -                 |
| Premium on bonds  | -                   | 490,730             | 2,350,698           | -                 |
| Payment refunded bond escrow agent                      | -                   | (7,312,465)         | (18,583,176)        | -                 |
| Total other financing sources (uses)                    | <u>351,440</u>      | <u>382,889</u>      | <u>307,502</u>      | <u>5,000</u>      |
| Net change in fund balances                             | <u>\$ 1,751,464</u> | <u>\$ 2,666,441</u> | <u>\$ 1,956,462</u> | <u>\$ 820,469</u> |
| Debt service as a percentage of noncapital expenditures | 8.47%               | 9.27%               | 9.66%               | 10.35%            |

**Source:** School District financial records.

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

|    | <u>2011</u>       | <u>2010</u>       | <u>2009</u>       | <u>2008</u>        | <u>2007</u>         | <u>2006</u>        |
|----|-------------------|-------------------|-------------------|--------------------|---------------------|--------------------|
| \$ | 17,064,594        | \$ 17,595,767     | \$ 18,168,781     | \$ 18,215,926      | \$ 17,908,931       | \$ 15,155,771      |
|    | 6,736,014         | 6,835,178         | 6,497,091         | 6,058,755          | 5,640,961           | 5,369,843          |
|    | 195,792           | 207,506           | 314,045           | 320,322            | 284,113             | 327,730            |
|    | 121,957           | 208,581           | 513,033           | 905,764            | 1,849,715           | 1,209,937          |
|    | 160,095           | 153,008           | 183,195           | 157,585            | 164,835             | 236,449            |
|    | 136,074           | 135,664           | -                 | -                  | -                   | -                  |
|    | 103,635           | 87,782            | 115,447           | 107,987            | 144,419             | 102,244            |
|    | -                 | -                 | -                 | -                  | -                   | 44,363             |
|    | 11,041            | 13,469            | 14,548            | 15,744             | -                   | -                  |
|    | 79,420            | 104,694           | 68,766            | 97,534             | 114,794             | 112,318            |
|    | <u>24,608,622</u> | <u>25,341,649</u> | <u>25,874,906</u> | <u>25,879,617</u>  | <u>26,107,768</u>   | <u>22,558,655</u>  |
|    | 9,292,770         | 9,406,536         | 8,778,083         | 8,164,321          | 7,539,460           | 8,759,003          |
|    | 2,127,551         | 2,723,835         | 3,004,012         | 2,823,014          | 2,611,307           | 2,656,532          |
|    | 88,669            | 172,084           | 17,430            | 5,070              | 196,241             | 252,072            |
|    | 24,695            | 6,538             | 15,305            | 31,041             | 25,479              | 90,271             |
|    | 1,253,749         | 1,121,925         | 1,167,004         | 1,162,803          | 1,257,308           | 1,208,232          |
|    | 1,382,636         | 1,304,854         | 1,654,506         | 1,272,959          | 1,228,741           | 1,235,230          |
|    | 27,523            | 30,939            | 27,381            | 21,868             | 19,398              | 20,235             |
|    | 1,434,797         | 1,557,313         | 1,336,634         | 1,150,542          | 1,056,596           | 1,088,483          |
|    | 852,313           | 861,725           | 742,080           | 678,772            | 653,957             | 580,953            |
|    | 37,798            | 184,293           | 219,281           | 57,978             | 23,176              | 24,882             |
|    | 1,809,114         | 2,014,311         | 2,271,267         | 1,776,897          | 1,744,105           | 1,917,837          |
|    | 535,905           | 736,858           | 640,776           | 1,138,995          | 479,562             | 563,147            |
|    | 598,003           | 576,868           | 240,556           | 226,286            | 154,605             | 164,209            |
|    | 562,698           | 519,876           | 603,912           | 494,444            | 545,938             | 576,530            |
|    | 554,880           | 454,972           | 609,636           | 393,906            | 392,708             | 662,119            |
|    | 1,573,926         | 1,263,770         | 1,765,933         | 8,862,724          | 16,697,008          | 2,609,671          |
|    | -                 | -                 | -                 | -                  | -                   | -                  |
|    | -                 | -                 | -                 | -                  | -                   | 323,735            |
|    | 1,265,000         | 1,185,000         | 1,145,000         | 1,110,000          | 860,000             | 194,252            |
|    | 1,197,228         | 1,268,888         | 1,268,198         | 1,303,883          | 1,338,272           | 1,445,436          |
|    | <u>24,619,255</u> | <u>25,390,585</u> | <u>25,506,994</u> | <u>30,675,503</u>  | <u>36,823,861</u>   | <u>24,372,829</u>  |
|    | <u>(10,633)</u>   | <u>(48,936)</u>   | <u>367,912</u>    | <u>(4,795,886)</u> | <u>(10,716,093)</u> | <u>(1,814,174)</u> |
|    | 1,126,578         | 2,546,391         | 402,013           | 650,529            | 111,987             | 322,589            |
|    | (1,092,883)       | (2,546,391)       | (402,013)         | (689,521)          | (111,987)           | (466,126)          |
|    | -                 | -                 | -                 | -                  | -                   | -                  |
|    | -                 | -                 | -                 | -                  | -                   | -                  |
|    | -                 | -                 | -                 | -                  | -                   | 28,499,992         |
|    | -                 | -                 | -                 | -                  | -                   | 2,729,999          |
|    | -                 | -                 | -                 | -                  | -                   | 1,587,906          |
|    | -                 | -                 | -                 | -                  | -                   | (2,856,695)        |
|    | <u>33,695</u>     | <u>-</u>          | <u>-</u>          | <u>(38,992)</u>    | <u>-</u>            | <u>29,817,665</u>  |
| \$ | <u>23,062</u>     | <u>(48,936)</u>   | <u>367,912</u>    | <u>(4,834,878)</u> | <u>(10,716,093)</u> | <u>28,003,491</u>  |
|    | 10.63%            | 10.22%            | 10.20%            | 11.45%             | 10.92%              | 7.53%              |

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

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

| Collection Year | Tangible Personal Property |                        |                |                        |                  |                        |
|-----------------|----------------------------|------------------------|----------------|------------------------|------------------|------------------------|
|                 | Real Property              |                        | Public Utility |                        | General Business |                        |
|                 | Assessed Value             | Estimated Actual Value | Assessed Value | Estimated Actual Value | Assessed Value   | Estimated Actual Value |
| 2015            | \$ 334,796,640             | \$ 956,561,829         | \$ 4,598,810   | \$ 5,225,920           | \$ -             | \$ -                   |
| 2014            | 340,827,800                | 973,793,714            | 4,394,500      | 4,993,750              | -                | -                      |
| 2013            | 336,463,920                | 961,325,486            | 4,011,650      | 4,558,693              | -                | -                      |
| 2012            | 350,580,950                | 1,001,659,857          | 3,709,930      | 4,215,830              | -                | -                      |
| 2011            | 356,225,970                | 1,017,788,486          | 3,580,770      | 4,069,057              | -                | -                      |
| 2010            | 355,779,330                | 1,016,512,371          | 3,498,100      | 3,975,114              | 566,680          | -                      |
| 2009            | 387,103,710                | 1,106,010,600          | 3,279,780      | 3,727,023              | 1,941,250        | -                      |
| 2008            | 381,078,160                | 1,088,794,743          | 3,124,260      | 3,550,295              | 2,961,371        | 47,381,936             |
| 2007            | 383,651,250                | 1,096,146,428          | 4,854,800      | 5,516,818              | 2,537,878        | 13,535,349             |
| 2006            | 351,888,370                | 1,010,185,514          | 5,810,780      | 6,603,159              | 3,610,219        | 14,440,876             |

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

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

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

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

| <b>Total</b>          |                               |              |                            |
|-----------------------|-------------------------------|--------------|----------------------------|
| <b>Assessed Value</b> | <b>Estimated Actual Value</b> | <b>Ratio</b> | <b>Direct Tax Rate (1)</b> |
| \$ 339,395,450        | \$ 961,787,749                | 35.29%       | 96.47                      |
| 345,222,300           | 978,787,464                   | 35.27%       | 96.47                      |
| 340,475,570           | 965,884,179                   | 35.25%       | 97.70                      |
| 354,290,880           | 1,005,875,687                 | 35.22%       | 97.60                      |
| 359,806,740           | 1,021,857,543                 | 35.21%       | 97.27                      |
| 359,844,110           | 1,020,487,485                 | 35.26%       | 97.27                      |
| 392,324,740           | 1,109,737,623                 | 35.35%       | 95.97                      |
| 387,163,791           | 1,139,726,974                 | 33.97%       | 95.87                      |
| 391,043,928           | 1,115,198,595                 | 35.06%       | 95.47                      |
| 361,309,369           | 1,031,229,549                 | 35.04%       | 95.47                      |

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

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

| Tax Year/<br>Collection<br>Year | Direct Tax Rates |      |         | Overlapping Tax Rates |                |              | Total<br>Levy |
|---------------------------------|------------------|------|---------|-----------------------|----------------|--------------|---------------|
|                                 | Voted            |      | Unvoted | Total<br>Direct       | County<br>Levy | City<br>Levy |               |
|                                 | General          | Bond |         |                       |                |              |               |
| 2014/2015                       | 86.30            | 5.60 | 4.57    | 96.47                 | 25.83          | 11.80        | 134.10        |
| 2013/2014                       | 86.30            | 5.60 | 4.57    | 96.47                 | 24.84          | 11.61        | 132.92        |
| 2012/2013                       | 86.10            | 7.03 | 4.57    | 97.70                 | 20.80          | 11.80        | 130.30        |
| 2011/2012                       | 86.00            | 7.03 | 4.57    | 97.60                 | 20.80          | 11.80        | 130.20        |
| 2010/2011                       | 85.77            | 6.93 | 4.57    | 97.27                 | 20.60          | 11.80        | 129.67        |
| 2009/2010                       | 85.77            | 6.93 | 4.57    | 97.27                 | 20.60          | 11.80        | 129.67        |
| 2008/2009                       | 85.17            | 6.23 | 4.57    | 95.97                 | 20.60          | 11.80        | 128.37        |
| 2007/2008                       | 85.17            | 6.13 | 4.57    | 95.87                 | 20.20          | 11.80        | 127.87        |
| 2006/2007                       | 84.87            | 6.03 | 4.57    | 95.47                 | 20.20          | 11.80        | 127.47        |
| 2005/2006                       | 84.47            | 6.43 | 4.57    | 95.47                 | 20.30          | 11.80        | 127.57        |

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

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

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN YEARS

| <b>Collection Year</b> | <b>Current Tax Levy</b> | <b>Current Tax Collections</b> | <b>Percent of Current Levy Collected</b> | <b>Delinquent Tax Collections (2)</b> | <b>Total Tax Collection</b> | <b>Total Collection As a Percent of Total Levy</b> |
|------------------------|-------------------------|--------------------------------|--|---------------------------------------|-----------------------------|--|
| 2015                   | \$ 19,772,724           | \$ 19,361,912                  | 97.92%                                   | \$ 390,321                            | \$ 19,752,233               | 99.90%   |
| 2014                   | 19,798,918              | 19,285,908                     | 97.41%                                   | 461,947                               | 19,747,855                  | 99.74%   |
| 2013                   | 20,507,201              | 19,663,016                     | 95.88%                                   | 384,089                               | 20,047,105                  | 97.76%   |
| 2012                   | 20,373,581              | 19,710,953                     | 96.75%                                   | 548,602                               | 20,259,555                  | 99.44%   |
| 2011                   | 20,793,529              | 19,732,467                     | 94.90%                                   | 504,382                               | 20,236,849                  | 97.32%   |
| 2010                   | 20,610,274              | 19,681,628                     | 95.49%                                   | 523,827                               | 20,205,455                  | 98.04%   |
| 2009                   | 20,538,092              | 19,852,476                     | 96.66%                                   | 509,858                               | 20,362,334                  | 99.14%   |
| 2008                   | 20,640,379              | 20,001,559                     | 96.90%                                   | 549,105                               | 20,550,664                  | 99.57%   |
| 2007                   | 20,712,324              | 18,947,673                     | 91.48%                                   | 508,891                               | 19,456,564                  | 93.94%   |
| 2006                   | 18,632,338              | 17,125,759                     | 91.91%                                   | 378,648                               | 17,504,407                  | 93.95%   |

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

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

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

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

PRINCIPAL TAXPAYERS  
REAL ESTATE TAX  
DECEMBER 31, 2015 AND DECEMBER 31, 2006

| <b>December 31, 2015</b>                |                               |             |  |
|---|-------------------------------|-------------|--|
| <b>Taxpayer</b>                         | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total District Real Estate Assessed Value</b> |
| Z and Sons Limited                      | \$ 5,930,960                  | 1           | 1.77%  |
| Fairview Retail, LLC                    | 3,518,130                     | 2           | 1.05%  |
| Cleveland Electric Illuminating Company | 3,096,940                     | 3           | 0.93%  |
| LVIHEF LLC                              | 2,679,360                     | 4           | 0.80%  |
| 200 West Apartments                     | 1,765,680                     | 5           | 0.53%  |
| West Valley Medical                     | 1,764,950                     | 6           | 0.53%  |
| Stallard-Schrier Fam Ltd Par            | 906,570                       | 7           | 0.27%  |
| East Ohio Gas                           | 840,710                       | 8           | 0.25%  |
| Fairview Realty Invest Ltd.             | 805,000                       | 9           | 0.24%  |
| McGowan Real Estate Holdings            | 728,250                       | 10          | 0.22%  |
| Totals                                  | \$ 22,036,550                 |             | 6.58%  |
| Toal Assessed Valuation                 | \$ 334,796,640                |             |  |

| <b>December 31, 2006</b>          |                               |             |  |
|-----------------------------------|-------------------------------|-------------|--|
| <b>Taxpayer</b>                   | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total District Real Estate Assessed Value</b> |
| Z & Sons Limited Partnership      | \$ 6,745,550                  | 1           | 1.92%  |
| Fairview Retail LLC               | 4,138,830                     | 2           | 1.18%  |
| LVIHEF LLC                        | 2,698,430                     | 3           | 0.77%  |
| Cleveland Electrical Illuminating | 2,206,370                     | 4           | 0.63%  |
| 200 West Apartments               | 1,988,770                     | 5           | 0.57%  |
| Ohio Bell Telephone Co            | 1,265,230                     | 6           | 0.36%  |
| Stallard-Schrier Fam Ltd Par      | 1,023,930                     | 7           | 0.29%  |
| Positive Education Program        | 1,018,820                     | 8           | 0.29%  |
| Fairview Realty Invest Ltd        | 1,003,390                     | 9           | 0.29%  |
| Fairview Park Senior Apt. Corp    | 866,530                       | 10          | 0.25%  |
| Totals                            | \$ 22,955,850                 |             | 6.52%  |
| Toal Assessed Valuation           | \$ 351,888,370                |             |  |

Source: Office of the Fiscal Officer, Cuyahoga County

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

PRINCIPAL TAXPAYERS  
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY TAX  
DECEMBER 31, 2015 AND DECEMBER 31, 2006

| <b>December 31, 2015</b>            |                               |             |  |
|-------------------------------------|-------------------------------|-------------|--|
| <b>Taxpayer</b>                     | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total Tangible Personal Property Assessed Value</b> |
| Cleveland Electric Illuminating Co. | \$ 3,518,130                  | 1           | 76.50%   |
| East Ohio Gas Co.                   | 757,130                       | 2           | 16.46%   |
| American Transmission Systems       | 323,550                       | 3           | 7.04%  |
| Totals                              | \$ 4,598,810                  |             | 100.00%  |
| Toal Assessed Valuation             | \$ 4,598,810                  |             |  |

| <b>December 31, 2006</b>            |                               |             |  |
|-------------------------------------|-------------------------------|-------------|--|
| <b>Taxpayer</b>                     | <b>Taxable Assessed Value</b> | <b>Rank</b> | <b>Percentage of Total Tangible Personal Property Assessed Value</b> |
| Cleveland Electric Illuminating Co. | \$ 2,206,370                  | 1           | 23.42%   |
| Ohio Bell Telephone Company         | 1,265,230                     | 2           | 13.43%   |
| East Ohio Gas Co                    | 611,980                       | 3           | 6.50%  |
| Alltell Ohio Ltd Partner            | 287,320                       | 4           | 3.05%  |
| Franchise Operations Inc            | 245,390                       | 5           | 2.60%  |
| American Transmission System        | 231,780                       | 6           | 2.46%  |
| Look Yourself Enterprises Ltd       | 205,110                       | 7           | 2.18%  |
| Totals                              | \$ 5,053,180                  |             | 53.64%   |
| Toal Assessed Valuation             | \$ 9,420,999                  |             |  |

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

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

COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
ATTRIBUTABLE TO GOVERNMENTAL ACTIVITIES  
JUNE 30, 2015

|  | <u>Debt<br/>Attributable to<br/>Governmental<br/>Activities</u> | <u>Percentage<br/>Applicable to<br/>School<br/>District (1)</u> | <u>Amount of<br/>Direct and<br/>Overlapping Debt</u> |
|--|---|---|--|
| <b>Overlapping debt:</b>                 |   |   |  |
| City of Fairview Park                    | \$ 25,629,614   | 94.29%  | \$ 24,166,481  |
| Cuyahoga County                          | 314,245,000   | 1.19%   | 3,736,463  |
| Regional Transit Authority               | <u>116,450,000</u>  | 1.19%   | <u>1,384,624</u>                                     |
| Total overlapping debt                   | 456,324,614   |   | 29,287,567   |
| <b>Direct debt</b>                       | <u>25,664,301</u>   | 100.00%   | <u>25,664,301</u>                                    |
| <b>Total direct and overlapping debt</b> | <u>\$ 481,988,915</u>   |   | <u>\$ 54,951,868</u>                                 |

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

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the District by the total assessed valuation of the government. The valuations used were for the 2012 collection year.

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

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

| <u>Governmental Activities</u> |   |                           |               |  |                           |  |
|--------------------------------|---|---------------------------|---------------|--|---------------------------|--|
| <u>Fiscal Year</u>             | <u>General<br/>Obligation<br/>Bonds (1)</u> | <u>Capital<br/>Leases</u> | <u>Total</u>  | <u>Percentage of<br/>Total<br/>Personal Income (2)</u> | <u>Per<br/>Capita (2)</u> |  |
| 2015                           | \$ 25,664,301                               | \$ 295,755                | \$ 25,960,056 | 5.22%  | \$ 1,543                  |  |
| 2014                           | 26,842,945                                  | 446,648                   | 27,289,593    | 5.49%  | 1,647                     |  |
| 2013                           | 28,536,131                                  | -                         | 28,536,131    | 5.74%  | 1,696                     |  |
| 2012                           | 27,604,200                                  | -                         | 27,604,200    | 5.55%  | 1,641                     |  |
| 2011                           | 28,683,343                                  | -                         | 28,683,343    | 5.77%  | 1,705                     |  |
| 2010                           | 29,758,438                                  | -                         | 29,758,438    | 6.44%  | 1,694                     |  |
| 2009                           | 30,773,718                                  | -                         | 30,773,718    | 6.66%  | 1,751                     |  |
| 2008                           | 31,792,498                                  | -                         | 31,792,498    | 6.88%  | 1,809                     |  |
| 2007                           | 32,574,235                                  | -                         | 32,574,235    | 7.05%  | 1,854                     |  |
| 2006                           | 33,510,010                                  | -                         | 33,510,010    | 7.25%  | 1,907                     |  |

**Source:** School District financial records.

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

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

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

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

| Fiscal Year | Population (1) | (2)<br>Estimated<br>Actual Value of<br>Taxable Property | General Bonded Debt                       |  |                            | Ratio of Net<br>Bonded Debt<br>to Estimated<br>Actual Value | Net<br>Bonded<br>Debt<br>Per Capita |
|-------------|----------------|---|---|--|----------------------------|---|-------------------------------------|
|             |                |   | General<br>Bonded Debt<br>Outstanding (4) | Resources<br>Available to<br>Pay Principal (3) | Net General<br>Bonded Debt |   |                                     |
| 2015        | 16,826         | \$ 961,787,749  | \$ 25,664,301                             | \$ 2,970,985                                   | \$ 22,693,316              | 2.36%   | 1,349                               |
| 2014        | 16,571         | 978,787,464   | 26,842,945                                | 2,734,196                                      | 24,108,749                 | 2.46%   | 1,455                               |
| 2013        | 16,826         | 965,884,179   | 28,536,131                                | 2,734,196                                      | 25,801,935                 | 2.68%   | 1,538                               |
| 2012        | 16,826         | 1,005,875,687   | 27,604,200                                | 2,471,773                                      | 25,132,427                 | 2.50%   | 1,494                               |
| 2011        | 16,826         | 1,021,857,543   | 28,683,343                                | 2,457,586                                      | 26,225,757                 | 2.57%   | 1,559                               |
| 2010        | 17,572         | 1,020,487,485   | 29,758,438                                | 2,442,316                                      | 27,316,122                 | 2.68%   | 1,555                               |
| 2009        | 17,572         | 1,109,737,623   | 30,773,718                                | 2,372,936                                      | 28,400,782                 | 2.56%   | 1,616                               |
| 2008        | 17,572         | 1,139,726,974   | 31,792,498                                | 2,276,690                                      | 29,515,808                 | 2.59%   | 1,680                               |
| 2007        | 17,572         | 1,115,198,595   | 32,574,235                                | 2,250,270                                      | 30,323,965                 | 2.72%   | 1,726                               |
| 2006        | 17,572         | 1,031,229,549   | 33,510,010                                | 2,044,406                                      | 31,465,604                 | 3.05%   | 1,791                               |

**Source:** School District financial records.

- (1) See "Demographic and Economic Statistics" for population information.
- (2) See "Assessed Valuation and estimated Actual Value of Taxable Property" for estimated actual value of taxable property information.
- (3) Represents the fund balance of the bond retirement fund. Portion specific to principal and interest cannot be determined. Entire balance may be applied to principal.
- (4) Includes unamortized premiums and accreted interest on capital appreciation bonds.

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

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

|  | <u>2015</u>    | <u>2014</u>    | <u>2013</u>    | <u>2012</u>    |
|--|----------------|----------------|----------------|----------------|
| <b><u>Voted</u></b>  |                |                |                |                |
| Assessed Valuation   | \$ 339,395,450 | \$ 345,222,300 | \$ 340,475,570 | \$ 354,290,880 |
| Debt Limit - 9% of assessed value                                | \$ 30,545,591  | \$ 31,070,007  | \$ 30,642,801  | \$ 31,886,179  |
| Amount of debt applicable to debt limit:                         |                |                |                |                |
| General obligation bonds (1)                                     | 23,019,717     | 23,991,516     | 25,304,980     | 25,980,773     |
| Less amount available in debt service                            | (2,970,985)    | (2,771,555)    | (2,734,196)    | (2,471,773)    |
| Total  | 20,048,732     | 21,219,961     | 22,570,784     | 23,509,000     |
| Overall debt margin  | \$ 10,496,859  | \$ 9,850,046   | \$ 8,072,017   | \$ 8,377,179   |
| Total net debt applicable to limit as a percentage of debt limit | 65.64%         | 68.30%         | 73.66%         | 73.73%         |
| <b><u>Unvoted</u></b>  |                |                |                |                |
| Debt margin - .10% of assessed value                             | \$ 339,395     | \$ 345,222     | \$ 340,476     | \$ 354,291     |
| Amount of debt applicable  | -              | -              | -              | -              |
| Unvoted debt margin  | \$ 339,395     | \$ 345,222     | \$ 340,476     | \$ 354,291     |

**Source:** School District financial records.

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

| <u>2011</u>           | <u>2010</u>           | <u>2009</u>           | <u>2008</u>           | <u>2007</u>           | <u>2006</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>\$ 359,806,740</u> | <u>\$ 359,844,110</u> | <u>\$ 392,324,740</u> | <u>\$ 387,163,791</u> | <u>\$ 391,043,298</u> | <u>\$ 361,309,369</u> |
| <u>\$ 32,382,607</u>  | <u>\$ 32,385,970</u>  | <u>\$ 35,309,227</u>  | <u>\$ 34,844,741</u>  | <u>\$ 35,193,897</u>  | <u>\$ 32,517,843</u>  |
| 26,624,993            | 27,659,992            | 30,212,992            | 29,989,992            | 31,099,992            | 31,959,992            |
| (2,457,586)           | (2,442,316)           | (2,372,936)           | (2,276,690)           | (2,250,270)           | (2,044,406)           |
| <u>24,167,407</u>     | <u>25,217,676</u>     | <u>27,840,056</u>     | <u>27,713,302</u>     | <u>28,849,722</u>     | <u>29,915,586</u>     |
| <u>\$ 8,215,200</u>   | <u>\$ 7,168,294</u>   | <u>\$ 7,469,171</u>   | <u>\$ 7,131,439</u>   | <u>\$ 6,344,175</u>   | <u>\$ 2,602,257</u>   |
| 74.63%                | 77.87%                | 78.85%                | 79.53%                | 81.97%                | 92.00%                |
| <u>\$ 359,807</u>     | <u>\$ 359,844</u>     | <u>\$ 392,325</u>     | <u>\$ 387,164</u>     | <u>\$ 391,043</u>     | <u>\$ 361,309</u>     |
| <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              | <u>-</u>              |
| <u>\$ 359,807</u>     | <u>\$ 359,844</u>     | <u>\$ 392,325</u>     | <u>\$ 387,164</u>     | <u>\$ 391,043</u>     | <u>\$ 361,309</u>     |

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

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

| <b>Year</b> | <b>Fairview Park<br/>Population (1)</b> | <b>Average<br/>Personal<br/>Income (1)</b> | <b>Per Capita<br/>Personal<br/>Income (1)</b> | <b>Cuyahoga County<br/>Unemployment<br/>Rate</b> |
|-------------|---|--|---|--|
| 2015        | 16,826                                  | 497,477,516                                | \$ 30,503                                     | 6.4%   |
| 2014        | 16,571                                  | 497,477,516                                | 32,144  | 7.0%   |
| 2013        | 16,826                                  | 497,477,516                                | 29,566  | 7.3%   |
| 2012        | 16,826                                  | 497,477,516                                | 29,566  | 6.9%   |
| 2011        | 16,826                                  | 497,477,516                                | 29,566  | 7.9%   |
| 2010        | 17,572                                  | 462,258,972                                | 26,307  | 9.7%   |
| 2009        | 17,572                                  | 462,258,972                                | 26,307  | 9.1%   |
| 2008        | 17,572                                  | 462,258,972                                | 26,307  | 6.5%   |
| 2007        | 17,572                                  | 462,258,972                                | 26,307  | 6.1%   |
| 2006        | 17,572                                  | 462,258,972                                | 26,307  | 5.5%   |

(1) 2002-2010: U. S. Census Bureau - 2000 Census. 2011: U.S. Census Bureau - 2010 Census.  
Population, 2013 estimate

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

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

|  |                           | <b>2015</b>                |                                       |
|--|---------------------------|----------------------------|---------------------------------------|
| <b>Employer</b>                          | <b>Nature of Business</b> | <b>Number of Employees</b> | <b>Percentage of Total Employment</b> |
| Target Corporation                       | Retail                    | 370                        | 5.35%                                 |
| Cleveland Metroparks System              | Metroparks System         | 277                        | 4.00%                                 |
| Kohls Department Store                   | Retail                    | 276                        | 3.99%                                 |
| Fairview Park City School District       | K-12 Public Education     | 257                        | 3.71%                                 |
| Riser Foods                              | Retail                    | 143                        | 2.07%                                 |
| Earth Fare Inc.                          | Retail                    | 133                        | 1.92%                                 |
| McGowan & Company Inc.                   | Health Care Services      | 128                        | 1.85%                                 |
| Cuyahoga Educational Service Center      | Educational Services      | 109                        | 1.57%                                 |
| St. Angela's Church                      | School                    | 98                         | 1.42%                                 |
| Key Bank National Association            | Financial Services        | 86                         | 1.24%                                 |
| Total                                    |                           | <u>1,877</u>               | <u>27.12%</u>                         |
| Total employment within the District (1) |                           | <u>6,922</u>               |                                       |

|  |                           | <b>2006</b>                |                                       |
|--|---------------------------|----------------------------|---------------------------------------|
| <b>Employer</b>                          | <b>Nature of Business</b> | <b>Number of Employees</b> | <b>Percentage of Total Employment</b> |
| City of Fairview Park                    | City                      | 577                        | 6.36%                                 |
| Dillard's Inc.                           | Department Store          | 350                        | 3.89%                                 |
| Quadax Inc.                              | Data Entry Services       | 300                        | 3.34%                                 |
| Fairview Park City School District       | K-12 Public Education     | 287                        | 3.33%                                 |
| Niederest Management Ltd.                | Management Services       | 150                        | 1.11%                                 |
| Kohls Department Store                   | Department Store          | 100                        | 0.83%                                 |
| Apple American LP                        | Restaurant                | 75                         | 0.83%                                 |
| Healthcare Circle Inc.                   | Home Health Care Services | 75                         | 0.78%                                 |
| St. Angela's Church                      | School                    | 70                         | 0.67%                                 |
| Cuyahoga County Library                  | Library                   | 60                         | 0.61%                                 |
| Strang Corp.                             | Restaurant                | 55                         | 0.61%                                 |
| Total                                    |                           | <u>2,099</u>               | <u>22.36%</u>                         |
| Total employment within the District (2) |                           | <u>9,004</u>               |                                       |

**Source:** (1) Finance Office, City of Fairview Park; (2) Cuyahoga County Library Database

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

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

**Parkview Early Education Learning Center**

Constructed in 1952, 1959, 1966  
Total Building Square Footage 40,086  
Enrollment Grades - Preschool, Day Care, Kindergarten  
Student Capacity - 500  
Regular Instruction Classrooms - 7  
Regular Instruction Teachers - 6  
Special Instruction Teachers - 6

**Fairview High School**

Constructed in 1929, 1948, 1952, 1954  
1960, 1968, 1970, 1978  
Total Building Square Footage 160,559  
Enrollment Grades - 9-12  
Student Capacity - 850  
Regular Instruction Classrooms - 35  
Regular Instruction Teachers - 22  
Special Instruction Teachers - 10

**Lewis F. Mayer Middle School**

Constructed in 1954, 1960, 1968  
Total Building Square Footage 30,790  
Enrollment Grades - 6 - 8  
Student Capacity - 450  
Regular Instruction Classrooms - 23  
Regular Instruction Teachers - 18  
Special Instruction Teachers - 10

**Gilles-Sweet Elementary School**

Constructed in 2007  
Total Building Square Footage 104,987  
Enrollment Grades - 1 - 5  
Student Capacity - 882  
Regular Instruction Classrooms - 30  
Regular Instruction Teachers - 30  
Special Instruction Teachers - 8

**Source:** School District records.

Latest information available

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

PER PUPIL COST  
LAST TEN FISCAL YEARS

| <b>Fiscal Year</b> | <b>Governmental Activities Expenses</b> | <b>Enrollment (1)</b> | <b>Cost Per Pupil</b> | <b>Percentage Change</b> | <b>Teaching Staff</b> | <b>Pupil/Teacher Ratio</b> |
|--------------------|---|-----------------------|-----------------------|--------------------------|-----------------------|----------------------------|
| 2015               | \$ 22,424,469                           | 1,782                 | \$ 12,584             | -0.08%                   | 118.33                | 15.1                       |
| 2014               | 22,606,204                              | 1,795                 | 12,594                | 2.80%                    | 105.00                | 17.1                       |
| 2013               | 22,051,046                              | 1,800                 | 12,251                | -8.27%                   | 111.00                | 16.2                       |
| 2012               | 23,183,854                              | 1,736                 | 13,355                | 0.39%                    | 112.00                | 15.5                       |
| 2011               | 23,413,602                              | 1,760                 | 13,303                | -2.06%                   | 111.82                | 15.7                       |
| 2010               | 23,947,948                              | 1,763                 | 13,584                | -8.97%                   | 112.97                | 15.6                       |
| 2009               | 23,949,398                              | 1,605                 | 14,922                | 17.70%                   | 110.00                | 14.6                       |
| 2008               | 21,121,023                              | 1,666                 | 12,678                | 8.20%                    | 110.95                | 15.0                       |
| 2007               | 23,470,861                              | 1,699                 | 13,815                | 7.68%                    | 98.38                 | 17.3                       |
| 2006               | 23,361,466                              | 1,821                 | 12,829                | 15.35%                   | 123.90                | 14.7                       |

**Source:** School District records.

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

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

ENROLLMENT STATISTICS  
LAST TEN FISCAL YEARS

| <b>Fiscal Year</b> | <b>Elementary Schools (1)</b> | <b>Middle School Enrollment</b> | <b>High School</b> | <b>Totals</b> |
|--------------------|-------------------------------|---------------------------------|--------------------|---------------|
| 2015               | 815                           | 394                             | 573                | 1,782         |
| 2014               | 799                           | 424                             | 572                | 1,795         |
| 2013               | 943                           | 277                             | 580                | 1,800         |
| 2012               | 907                           | 243                             | 586                | 1,736         |
| 2011               | 915                           | 244                             | 601                | 1,760         |
| 2010               | 898                           | 261                             | 604                | 1,763         |
| 2009               | 724                           | 265                             | 616                | 1,605         |
| 2008               | 771                           | 263                             | 632                | 1,666         |
| 2007               | 764                           | 267                             | 668                | 1,699         |
| 2006               | 743                           | 412                             | 666                | 1,821         |

**Source:** Ohio Department of Education.

**(1)** Includes Kindergarten enrollment.

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

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

| <b>Fiscal Year</b> | <b>Bachelor's Degree</b> | <b>Bachelor + 18</b> | <b>Bachelor + 30</b> | <b>Master's Degree</b> | <b>Master + 18</b> | <b>Master + 30</b> | <b>PhD/EDS</b> | <b>Total</b> |
|--------------------|--------------------------|----------------------|----------------------|------------------------|--------------------|--------------------|----------------|--------------|
| 2015               | 19.00                    | 8.00                 | 18.33                | 50.00                  | 9.00               | 10.00              | 4.00           | 118.33       |
| 2014               | 6.00                     | 5.00                 | 20.00                | 55.00                  | 3.00               | 12.00              | 4.00           | 105.00       |
| 2013               | 7.00                     | 6.00                 | 24.00                | 49.00                  | 4.00               | 17.00              | 4.00           | 111.00       |
| 2012               | 4.00                     | 8.50                 | 17.50                | 49.00                  | 4.00               | 24.00              | 5.00           | 112.00       |
| 2011               | 7.50                     | 5.00                 | 22.50                | 44.56                  | 4.00               | 24.26              | 4.00           | 111.82       |
| 2010               | 10.75                    | 5.42                 | 25.00                | 32.80                  | 4.00               | 31.00              | 4.00           | 112.97       |
| 2009               | 10.00                    | 6.00                 | 20.00                | 40.00                  | 7.00               | 26.00              | 1.00           | 110.00       |
| 2008               | 5.20                     | 6.67                 | 33.28                | 19.90                  | 19.00              | 25.90              | 1.00           | 110.95       |
| 2007               | 1.00                     | 4.00                 | 28.18                | 21.70                  | 14.00              | 28.50              | 1.00           | 98.38        |
| 2006               | 5.13                     | 12.15                | 31.60                | 26.42                  | 16.60              | 30.00              | 2.00           | 123.90       |

**Source:** School District records.

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

AVERAGE NUMBER OF STUDENTS PER TEACHER  
LAST TEN SCHOOL YEARS

| <u>Fiscal<br/>Year</u> | <u>Fairview Park<br/>Average</u> | <u>State<br/>Average</u> |
|------------------------|----------------------------------|--------------------------|
| 2015                   | (1)                              | (1)                      |
| 2014                   | (1)                              | (1)                      |
| 2013                   | (1)                              | (1)                      |
| 2012                   | (1)                              | (1)                      |
| 2011                   | (1)                              | (1)                      |
| 2010                   | (1)                              | (1)                      |
| 2009                   | 21.66                            | 18.47                    |
| 2008                   | 21.70                            | 18.60                    |
| 2007                   | 24.00                            | 19.60                    |
| 2006                   | 18.70                            | 18.60                    |

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

(1) Information for fiscal year 2015, 2014, 2013, 2012, 2011 and 2010 not available.

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

ATTENDANCE AND GRADUATION RATES  
LAST TEN FISCAL YEARS

| <b>Fiscal<br/>Year</b> | <b>Fairview Park<br/>Attendance<br/>Rate</b> | <b>State<br/>Average</b> | <b>Fairview Park<br/>Graduation<br/>Rate</b> | <b>State<br/>Average</b> |
|------------------------|--|--------------------------|--|--------------------------|
| 2015                   | (1)  | (1)                      | (1)  | (1)                      |
| 2014                   | 95.1%  | 94.3%                    | 90.8%  | 82.2%                    |
| 2013                   | 94.8%  | 94.2%                    | 92.0%  | 81.3%                    |
| 2012                   | (1)  | (1)                      | (1)  | (1)                      |
| 2011                   | 95.6%  | 94.5%                    | 98.6%  | 84.3%                    |
| 2010                   | 95.3%  | 95.3%                    | 97.9%  | 83.0%                    |
| 2009                   | 95.3%  | 94.3%                    | 95.9%  | 84.6%                    |
| 2008                   | 95.0%  | 94.2%                    | 96.4%  | 86.9%                    |
| 2007                   | 95.3%  | 94.1%                    | 94.9%  | 86.1%                    |
| 2006                   | 95.5%  | 94.1%                    | 95.9%  | 86.2%                    |

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

(1) Information for fiscal year 2012 and 2015 not available.

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

SAT SCORES  
LAST TEN SCHOOL YEARS

| School<br>Year | Number<br>of Test<br>Takers | Number<br>of<br>Seniors | Percent<br>of<br>Students | Fairview<br>Park<br>Verbal | Ohio<br>Verbal | National<br>Verbal |
|----------------|-----------------------------|-------------------------|---------------------------|----------------------------|----------------|--------------------|
| 2014-2015      | 20                          | 7                       | 5.10%                     | 547                        | 557            | 495                |
| 2013-2014      | 20                          | 8                       | 3.40%                     | 546                        | 555            | 497                |
| 2012-2013      | 29                          | 15                      | 4.96%                     | 548                        | 548            | 496                |
| 2011-2012      | 28                          | 14                      | 4.80%                     | 561                        | 538            | 496                |
| 2010-2011      | N/A                         | N/A                     | N/A                       | N/A                        | N/A            | N/A                |
| 2009-2010      | 23                          | 8                       | N/A                       | 557                        | 538            | 501                |
| 2008-2009      | 35                          | 18                      | N/A                       | 557                        | 537            | 501                |
| 2007-2008      | 47                          | 27                      | 4.00%                     | 550                        | 534            | 502                |
| 2006-2007      | 51                          | 26                      | 3.00%                     | 530                        | 536            | 502                |
| 2005-2006      | 72                          | 57                      | 3.95%                     | 545                        | 538            | 508                |

**Source:** High School Guidance Office.

"N/A" means information not currently available.

| <b>Fairview<br/>Park<br/>Math</b> | <b>Ohio<br/>Math</b> | <b>National<br/>Math</b> | <b>Fairview<br/>Park<br/>Writing</b> | <b>Ohio<br/>Writing</b> | <b>National<br/>Writing</b> |
|-----------------------------------|----------------------|--------------------------|--------------------------------------|-------------------------|-----------------------------|
| 566                               | 563                  | 511                      | 521                                  | 537                     | 484                         |
| 552                               | 562                  | 513                      | 526                                  | 535                     | 487                         |
| 545                               | 556                  | 514                      | 528                                  | 531                     | 488                         |
| 588                               | 548                  | 514                      | 561                                  | 522                     | 488                         |
| N/A                               | N/A                  | N/A                      | N/A                                  | N/A                     | N/A                         |
| 560                               | 548                  | 516                      | 524                                  | 522                     | 492                         |
| 532                               | 546                  | 515                      | 517                                  | 523                     | 493                         |
| 550                               | 544                  | 515                      | 541                                  | 521                     | 494                         |
| 528                               | 542                  | 515                      | 524                                  | 522                     | 494                         |
| 537                               | 542                  | 518                      | N/A                                  | N/A                     | N/A                         |

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

ACT COMPOSITE SCORES  
LAST TEN SCHOOL YEARS

| <b>School Year</b> | <b>Number of Test Takers</b> | <b>Number of Seniors</b> | <b>Percent of Students</b> | <b>Fairview Park Composite</b> | <b>Ohio Composite</b> | <b>National Composite</b> |
|--------------------|------------------------------|--------------------------|----------------------------|--------------------------------|-----------------------|---------------------------|
| 2014-2015          | 97                           | 97                       | 70%                        | 21.9                           | 22.0                  | 21.0                      |
| 2013-2014          | 104                          | 104                      | 18%                        | 22.1                           | 22.0                  | 21.0                      |
| 2012-2013          | 96                           | 68                       | 16%                        | 22.1                           | 21.8                  | 20.9                      |
| 2011-2012          | 103                          | 95                       | 70%                        | 22.5                           | 21.8                  | 21.0                      |
| 2010-2011          | 96                           | 93                       | 65%                        | 21.2                           | 21.8                  | 21.1                      |
| 2009-2010          | 122                          | 109                      | 89%                        | 21.9                           | 21.8                  | 21.0                      |
| 2008-2009          | 108                          | 98                       | 91%                        | 22.5                           | 21.7                  | 21.1                      |
| 2007-2008          | 116                          | 105                      | 91%                        | 22.4                           | 21.7                  | 21.1                      |
| 2006-2007          | 113                          | 103                      | 69%                        | 22.5                           | 21.6                  | 21.2                      |
| 2005-2006          | 145                          | 116                      | 77%                        | 22.0                           | 21.4                  | 20.9                      |

**Source:** High School Guidance Office.

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

SCHOOL DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

| <u>Type</u>                           | <u>2015</u>  | <u>2014</u>  | <u>2013</u>  | <u>2012</u>  | <u>2011</u>  | <u>2010</u>  | <u>2009</u>  | <u>2008</u>  | <u>2007</u>  | <u>2006</u>  |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Regular instruction:                  |              |              |              |              |              |              |              |              |              |              |
| Elementary classroom teachers         | 43.7         | 35.5         | 36.5         | 38.6         | 39.9         | 43.4         | 42.2         | 41.2         | 34.8         | 43.0         |
| Middle school classroom teachers      | 20.0         | 13.4         | 12.0         | 11.0         | 13.5         | 18.2         | 16.1         | 12.5         | 9.0          | 15.5         |
| High School classroom teachers        | 26.5         | 25.5         | 24.6         | 24.8         | 27.7         | 30.3         | 30.6         | 25.8         | 23.7         | 28.0         |
| Special instruction:                  |              |              |              |              |              |              |              |              |              |              |
| Elementary classroom teachers         | 7.9          | 6.5          | 6.5          | 10.6         | 10.6         | 10.0         | 13.0         | 13.0         | 13.0         | 11.5         |
| Gifted education teachers             | 1.0          | 1.4          | 1.4          | 1.0          | 1.0          | 2.0          | 2.0          | 2.0          | 1.0          | 1.0          |
| Middle school classroom teachers      | 4.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.4          | 3.0          | 4.0          | 4.0          | 3.0          |
| High school classroom teachers        | 4.0          | 3.0          | 3.0          | 4.5          | 4.5          | 4.9          | 5.8          | 4.0          | 4.0          | 4.0          |
| Vocational instruction:               |              |              |              |              |              |              |              |              |              |              |
| High school classroom teachers        | 1.0          | 1.8          | 1.8          | 1.5          | 1.5          | 2.2          | 2.2          | 2.0          | 2.0          | 1.0          |
| Pupil support services:               |              |              |              |              |              |              |              |              |              |              |
| Guidance counselors                   | 4.0          | 4.0          | 3.9          | 5.0          | 5.0          | 5.0          | 5.0          | 3.9          | 4.0          | 5.0          |
| Librarians                            | 1.0          | 1.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 7.0          |
| Library Aids                          | 3.4          | 3.5          | 2.5          | 2.7          | 2.7          | 4.0          | 4.0          | 4.0          | 3.8          | 0.0          |
| Psychologists                         | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 0.7          | 1.0          |
| Speech and language pathologists      | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 2.0          | 1.6          | 0.0          | 2.0          |
| Non-teaching support staff central    | 0.9          | 1.0          | 1.0          | 1.0          | 1.0          | 1.2          | 1.2          | 1.6          | 1.4          | 2.0          |
| Instructional Support Service:        |              |              |              |              |              |              |              |              |              |              |
| Non-teaching support staff elementary | 20.3         | 21.9         | 23.3         | 22.6         | 22.6         | 18.6         | 19.6         | 16.2         | 16.7         | 10.0         |
| Non-teaching support staff middle     | 4.9          | 10.0         | 10.0         | 10.0         | 10.0         | 6.0          | 9.9          | 6.4          | 7.5          | 4.0          |
| Non-teaching support staff high       | 9.0          | 10.8         | 11.0         | 10.8         | 11.9         | 9.9          | 11.9         | 9.6          | 9.7          | 9.0          |
| Non-teaching support staff central    | 1.8          | 2.9          | 2.9          | 2.9          | 3.0          | 3.0          | 3.0          | 2.0          | 2.0          | 2.0          |
| Administration:                       |              |              |              |              |              |              |              |              |              |              |
| Elementary                            | 2.2          | 3.0          | 3.0          | 3.0          | 3.0          | 2.0          | 2.0          | 2.0          | 2.0          | 4.0          |
| Middle school                         | 1.5          | 1.5          | 1.5          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 2.0          |
| High school                           | 1.5          | 2.0          | 2.0          | 2.5          | 2.5          | 2.0          | 2.0          | 2.0          | 2.0          | 3.0          |
| Central                               | 3.8          | 3.2          | 3.2          | 3.3          | 4.3          | 0.0          | 5.0          | 2.6          | 3.2          | 3.0          |
| Business:                             |              |              |              |              |              |              |              |              |              |              |
| Central                               | -            | 0.5          | 0.5          | 0.5          | 0.5          | 0.9          | 0.9          | 0.0          | 0.0          | 0.0          |
| Fiscal:                               |              |              |              |              |              |              |              |              |              |              |
| Treasurer department                  | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 4.0          | 3.5          | 3.5          |
| Operation of plant:                   |              |              |              |              |              |              |              |              |              |              |
| Custodial department                  | 14.1         | 13.1         | 14.8         | 15.7         | 17.0         | 19.3         | 19.3         | 19.9         | 18.1         | 18.0         |
| Maintenance department                | 2.0          | 2.0          | 1.8          | 1.8          | 2.0          | 2.0          | 2.0          | 1.7          | 1.0          | 1.5          |
| Pupil transportation:                 |              |              |              |              |              |              |              |              |              |              |
| Bus drivers                           | 6.5          | 6.4          | 5.4          | 5.6          | 5.1          | 5.5          | 4.5          | 4.7          | 3.6          | 4.5          |
| Bus aides                             | -            | -            | -            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Mechanics                             | -            | -            | -            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 1.0          | 1.0          |
| Transportation support staff          | 0.5          | -            | -            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Central:                              |              |              |              |              |              |              |              |              |              |              |
| Community relations                   | 1.0          | 1.0          | 0.2          | 1.0          | 1.0          | 1.0          | 1.0          | 0.5          | 0.1          | 1.0          |
| Technology                            | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Personnel                             | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Extracurricular:                      |              |              |              |              |              |              |              |              |              |              |
| Athletic department                   | 1.0          | 17.0         | 17.5         | 17.5         | 17.5         | 17.5         | 16.5         | 15.5         | 15.5         | 15.5         |
| Food service program:                 |              |              |              |              |              |              |              |              |              |              |
| Elementary                            | 3.3          | 3.0          | 3.5          | 3.5          | 3.1          | 4.0          | 4.0          | 3.4          | 2.0          | 1.5          |
| Middle school                         | -            | -            | -            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| High school cooks                     | 1.2          | 1.8          | 2.4          | 2.4          | 2.4          | 2.4          | 2.4          | 4.0          | 2.0          | 3.5          |
| Central                               | -            | -            | -            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Adult education/community service:    |              |              |              |              |              |              |              |              |              |              |
| Preschool                             | 2.0          | 1.0          | 2.0          | 2.0          | 2.0          | 1.5          | 2.0          | 2.0          | 2.0          | 2.0          |
| Extended care                         | 11.1         | 10.0         | 10.0         | 14.0         | 14.0         | 10.0         | 10.0         | 20.0         | 20.0         | 20.0         |
| <b>Total</b>                          | <u>215.0</u> | <u>219.8</u> | <u>222.0</u> | <u>234.8</u> | <u>244.3</u> | <u>242.2</u> | <u>254.1</u> | <u>239.1</u> | <u>218.3</u> | <u>235.0</u> |

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

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

FREE OR REDUCED LUNCH PROGRAM PERCENTAGES  
LAST TEN FISCAL YEARS

| <b>Fiscal Year</b> | <b>Students</b> | <b>Students Applicable for Free Lunch</b> | <b>Percentage of Applicable Students for the Free Lunch Program</b> | <b>Students Applicable for Reduced Lunch</b> | <b>Percentage of Applicable Students for the Reduced Lunch Program</b> | <b>Total Students Applicable for the Free and Reduced Lunch Programs</b> | <b>Total Percentage of Applicable Students for the Free and Reduced Programs</b> |
|--------------------|-----------------|---|---|--|--|--|--|
| 2015               | 1,782           | 434                                       | 24.35%  | 75   | 4.21%  | 509  | 28.56%   |
| 2014               | 1,795           | 376                                       | 20.95%  | 95   | 5.29%  | 471  | 26.24%   |
| 2013               | 1,800           | 407                                       | 22.61%  | 107  | 5.94%  | 514  | 28.55%   |
| 2012               | 1,736           | 385                                       | 22.18%  | 102  | 5.88%  | 487  | 28.06%   |
| 2011               | 1,760           | 361                                       | 20.51%  | 114  | 6.48%  | 475  | 26.99%   |
| 2010               | 1,763           | 324                                       | 18.38%  | 109  | 6.18%  | 433  | 24.56%   |
| 2009               | 1,605           | 256                                       | 15.95%  | 90   | 5.61%  | 346  | 21.56%   |
| 2008               | 1,666           | 247                                       | 14.83%  | 83   | 4.98%  | 330  | 19.81%   |
| 2007               | 1,699           | 109                                       | 6.42%   | 27   | 1.59%  | 136  | 8.00%  |
| 2006               | 1,821           | 273                                       | 14.99%  | 90   | 4.94%  | 363  | 19.93%   |

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



# Dave Yost • Auditor of State

**FAIRVIEW PARK CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 16, 2016**