

Chagrin Falls Exempted Village
School District
Cuyahoga County, Ohio

*Reports Issued Pursuant to
Government Auditing Standards*

For the Fiscal Year Ended
June 30, 2017



Dave Yost • Auditor of State

Board of Education
Chagrin Falls Exempted Village School District
400 E Washington Street
Chagrin Falls, Ohio 44022

We have reviewed the *Independent Auditor's Report* of the Chagrin Falls Exempted Village School District, Cuyahoga County, prepared by Rea & Associates, Inc., for the audit period July 1, 2016 through June 30, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Dave Yost".

Dave Yost
Auditor of State

February 1, 2018

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Cuyahoga County, Ohio
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December 9, 2017

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio (the "School District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 9, 2017.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rea & Associates, Inc.

Medina, Ohio

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

**Comprehensive
Annual Financial Report**

For the Fiscal Year Ended June 30, 2017



Prepared by

Treasurer's Office
Anne Spano
Treasurer/CFO

**INTRODUCTORY
SECTION**

Chagrin Falls Exempted Village School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017
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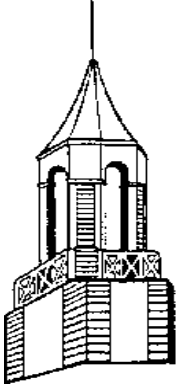
Chagrin Falls Exempted Village Schools

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December 9, 2017

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

We are pleased to submit to you the Chagrin Falls Exempted Village School District's Comprehensive Annual Financial Report (CAFR). This report provides full disclosure of the financial operation of the School District for the fiscal year ended June 30, 2017. This CAFR includes an audit opinion from the independent accounting firm of Rea and Associates, Inc. and conforms to generally accepted accounting principles as applicable to governmental entities. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the Chagrin Falls Exempted Village School District with comprehensive financial data in a format of which will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the local villages and cities comprising the School District, the Cuyahoga and Geauga County Public Libraries, major taxpayers, financial rating services, and other interested parties.

The School District

The Chagrin Falls Exempted Village School District is located in both Cuyahoga and Geauga counties in northeastern Ohio, approximately thirteen miles east of the City of Cleveland. The School District's territory encompasses the entire territory of Chagrin Falls Township and the Villages of Chagrin Falls, Bentleyville, South Russell, and a portion of the territories of the Village of Moreland Hills and the Townships of Bainbridge and Russell. The School District operates one elementary school (built in 1968 – PreK – grade 3), one intermediate school (built in 1914 – grades 4-6), one middle school (built in 1999 – grades 7-8) and a high school (built in 1960 – grades 9-12). Current enrollment (for the 2016-2017 school year) is 1,952 and enrollment projections show that enrollment will remain stable over the next ten years with no substantial growth or reductions.

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

The Reporting Entity

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Governmental Accounting Standards Board Statement No. 39 and Governmental Accounting Standards Board Statement No. 61. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the Chagrin Falls Exempted Village School District (the primary government) and its potential component units.

The Lake Geauga Computer Association (LGCA) and the Ohio Schools Council are jointly governed organizations whose relationship to the School District is described in Note 14 to the basic financial statements. The School District also participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool that is described in Note 15 to the basic financial statements.

Major Initiatives

Commitment to Improvement

We believe an organization becomes less relevant when improvement stagnates and therefore, the Chagrin Falls Exempted Village Schools is committed to continuous improvement. The district has a comprehensive strategic plan that addresses many aspects of teaching and learning. This plan serves as a road map for the district over the next five years. This strategic plan has been thoughtfully designed to engage all of our stakeholders in critical conversations and planning for the future of our school district. We believe that it is through these important discussions about expectations, finances, and values we will preserve what we value in public education locally. Our mission is to provide an educational experience empowering students to maximize their potential and our vision is within five years, we will provide a personalized education for all students.

This mission and vision are built upon a set of belief statements that our school and community hold to be meaningful. The district demonstrates this improvement through the process of actualizing the mission and vision through four main focus areas: Curriculum and Instruction, Flexible Learning, Parents and Community, and Shared Leadership. Each of these four areas has strategies and action steps specific to completing goals to realize our vision. One can learn more about the details of our plan at the school website, www.chagrinschools.org.

- Use of Competency-Based Education Grant funds (\$400,000) to enhance our work in refinement of varied and non-traditional ways to evidence student learning and growth, beyond state assessments.
- Refinement of Selection Criteria articulation and implementation across grades 2-12 to inform student readiness for levelled programming, in varied and ongoing ways; development of additional pathways for students to access advanced coursework at the secondary level.
- Development of services to meet the needs of gifted/advanced students in grades K-3 Math and ELA to be implemented during the 2017-18 school year.

- LEGO® WeDo STEM kits implemented in intermediate school Science classes, teachers across grades 2-6 trained on LEGO® StoryStarter for use with struggling writers. Twenty-three additional School District staff completing Gifted Endorsement coursework through spring 2018.
- Implementation of K-12 STEM (Science, Technology, Engineering, and Mathematics) pathways via Project Lead the Way programming in grades K-8 and articulated AP pathways in grades 9-12.
- All School District teachers have attained Google Certified Level 1 Educator status. This supports our 1:1 Chromebook initiative district-wide.
- Four School District staff members representing all buildings completed the rigorous level 1 Wilson certification. Wilson is a multi-sensory intervention designed to increase reading fluency in struggling readers.
- The special education department increased its capacity to serve students with Autism and low incidence disabilities through the specialized training and teacher leader development. Intervention Specialist, Mrs. Jacqueline Gerber, was recently granted TEACCH Certified Practitioner status, which qualifies her to train the School District teaching staff on this highly effective and research based intervention.

Project Lead the Way

As a part of our commitment to provide rigorous and relevant curriculum to maximize student potential, Project Lead the Way (PLTW), a nationally acclaimed STEM program, was first implemented in 2016-17. This problem-based program provides hands-on learning opportunities which engage students in critical thinking, collaboration, and authentic real-world application of skills.

Through Ohio Department of Education Competency-Based Grant funds, we purchased PLTW K-8 instructional modules and resources for all students and provided PLTW training for three of our K-8 teachers. As of the 2016-17 school year, all K-8 students were engaged in PLTW via elective (Encore) courses within their school.

Module highlights across K-8 include:

- Gurney: Animals and Algorithms, Light and Sound, Materials Science, The Changing Earth, Stability and Motion, Programming Patterns, and more.
- CFIS: Energy: Collisions and Conversions, Infection: Detection/ Modeling and Simulation, Input/Output: Computer Systems, Human Brain, and more.
- CFMS: Design and Modeling: Foot Orthosis, Therapeutic Toy Design, Building Blocks, and more. Automation and Robotics: Design Process, Survival Challenge, Automated Systems, and more. PLTW has articulated three STEM pathways to extend learning within the K-8 program through Advanced Placement (AP) courses. CFHS offers the following AP courses within these pathways:
 - Engineering: AP Biology, AP Calculus AB, AP Calculus BC, AP Chemistry, AP Environmental Science, AP Physics 1: Algebra-Based, AP Physics 2: Algebra-Based, AP Statistics

- Biomedical Science: AP Biology, AP Chemistry
- Computer Science: AP Computer Science A, AP Computer Science Principles (new in 2017-18.) CFHS also provides additional related coursework in Business/Entrepreneurship, Computer Science, Math, and Science. This ensures that we are able to provide a K-12 continuum of STEM opportunities.

Gurney Elementary Arts/Music Highlights

- The 3rd Grade Tiger Beats sang at the presentation of the mural at the Chagrin Valley Arts Center and in the Memorial Day Parade.
- All 3rd graders' artistic productions of Guitar Mania were displayed in local shop windows throughout the Village of Chagrin Falls.
- All Kindergarteners performed in a Valentine's Day show for families.
- Two Encore Curriculum Nights were held in the spring at which Kindergarten - 3rd graders led their parents through activities and skills they had learned in art, music, physical education, Spanish, and Technology.
- Parent volunteers presented art appreciation lessons in all classrooms.
- All Kindergarten -3rd graders participated in the One School One Book Program by reading, Ribs!
- All 1st, 2nd and 3rd graders performed in the Gurney Holiday Show, "Gurney Bandstand!"
- All 1st and 3rd grade Buddy Classes participated in a physical education ice skating lesson at The Pond.
- All Kindergarten and 2nd grade Buddy Classes participated in a swimming lesson at the Wembly Club.
- All 2nd graders filled out electronic family trees in Spanish Class using all Spanish names and titles.

Intermediate School Arts/Music Highlights

- The CFIS Select Choir (our auditioned choir) performed in five different concerts this year, including ones at Holly Hall, Meals on Wheels, and the Chagrin Falls Memorial Day Parade. This group was made up of 40 fifth and sixth grade students. Students learned to sing in 2-3 parts with repertoire from Classical Literature, World Folk Music and Broadway Music.
- The 2016-2017 school year added a newly formed non- auditioned choir that met during the school day as one of the students' music choices. The choir consisted of 72 fifth and sixth grade students. Students learned to sing in 2 parts with repertoire from American Folk Music, Classical Literature, to Popular Music.

- Tiger Beats non-auditioned choir is home to fourth grade choir members where they combine with the third grade students at Gurney.
- More than 200 5th and 6th grade students participated in the Intermediate School Band this past school year.
- We had 11 singers from grades 4 and 5 participate in the OMEA All State Children's Chorus. The performance was at OMEA's state convention in Cleveland on February 2, 2017. The choir was directed by Dr. Judy Bowers, professor of choral music at Florida State University. The NE Regional rehearsals were hosted by Chagrin Falls and directed by Patricia Haynish.
- More than 132 students in grades 3 through 12 participated in our community theater productions of "Peter Pan" and "The Adventures of Lewis and Clark!"
- Students at CFIS build a strong musical foundation in General Music class in the 4th grade, and then can choose to continue in General Music or participate in Band or Orchestra as fifth and sixth graders. The band and orchestra students each perform two concerts per year. All fifth and sixth grade students all also welcome to join the fifth-sixth grade CFIS choir as part of their extended homeroom beginning at the start of the 2017-2018 school year.
- We had 10 singers from grades 5, 6, and 7 participate in the Ohio Choral Director's Association (OCDA) Honor Choir. The performance was at the OCDA state conference on Wednesday, June 21 at Otterbein College. The director was Dr. Ann Usher, director of the Cleveland Orchestra Youth Chorus and a professor at the University of Akron. The NE Regional rehearsals were hosted by the School District and were conducted by Patricia Haynish.

Middle School Arts/Music Highlights

- Student's artwork are entered in the Alliance for Young Artists and Writers, a 501(c)(3) nonprofit organization that identifies teenagers with exceptional artistic and literary talent and brings their remarkable work to a national audience through The Scholastic Art and Writing Awards. Teens in grades 7 through 12 can apply in 28 categories of art and writing for the chance to earn scholarships and have their works exhibited and/or published. A panel comprised of local professional artists and art educators jury the exhibition and select the awarded pieces from nearly 1,700 entries.
- Students showcase their talents at the end of the year at the annual Hamlet Spring Art Show. Selected students' artwork have the opportunity to receive numerous honors and scholarships.
- Student Artwork displayed in Hallways, Cafeteria, and PAC lobby.
- Band and orchestra students have the opportunity to participate in the Ohio Music Educators Solo and Ensemble contest as well as Large Group Contest. Students perform and are rated using a 5 tiered system by an OMEA certified adjudicator.
- Grade 8 Band students also take their music on the road. They performed for the residents of the Hamlet Retirement Community at Halloween.

High School Arts/Music Highlights

- Students competed in Scholastics Art Competition:
- 5 Gold Key Individual Works of Art 7 Silver Key Individual Works of Art
- 16 Honorable Mention Individual Works of Art.
- Students participated in Governor’s Art Show:
 - 16 Students had qualifying artwork
 - Jane Gobel, Graham Smith, and Jake Levine received State Recognition.
- Band performed at 10 football games, Meet the Teams Night, the Brush Band Festival, three concerts, Graduation, the Blossom Parade, Memorial Day Parade, and at the Chagrin Music Crawl.
- Nine band students participated in four different area Honors Bands.
- 13 band students achieved a Superior rating at the OMEA Solo and Ensemble contest.
- Orchestra performed three concerts.
- Orchestra worked with guest conductors Dr. Bordo from the University of Akron and Mrs. Rachel Huch from CIM.
- Two students published Apps to iTunes
- Fall Play was *And Then There Were None*.
- Spring Musical was *Joseph and the Amazing Technicolor Dreamcoat*.
- 8 students inducted into the International Thespian Honor Society.
- Choirs had 3 concerts, performed at Holly Hall, and hosted the Choir Cabaret (Solo and Ensemble performances).
- The Write Place assisted writers with 1350 pieces of writing and had 667 visits throughout the school year including helping with the CFIS Writers Symposium, and Posting Poetry Month Videos.
- Great Lakes Theater Company worked with AP English students.

Innovation Center

The Chagrin Falls Exempted Village Schools designed and built a new learning space called the Innovation Center last year through the generous donation of many community members and the support of the Chagrin Falls Education Foundation. The Innovation Center creates a flexible learning environment for our students that integrates technology, fosters creativity and encourages them to reach beyond the traditional educational boundaries. The 4,300 square foot Innovation Center is located on the 7-12 Campus and includes three distinct, yet interconnected spaces, including a research center, collaboration classroom and a Maker’s Space, or “Fab Lab.” These spaces help to bring students’ ideas to life with 3D printers, embroidery machines, laser cutters, tools and more.

The Innovation Center has been used this first year for so many learning opportunities. For example, our Project Lead the Way courses have used the lab for Design and Modeling and Automation and Robotics. All middle school students use these classes to experience the resources of the Innovation Center and have an opportunity to use the equipment as it relates to the curriculum. In addition to STEM classes, the glass design provides the ability for those curious to view. There is a great deal of research that validates learning by watching in addition to the valuable engagement it provides. Teachers utilized the collaboration space for presentations in many aspects, from learning and writing about bacteria to AP research presentations. Destination Imagination students coded and worked with ozobots. During a French extension activity, students made soap molds for their soap project. Student interns helped others learn the machines and started with basic projects. There are plans to extend the Maker Space to Lego robotics and usage of Fab Lab for interdisciplinary units, while completing digital morning announcements from the Innovation Center.

Future Projects

We will continue to implement the School District's strategic plan. Key components of that plan center on facilities, teaching and learning, curriculum and technology. The goal of the overall facilities project is to reduce the cost of ongoing maintenance associated with dated facilities and provide students a 21st century learning environment at a reasonable price point to the taxpayer. Facilities plans, cost budgeting information and other supporting documents are located on the School District's facility plan webpage as work continues in this area.

Intervention/Enrichment periods will continued to be offered across the School District within the school day in grades K-12. They have been designed to provide identified time for students to benefit from support in content areas (as needed) and to investigate enrichment experiences designed to match student interests, while fostering a lifelong love of learning. We are seeking to reframe the idea of intervention, promoting the idea that even our most capable students who may be enrolled in our most rigorous coursework can benefit from the ability to access support during the school day. We hope that the provided enrichment periods, along with the Entrepreneurship programming and Innovation Center will provide offerings which may showcase areas of local community member expertise.

Professional development will continue to be a major focus for the School District. We intend to concentrate on increasing the staff's knowledge of the Google Apps for Education platform. Teachers will work in large group, small cohorts, and in one-on-one settings to better understand how to integrate the technology with their curriculum.

We are fortunate to be in a community that values and supports our School District. We do not take this support for granted and as a School District we are working to continuously grow and improve providing an educational experience that empowers students to maximize their potential.

Economic Conditions and Outlook

The Chagrin Falls Exempted Village School District area is an affluent residential community encompassing 27.5 square miles. The School District is rich in heritage, while maintaining an "old time" atmosphere with specialty shopping. Approximately 92 percent of the area is residential and 8 percent of the area is business property. The average federal adjusted gross income levels were at \$199,904 based on the 2015 Ohio Department of Taxation records, which maintains the Chagrin Falls Exempted Village School District as fourth in the State among 614 school districts. The School District has been ranked among the top ten school districts for the past twenty-seven years.

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

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

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

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

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. As a result, school districts throughout Ohio must place funding issues on the ballot to receive significant revenue growth. Chagrin Falls Exempted Village School District garners excellent levy support from its constituents. Historically, constituents of the School District have approved operating levies that have been submitted to the voters, in advance of the School District experiencing financial shortcomings. An additional 5.5 mill operating levy and 3.4 mill bond issue was recently approved by voters in May 2017.

Financial Information

Internal Accounting and Budgetary Control

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

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

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

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

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

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

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

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

Financial Condition

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

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

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

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

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion provides an assessment of the School District's finances for 2017 and a discussion of current issues that affect the School District's outlook for the future.

Independent Audit

State statutes require the School District to be subjected to an annual audit by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. The independent accounting firm of Rea and Associates, Inc. rendered an opinion on the School District's financial statements for the year ended June 30, 2017. The opinion appears at the beginning of the financial section of this report.

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

Awards

Certificate of Achievement

The Government Finance Office Association of the United States and Canada (GFOA) as well as the Association of School Business Officials International (ASBO) awarded a Certificate of Achievement for Excellence in Financial Reporting to Chagrin Falls Exempted Village School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

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

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

Acknowledgements

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

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

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

Respectfully,



Mr. Robert W. Hunt
Superintendent



Ms. Anne Spano
Treasurer

Chagrin Falls Exempted Village School District
Principal Officials
June 30, 2017

Board of Education

Mary Kay O'Toole	President
Sharon Broz	Vice President
Michael Hogan	Member
Kathryn Garvey	Member
Rob Weber	Member

Treasurer/CFO

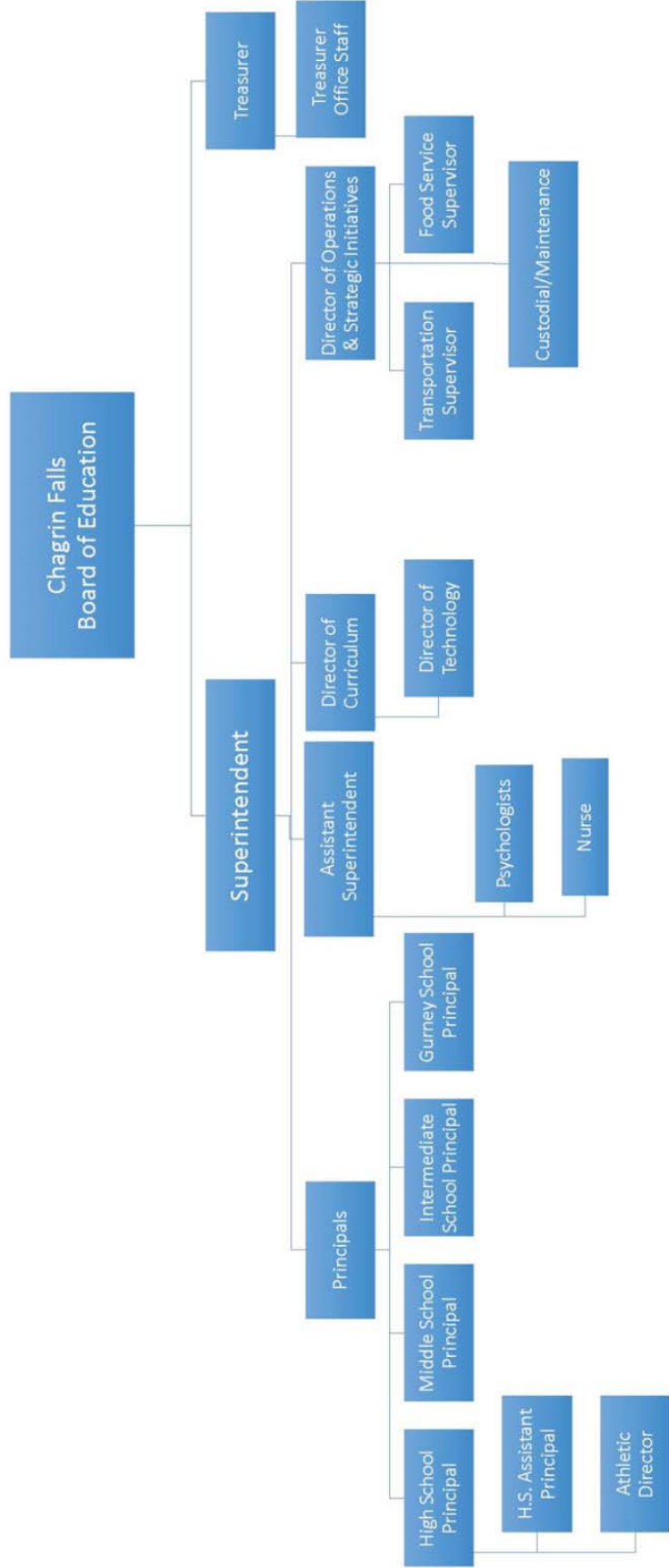
Anne Spano

Superintendent

Robert Hunt

CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

ORGANIZATION CHART





Government Finance Officers Association

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

Presented to

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

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Chagrin Falls Exempted Village School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

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 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
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

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FINANCIAL SECTION

December 9, 2017

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

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, (the "School District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Chagrin Falls Exempted Village School District, Cuyahoga County, Ohio, as of June 30, 2017, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the school district's proportionate share of the net pension liability, and the schedule of school district contributions on pages 5–14, 63, and 64–65, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2017 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Medina, Ohio

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The discussion and analysis of the Chagrin Falls Exempted Village School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2017 are as follows:

- Net position decreased \$3.1 million from 2016.
- Capital assets decreased \$0.7 million during fiscal year 2017 due to depreciation expense.
- During the year, outstanding debt decreased from \$19.7 million to \$17.8 million, mainly through principal payments in fiscal year 2017, which amounted to \$2.1 million in general obligation bonds.

Using this Comprehensive Annual Financial Report

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2017?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 18. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, bond retirement fund and building fund.

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

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for some of its scholarship and foundation programs. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 23 and 24. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Because of the discussion below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows of resources and subtracting deferred outflows of resources related to pension and the net pension liability to the reported net position. Table 1 provides a summary of the School District's net position for 2017 compared to 2016:

Table 1
Net Position

	Governmental Activities	
	2017	2016
Assets		
Current and Other Assets	\$ 45,801,820	\$ 42,645,182
Capital Assets	25,431,973	26,135,442
<i>Total Assets</i>	<i>71,233,793</i>	<i>68,780,624</i>
Deferred Outflows of Resources		
Pension	8,992,195	4,144,196
Liabilities		
Other Liabilities	3,526,551	3,154,421
Long-Term Liabilities:		
Due Within One Year	2,137,764	2,222,910
Due in More Than One Year:		
Net Pension Liability	48,533,231	39,527,609
Other Amounts	17,605,416	19,194,121
<i>Total Liabilities</i>	<i>71,802,962</i>	<i>64,099,061</i>
Deferred Inflows of Resources		
Property Taxes	21,850,628	16,503,990
Pension	277,382	2,970,336
<i>Deferred Inflows of Resources</i>	<i>22,128,010</i>	<i>19,474,326</i>
Net Position		
Net Investment in Capital Assets	8,843,233	7,205,322
Restricted	5,620,838	6,027,257
Unrestricted	(28,169,055)	(23,881,146)
<i>Total Net Position</i>	<i>\$ (13,704,984)</i>	<i>\$ (10,648,567)</i>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Under the standards required by GASB 68, the net pension liability equals the School 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 School 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 School 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 of resources.

At year end, capital assets represented 36 percent of total assets. Capital assets include land, construction in progress, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets was \$8.8 million at June 30, 2017. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$5.6 million, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position is a deficit of \$28.2 million, which is primarily the result of GASB 68.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Current assets showed an increase of \$3.2 million over fiscal year 2016 due to an increase in property taxes receivable from the new levy passed in May 2017. Deferred outflows of resources for pension increased \$4.8 million due to the pension plans' difference between expected and actual experience and deferred inflows related to pension decreased \$2.7 million from fiscal year 2016.

Contracts payable increased \$0.3 million over fiscal year 2016 due to the construction of modular units that will house students during upcoming renovations on School District buildings. Long term liabilities showed an increase of \$7.3 million over fiscal year 2016. Net pension liability increased \$9.0 million while other long term obligations decreased \$1.7 million, mainly due to principal payments. Deferred inflows for property taxes increased \$5.3 million due to taxes available for advance, which can fluctuate from year to year, and deferred amounts related to the new levy.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2017 and 2016.

Table 2
Changes in Net Position

	Governmental Activities	
	2017	2016
Revenues		
<i>Program Revenues:</i>		
Charges for Services	\$ 2,449,515	\$ 2,692,225
Operating Grants	1,088,939	1,485,037
<i>Total Program Revenues</i>	3,538,454	4,177,262
<i>General Revenues:</i>		
Property Taxes	22,406,327	27,032,259
Grants and Entitlements Not Restricted	5,456,810	5,147,605
Other	140,035	155,221
<i>Total General Revenues</i>	28,003,172	32,335,085
<i>Total Revenues</i>	31,541,626	36,512,347
Program Expenses		
<i>Instruction:</i>		
Regular	16,142,031	14,353,740
Special	2,669,221	2,575,475
Vocational	687,699	551,097
Student Intervention Services	51,092	49,565
<i>Support Services:</i>		
Pupils	1,656,899	1,481,950
Instructional Staff	1,560,187	1,438,066
Board of Education	104,709	90,640
Administration	2,790,840	2,485,474
Fiscal	976,038	963,857
Business	164,699	151,958

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

	Governmental Activities	
	2017	2016
Operation and Maintenance of Plant	2,855,209	2,586,843
Pupil Transportation	1,778,495	1,547,502
Central	256,181	193,220
Operation of Non-Instructional Services:		
Food Service Operations	717,229	660,231
Community Services	498,008	449,780
Extracurricular Activities	1,056,642	979,888
Debt Service:		
Interest and Fiscal Charges	632,864	549,369
<i>Total Expenses</i>	<i>34,598,043</i>	<i>31,108,655</i>
<i>Increase in Net Position</i>	<i>(3,056,417)</i>	<i>5,403,692</i>
<i>Net Position at Beginning of Year</i>	<i>(10,648,567)</i>	<i>(16,052,259)</i>
<i>Net Position at End of Year</i>	<i>\$ (13,704,984)</i>	<i>\$ (10,648,567)</i>

Program revenues decreased \$0.6 million from fiscal year 2016. The School District received donations for the innovation center in fiscal year 2016, accounting for the decrease in operating grants in fiscal year 2017 and charges for services decreased \$0.2 million due to a decrease in tuition for vocational programs.

Property tax revenue decreased \$4.6 million from fiscal year 2016 due to a decrease in taxes available for advance which can fluctuate from year to year.

Expenses increased \$3.5 million over fiscal year 2016, a large portion of which is attributable to a \$1.8 million increase in pension expense related to GASB 68. In addition, the School District is constructing a modular unit to house students while renovations are being completed on School District buildings in fiscal year 2018, which can be seen in the increase in regular instruction expense. Operation and maintenance also showed an increase due to repair and maintenance costs that are not capitalized.

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Table 3
Governmental Activities

	Total Cost of Service		Net Cost of Service	
	2017	2016	2017	2016
Instruction:				
Regular	\$ 16,142,031	\$ 14,353,740	\$ 15,298,529	\$ 13,046,593
Special	2,669,221	2,575,475	2,553,048	2,458,913
Vocational	687,699	551,097	287,998	(55,700)
Student Intervention Services	51,092	49,565	51,092	49,565
Support Services:				
Pupils	1,656,899	1,481,950	1,532,315	1,375,811
Instructional Staff	1,560,187	1,438,066	1,216,285	1,047,600
Board of Education	104,709	90,640	104,709	90,640
Administration	2,790,840	2,485,474	2,790,840	2,485,474
Fiscal	976,038	963,857	966,106	945,273
Business	164,699	151,958	164,699	151,958
Operation and Maintenance of Plant	2,855,209	2,586,843	2,855,209	2,586,843
Pupil Transportation	1,778,495	1,547,502	1,749,111	1,503,317
Central	256,181	193,220	256,181	193,220
Operation of Non-Instructional Services:				
Food Service Operations	717,229	660,231	37,235	(16,080)
Community Services	498,008	449,780	(94,629)	(15,355)
Extracurricular Activities	1,056,642	979,888	726,554	607,163
Debt Service:				
Interest and Fiscal Charges	632,864	549,369	564,307	476,158
<i>Total Expenses</i>	\$ 34,598,043	\$ 31,108,655	\$ 31,059,589	\$ 26,931,393

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

Governmental Funds

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. The governmental funds reported combined fund balances of \$19.7 million, a decrease of \$2.7 million from fiscal year 2016. Approximately 62 percent or \$12.2 million of this amount is available for spending at the School District's discretion (unassigned fund balance).

The general fund's net change in fund balance for fiscal year 2017 was a decrease of \$2.0 million which can partially be attributed to a \$4.4 million decrease in property tax revenue due to the difference in the amount available for advance at year end.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The bond retirement fund showed a decrease in fund balance of \$22,753 from fiscal year 2016. This was primarily due to the payment of debt service in relation to when resources become available.

The building fund showed a decrease in fund balance of \$0.4 million from fiscal year 2016. This was primarily due to costs incurred prior to bond issuance after year end.

General Fund Budgeting Highlights

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

During the course of fiscal year 2017, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, final budget basis revenue of \$28.9 million was \$11,394 less than actual revenues. Final budget basis revenues were \$0.9 million higher than original estimates with all revenues originally being estimated more conservatively.

Final expenditure appropriations of \$28.2 million were \$0.2 million higher than the actual expenditures due to cost cutting efforts in board of education and pupil transportation expenditures. Final appropriations were \$0.7 million over original appropriations of \$27.5 million with regular and vocational instruction originally estimated lower.

Original financing sources and uses were \$2.1 million less than final and actual financing sources and uses. Original transfers out were estimated \$0.5 million more and original advances out were estimated \$2.6 million less than final budget and actual. The advances out were related to the new building renovation project.

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2017, the School District had \$25.4 million invested in capital assets, net of depreciation. Table 4 shows fiscal year 2017 balances compared with 2016.

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

	Governmental Activities	
	2017	2016
Land	\$ 1,386,635	\$ 1,386,635
Construction in Progress	0	63,871
Buildings and Improvements	23,051,438	23,908,680
Furniture and Equipment	415,688	353,091
Vehicles	578,212	423,165
<i>Totals</i>	\$ 25,431,973	\$ 26,135,442

The \$0.7 million decrease in capital assets was attributable to current depreciation. See Note 8 for more information about the capital assets of the School District.

Debt

At June 30, 2017, the School District had \$17.8 million in debt outstanding. See Note 13 for additional details. Table 5 summarizes bonds outstanding.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2017	2016
2011 Energy Conservation Bonds	\$ 1,414,521	\$ 1,604,521
Unamortized Bond Premiums	24,863	27,970
2012 Series A School Improvement Refunding	6,830,000	8,275,000
Capital Appreciation Bonds (CAB)	225,000	225,000
Accretion on CAB	697,872	450,110
Unamortized Bond Premiums	586,031	683,702
2012 Series B School Improvement Refunding	6,595,000	7,090,000
Capital Appreciation Bonds (CAB)	215,000	215,000
Accretion on CAB	562,168	372,472
Unamortized Bond Premiums	698,325	748,206
<i>Total</i>	\$ 17,848,780	\$ 19,691,981

In fiscal year 2017, the School District made principal payments of \$2.1 million in general obligation bonds. There was no change in credit ratings from fiscal year 2016.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Current Issues

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a levy will not increase solely as a result of inflation due to Ohio House Bill 920 (passed in 1976). As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35 annually in taxes. If three years later the home was reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills, and the owner would still pay \$35.

Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Local property taxes made up roughly 80 percent of revenues for governmental activities for the School District in fiscal year 2017.

The School District continues to be proactive in managing the financial burden on our local taxpayers. An additional 5.5 mill operating levy combined with a 3.4 mill bond issue was approved by the voters in May, 2017. These additional funds will be used to construct and renovate the Chagrin Falls Intermediate School, increase annual funding for capital improvements district-wide, and maintain student programming through 2020.

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

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

The School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Financial Reporting every year since 2000 and the Association of School Business Officials International presented the Certificate of Excellence in Financial Reporting Award to the School District for its Comprehensive Annual Financial Report (CAFR) every year since 2014.

Contacting the School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Net Position
June 30, 2017

		Governmental Activities
Assets		
Equity in Pooled Cash and Investments	\$	18,256,667
Receivables:		
Intergovernmental		85,236
Property Taxes		27,459,917
Nondepreciable Capital Assets		1,386,635
Depreciable Capital Assets (Net)		24,045,338
<i>Total Assets</i>		71,233,793
Deferred Outflows of Resources		
Pension		8,992,195
Liabilities		
Accounts Payable		55,733
Accrued Wages and Benefits		2,509,598
Contracts Payable		353,996
Intergovernmental Payable		420,712
Accrued Vacation Leave Payable		104,442
Matured Compensated Absences Payable		82,070
Long Term Liabilities:		
Due Within One Year		2,137,764
Due In More Than One Year:		
Net Pension Liability (See Note 11)		48,533,231
Other Amonts Due in More Than One Year		17,605,416
<i>Total Liabilities</i>		71,802,962
Deferred Inflows of Resources		
Property Taxes Levied for the Next Fiscal Year		21,850,628
Pension		277,382
<i>Total Deferred Inflows of Resources</i>		22,128,010
Net Position		
Net Investment in Capital Assets		8,843,233
Restricted For:		
Debt Service		5,271,163
Food Service		149,818
Athletics		148,292
Other Purposes		51,565
Unrestricted		(28,169,055)
<i>Total Net Position</i>	\$	(13,704,984)

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 16,142,031	\$ 669,228	\$ 174,274	\$ (15,298,529)
Special	2,669,221	43,420	72,753	(2,553,048)
Vocational	687,699	396,161	3,540	(287,998)
Student Intervention Services	51,092	0	0	(51,092)
Support Services:				
Pupils	1,656,899	84,874	39,710	(1,532,315)
Instructional Staff	1,560,187	0	343,902	(1,216,285)
Board of Education	104,709	0	0	(104,709)
Administration	2,790,840	0	0	(2,790,840)
Fiscal	976,038	9,932	0	(966,106)
Business	164,699	0	0	(164,699)
Operation and Maintenance of Plant	2,855,209	0	0	(2,855,209)
Pupil Transportation	1,778,495	0	29,384	(1,749,111)
Central	256,181	0	0	(256,181)
Operation of Non-Instructional Services:				
Food Service Operations	717,229	630,086	49,908	(37,235)
Community Services	498,008	290,504	302,133	94,629
Extracurricular Activities	1,056,642	325,310	4,778	(726,554)
Interest and Fiscal Charges	632,864	0	68,557	(564,307)
Total	\$ 34,598,043	\$ 2,449,515	\$ 1,088,939	(31,059,589)

General Revenues

Property Taxes Levied for:

General Purposes	20,468,050
Debt Service	1,938,277
Grants and Entitlements Not Restricted to Specific Programs	5,456,810
Investment Earnings	114,555
Miscellaneous	25,480

Total General Revenues 28,003,172

Change in Net Position (3,056,417)

Net Position Beginning of Year (10,648,567)

Net Position End of Year \$ (13,704,984)

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Bond Retirement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 10,282,487	\$ 4,757,784	\$ 2,621,888	\$ 594,508	\$ 18,256,667
Receivables:					
Interfund	2,634,056	0	0	0	2,634,056
Intergovernmental	47,708	0	0	37,528	85,236
Property Taxes	24,484,853	2,975,064	0	0	27,459,917
<i>Total Assets</i>	<u>\$ 37,449,104</u>	<u>\$ 7,732,848</u>	<u>\$ 2,621,888</u>	<u>\$ 632,036</u>	<u>\$ 48,435,876</u>
Liabilities					
Accounts Payable	\$ 40,786	\$ 0	\$ 5,250	\$ 9,697	\$ 55,733
Accrued Wages and Benefits	2,445,648	0	0	63,950	2,509,598
Contracts Payable	0	0	353,996	0	353,996
Intergovernmental Payable	408,104	0	0	12,608	420,712
Matured Compensated Absences Payable	82,070	0	0	0	82,070
Interfund Payable	0	0	2,634,056	0	2,634,056
<i>Total Liabilities</i>	<u>2,976,608</u>	<u>0</u>	<u>2,993,302</u>	<u>86,255</u>	<u>6,056,165</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Fiscal Year	19,388,943	2,461,685	0	0	21,850,628
Delinquent Property Taxes	702,218	82,903	0	0	785,121
Other	0	0	0	37,020	37,020
<i>Total Deferred Inflows of Resources</i>	<u>20,091,161</u>	<u>2,544,588</u>	<u>0</u>	<u>37,020</u>	<u>22,672,769</u>
Fund Balances					
Restricted	0	5,188,260	0	367,594	5,555,854
Assigned	1,778,528	0	0	180,894	1,959,422
Unassigned	12,602,807	0	(371,414)	(39,727)	12,191,666
<i>Total Fund Balances</i>	<u>14,381,335</u>	<u>5,188,260</u>	<u>(371,414)</u>	<u>508,761</u>	<u>19,706,942</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 37,449,104</u>	<u>\$ 7,732,848</u>	<u>\$ 2,621,888</u>	<u>\$ 632,036</u>	<u>\$ 48,435,876</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2017

Total Governmental Fund Balances		\$ 19,706,942
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		25,431,973
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property Taxes	785,121	
Intergovernmental	37,020	822,141
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	\$ 8,992,195	
Deferred Inflows - Pension	(277,382)	
Net Pension Liability	(48,533,231)	(39,818,418)
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	14,839,521	
Capital Appreciation Bonds	440,000	
Bond Premium	1,309,219	
Accretion of Interest - Capital Appreciation Bonds	1,260,040	
Accrued Vacation Leave Payable	104,442	
Compensated Absences	1,894,400	(19,847,622)
<i>Net Position of Governmental Activities</i>		\$ (13,704,984)

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General Fund	Bond Retirement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property and Other Local Taxes	\$ 20,393,073	\$ 1,931,654	\$ 0	\$ 0	\$ 22,324,727
Intergovernmental	5,259,514	371,530	0	849,598	6,480,642
Investment Income	114,555	0	0	1,836	116,391
Tuition and Fees	1,305,543	0	0	23,841	1,329,384
Extracurricular Activities	178,644	0	0	301,469	480,113
Rentals	9,932	0	0	0	9,932
Charges for Services	0	0	0	630,264	630,264
Contributions and Donations	40,854	0	0	30,748	71,602
Miscellaneous	19,032	0	0	0	19,032
<i>Total Revenues</i>	<u>27,321,147</u>	<u>2,303,184</u>	<u>0</u>	<u>1,837,756</u>	<u>31,462,087</u>
Expenditures:					
Current:					
Instruction:					
Regular	13,666,867	0	0	210,621	13,877,488
Special	2,562,853	0	0	0	2,562,853
Vocational	687,699	0	0	0	687,699
Student Intervention Services	51,092	0	0	0	51,092
Support Services:					
Pupils	1,601,074	0	0	0	1,601,074
Instructional Staff	948,728	0	0	486,268	1,434,996
Board of Education	103,532	0	0	0	103,532
Administration	2,669,577	0	0	0	2,669,577
Fiscal	924,478	12,662	0	0	937,140
Business	158,782	0	0	0	158,782
Operation and Maintenance of Plant	2,499,840	0	0	0	2,499,840
Pupil Transportation	1,603,807	0	0	0	1,603,807
Central	229,927	0	0	0	229,927
Extracurricular Activities	627,345	0	0	404,297	1,031,642
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	674,837	674,837
Community Services	318,302	0	0	168,490	486,792
Capital Outlay	0	0	371,414	641,698	1,013,112
Debt Service:					
Principal Retirement	0	2,130,000	0	0	2,130,000
Interest and Fiscal Charges	0	378,970	0	0	378,970
<i>Total Expenditures</i>	<u>28,653,903</u>	<u>2,521,632</u>	<u>371,414</u>	<u>2,586,211</u>	<u>34,133,160</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,332,756)</u>	<u>(218,448)</u>	<u>(371,414)</u>	<u>(748,455)</u>	<u>(2,671,073)</u>
Other Financing Sources (Uses):					
Insurance Recoveries	3,743	0	0	0	3,743
Transfers In	0	195,695	0	467,500	663,195
Transfers Out	(663,195)	0	0	0	(663,195)
<i>Total Other Financing Sources (Uses)</i>	<u>(659,452)</u>	<u>195,695</u>	<u>0</u>	<u>467,500</u>	<u>3,743</u>
<i>Net Change in Fund Balance</i>	<u>(1,992,208)</u>	<u>(22,753)</u>	<u>(371,414)</u>	<u>(280,955)</u>	<u>(2,667,330)</u>
<i>Fund Balances Beginning of Year</i>	<u>16,373,543</u>	<u>5,211,013</u>	<u>0</u>	<u>789,716</u>	<u>22,374,272</u>
<i>Fund Balances End of Year</i>	<u>\$ 14,381,335</u>	<u>\$ 5,188,260</u>	<u>\$ (371,414)</u>	<u>\$ 508,761</u>	<u>\$ 19,706,942</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2017*

Net Change in Fund Balances - Total Governmental Funds	\$	(2,667,330)
 <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	\$ 602,916	
Current Year Depreciation	<u>(1,306,385)</u>	(703,469)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property Taxes	81,600	
Intergovernmental	<u>(2,061)</u>	79,539
Repayment of principal and accreted interest on capital appreciation bonds is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds		2,130,000
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		2,337,382
Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities		
		(3,802,051)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	32,905	
Amortization of Premium on Bonds	<u>150,659</u>	183,564
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences	(169,350)	
Vacations Payable	<u>(7,244)</u>	(176,594)
Accretion on capital appreciation bonds is an expenditure in the governmental funds, but is allocated as an expense over the life of the bonds in the statement of activities.		
		<u>(437,458)</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u><u>(3,056,417)</u></u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property and Other Local Taxes	\$ 21,968,363	\$ 22,646,301	\$ 22,646,301	\$ 0
Intergovernmental	5,012,265	5,166,942	5,166,942	0
Investment Income	111,126	103,161	114,555	11,394
Tuition and Fees	765,663	789,291	789,291	0
Extracurricular Activities	90,963	93,770	93,770	0
Rentals	9,635	9,932	9,932	0
Contributions and Donations	1,111	1,145	1,145	0
Miscellaneous	17,689	18,235	18,235	0
<i>Total Revenues</i>	<u>27,976,815</u>	<u>28,828,777</u>	<u>28,840,171</u>	<u>11,394</u>
Expenditures				
Current:				
Instruction:				
Regular	13,148,652	13,462,597	13,457,245	5,352
Special	2,597,867	2,610,669	2,607,565	3,104
Vocational	129,504	686,267	686,267	0
Student Intervention Services	65,900	51,302	51,302	0
Support Services:				
Pupils	1,512,214	1,501,349	1,500,861	488
Instructional Staff	960,281	969,144	969,144	0
Board of Education	113,491	180,171	107,140	73,031
Administration	2,770,895	2,657,559	2,656,597	962
Fiscal	1,005,239	917,488	916,488	1,000
Business	159,522	157,676	157,676	0
Operation and Maintenance of Plant	2,641,993	2,516,334	2,516,334	0
Pupil Transportation	1,487,566	1,664,054	1,563,421	100,633
Central	225,966	229,668	229,668	0
Extracurricular Activities	650,578	606,987	606,987	0
Operation of Non-Instructional Services:				
Community Services	8,000	500	500	0
<i>Total Expenditures</i>	<u>27,477,668</u>	<u>28,211,765</u>	<u>28,027,195</u>	<u>184,570</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>499,147</u>	<u>617,012</u>	<u>812,976</u>	<u>195,964</u>
Other Financing Sources (Uses)				
Insurance Recoveries	5,004	3,743	3,743	0
Refund of Prior Year Expenditures	35,182	32,639	32,639	0
Advances Out	0	(2,634,056)	(2,634,056)	0
Transfers Out	(1,194,800)	(663,195)	(663,195)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,154,614)</u>	<u>(3,260,869)</u>	<u>(3,260,869)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(655,467)	(2,643,857)	(2,447,893)	195,964
<i>Fund Balance Beginning of Year</i>	12,157,941	12,157,941	12,157,941	0
Prior Year Encumbrances Appropriated	40,468	40,468	40,468	0
<i>Fund Balance End of Year</i>	<u>\$ 11,542,942</u>	<u>\$ 9,554,552</u>	<u>\$ 9,750,516</u>	<u>\$ 195,964</u>

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Private Purpose Trust	Agency
Assets		
Equity in Pooled Cash and Investments	\$ 146,348	\$ 71,771
Liabilities		
Due to Students	0	\$ 71,771
Net Position		
Held in Trust for Scholarships	\$ 146,348	

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2017

	Private Purpose Trust
Additions	
Gifts and Contributions	\$ 36,500
Investment Earnings	185
<i>Total Additions</i>	36,685
Deductions	
Payments in Accordance with Trust Agreements	12,144
<i>Change in Net Position</i>	24,541
<i>Net Position Beginning of Year</i>	121,807
<i>Net Position End of Year</i>	\$ 146,348

See accompanying notes to the basic financial statements.

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

Note 1 - Description of School District

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

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

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

Reporting Entity

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

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

The School District participates in two jointly governed organizations and one insurance purchasing pool. These organizations are the Lake Geauga Computer Association, the Ohio Schools Council, and the Ohio School Boards Association Workers' Compensation Group Rating Program. These organizations are presented in Notes 9, 14 and 15 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

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

Fund Accounting

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

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

Chagrin Falls Exempted Village School District

Cuyahoga County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2017

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

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

Building Fund The building capital projects fund accounts for financial resources to be used for the acquisition, construction or improvement of major capital facilities.

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

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

Measurement Focus

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Basis of Accounting

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

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

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

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

Deferred Inflows of Resources and Deferred Outflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 School District, deferred outflows of resources are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 11.

In addition to liabilities, the statements of financial position 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 School District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables

Chagrin Falls Exempted Village School District
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For the Fiscal Year Ended June 30, 2017

which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11).

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

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

Budgetary Data

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2017.

The appropriation resolution is subject to amendment by the Board throughout the fiscal 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 fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Cash and Investments

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

Chagrin Falls Exempted Village School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

During fiscal year 2017, investments were limited to Fifth Third Money Market, Freddie Mac, Federal National Mortgage Association, US Treasury Notes and STAR Ohio (the State Treasurer's Investment Pool). Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For the fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$114,555, which includes \$44,276 assigned from other School District funds.

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

Capital Assets

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

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

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

Chagrin Falls Exempted Village School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

Compensated Absences

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

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

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

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

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.

Chagrin Falls Exempted Village School District
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Notes to the Basic Financial Statements
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Accrued Liabilities and Long-term Obligations

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

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

Net Position

Net position represent the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2017, there was no net position restricted by enabling legislation.

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

Fund Balance

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

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

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

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

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

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

Interfund Activity

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

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.

Implementation of New Accounting Principles

For the fiscal year ended June 30, 2017, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*

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and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73.*

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The implementation of this statement did not result in any change in the School District's financial statements as the School District does not have any material GASB Statement No. 77 tax abatements.

GASB Statement No. 78 amends the scope of GASB Statement No. 68 to exclude certain multiple-employer defined benefit pension plans provided to employees of state and local governments on the basis that obtaining the measurements and other information required by GASB Statement No. 68 was not feasible. The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the School District.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the School District.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the School District's fiscal year 2017 financial statements; however, there was no effect on beginning net position/fund balance.

Note 3 - Fund Balance

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

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

	General Fund	Bond Retirement Fund	Building Fund	Other Governmental Funds	Total
Restricted for:					
Debt Service	\$ 0	\$ 5,188,260	\$ 0	\$ 0	\$ 5,188,260
Extracurricular	0	0	0	148,292	148,292
Food Service	0	0	0	167,737	167,737
Local Grants	0	0	0	42,271	42,271
Other Purposes	0	0	0	9,294	9,294
Total Restricted	<u>0</u>	<u>5,188,260</u>	<u>0</u>	<u>367,594</u>	<u>5,555,854</u>
Assigned for:					
Public School Support	38,009	0	0	0	38,009
Encumbrances:					
Instruction	7,388	0	0	0	7,388
Support Services	15,029	0	0	0	15,029
Operation of Non-Instructional	12,222	0	0	0	12,222
Subsequent Year Appropriations	1,705,880	0	0	0	1,705,880
Permanent Improvement	0	0	0	180,894	180,894
Total Assigned	<u>1,778,528</u>	<u>0</u>	<u>0</u>	<u>180,894</u>	<u>1,959,422</u>
Unassigned	<u>12,602,807</u>	<u>0</u>	<u>(371,414)</u>	<u>(39,727) *</u>	<u>12,191,666</u>
Total Fund Balance	<u>\$ 14,381,335</u>	<u>\$ 5,188,260</u>	<u>\$ (371,414)</u>	<u>\$ 508,761</u>	<u>\$ 19,706,942</u>

* Unassigned deficit fund balance included \$38,602 in the Title VI-B fund and \$1,125 in the Title II-A fund.

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

Note 4 - Budgetary Basis of Accounting

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

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment, commitment or restriction of fund balance (GAAP).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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

Net Change in Fund Balance

	General Fund
GAAP Basis	\$ (1,992,208)
Net Adjustment for Revenue Accruals	2,192,498
Net Adjustment for Expenditure Accruals	(2,489,537)
Funds Budgeted Elsewhere **	(92)
Adjustment for Encumbrances	(158,554)
Budget Basis	\$ (2,447,893)

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

Note 5 - Deposits and Investments

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

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

Chagrin Falls Exempted Village School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

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

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

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

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

Chagrin Falls Exempted Village School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

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

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

Deposits At fiscal year-end, the carrying amount of the School District's deposits was \$333,646 and the bank balance was \$631,302. Of the bank balance:

1. \$426,834 of the bank balance was covered by depository insurance; and
2. \$204,468 was exposed to custodial credit risk as discussed above. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Investments: As of June 30, 2017, the School District had the following investments:

Rating	Measurement Amount	Investment Maturities (in years)			% Total Investments	
		Less than 1	1 - 3	Over 3		
AAAm	STAR Ohio	\$ 14,353,244	\$ 14,353,244	\$ 0	\$ 0	79.11%
N/A	Fifth Third US Treasury Money Market	55,826	55,826	0	0	0.32%
AA+	US Treasury Notes	2,226,990	299,111	936,910	990,969	12.28%
AA+	Federal National Mortgage Association	825,399	424,079	301,564	99,756	4.55%
AA+	Freddie Mac	678,681	579,288	99,393	0	3.74%
Totals		\$ 18,140,140	\$ 15,711,548	\$ 1,337,867	\$ 1,090,725	100.00%

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2017. As discussed further in Note 2, STAR Ohio is reported at its share price. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

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

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2017, is 46 days.

Credit Risk: The School District's investments at June 30, 2017 are rated as shown above by S&P Global Ratings. Federal money markets are exempt from ratings since they are explicitly guaranteed by a U.S. Government Agency. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

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

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Notes to the Basic Financial Statements
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Note 6 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 and are collected in 2017 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga and Geauga Counties. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 in the general and bond retirement funds was \$4,393,692 and \$430,476, respectively. The amount available for advance at June 30, 2016, in the general and bond retirement funds was \$6,646,920 and \$658,309, respectively. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2017 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 of resources.

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 of resources.

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The assessed values upon which the fiscal year 2017 taxes were collected are:

	2016 Second Half Collections		2017 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 507,691,820	98.46%	\$512,432,620	98.38%
Public Utility Personal Property	7,965,680	1.54%	8,411,980	1.62%
	<u>\$ 515,657,500</u>	<u>100.00%</u>	<u>\$ 520,844,600</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	<u>\$ 115.30</u>		<u>\$ 115.20</u>	

Note 7 - Receivables

Receivables at June 30, 2017, consisted of taxes, interfund and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Intergovernmental receivables consisted \$47,708 in general fund and \$508 in other governmental funds for SERS refund and \$37,020 in grants receivable in other governmental funds.

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Chagrin Falls Exempted Village School District
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Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Balance 6/30/16	Additions	Reductions	Balance 6/30/17
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 1,386,635	\$ 0	\$ 0	\$ 1,386,635
Construction in progress	63,871	0	(63,871)	0
Capital Assets not being depreciated	<u>1,450,506</u>	<u>0</u>	<u>(63,871)</u>	<u>1,386,635</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	42,488,081	270,104	0	42,758,185
Furniture and Equipment	1,873,021	135,923	(5,588)	2,003,356
Vehicles	1,816,226	260,760	(123,337)	1,953,649
Total Capital Assets, being depreciated	<u>46,177,328</u>	<u>666,787</u>	<u>(128,925)</u>	<u>46,715,190</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(18,579,401)	(1,127,346)	0	(19,706,747)
Furniture and Equipment	(1,519,930)	(73,326)	5,588	(1,587,668)
Vehicles	(1,393,061)	(105,713)	123,337	(1,375,437)
Total Accumulated Depreciation	<u>(21,492,392)</u>	<u>(1,306,385)</u>	<u>128,925</u>	<u>(22,669,852)</u>
Total Capital Assets being depreciated, net	<u>24,684,936</u>	<u>(639,598)</u>	<u>0</u>	<u>24,045,338</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,135,442</u>	<u>\$ (639,598)</u>	<u>\$ (63,871)</u>	<u>\$ 25,431,973</u>

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

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 965,233
Special	13,847
Support Services:	
Pupil	14,612
Instructional Staff	46,946
Operation and Maintenance of Plant	146,170
Pupil Transportaion	95,241
Operation of Non-Instructional Services:	
Food Service Operations	17,342
Community Services	3,281
Extracurricular Activities	<u>3,713</u>
 Total Depreciation	 <u>\$ 1,306,385</u>

Note 9 - Risk Management

Property and Liability

The School 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.

The School District insures its buildings and their contents through insurance having a \$10,000 deductible and providing replacement costs for such items. An inventory of all loose equipment is conducted annually.

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

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

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

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Workers' Compensation

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool (Note 15). The intent of the Program is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the Program. 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 Program.

Each participant pays its workers' compensation premium to the State based on the rate for the Program 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 Program. 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 Program. Participation in the Program is limited to school districts that can meet the Program's selection criteria. The firm of Sheakley Unicomp provides administrative, cost control and actuarial services to the Program.

Note 10 - Other Employee Benefits

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

Teachers, administrators, and non-certified employees earn sick leave at the rate of one and one-fourth days per month. Administrative and non-union staff may accumulate sick leave to a maximum of 276 days. Certified and non-certified staff may accumulate a maximum of 310 sick days. Upon retirement, OAPSE employees and CFEA employees receive payment for a maximum of 77.5 days.

Insurance Benefits

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

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

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

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Note 11 - 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 School 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 School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions are financed; however, the School 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 *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description – School 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 under Employers/Audit Resources.

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Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017*	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or 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 30 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 School 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, 2017, the allocation to pension, death benefits, and Medicare B was 14 percent. SERS did not allocate any employer contributions to the Health Care Fund for fiscal year 2017.

The School District's contractually required contribution to SERS was \$570,418 for fiscal year 2017. Of this amount, \$35,015 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – School 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.

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 was 2.2

Chagrin Falls Exempted Village School District
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percent of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or at age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member 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 service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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 to 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. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$1,766,964 for fiscal year 2017. Of this amount, \$292,280 is reported as an intergovernmental payable.

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

The net pension liability was measured as of July 1 2016, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's employer allocation percentage of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 39,321,001	\$ 9,212,230	\$ 48,533,231
Proportion of the Net Pension Liability:			
Current Measurement Date	0.11747075%	0.12586600%	
Prior Measurement Date	<u>0.11690597%</u>	<u>0.12650010%</u>	
Change in Proportionate Share	<u>0.00056478%</u>	<u>-0.00063410%</u>	
Pension Expense	\$ 2,782,237	\$ 1,019,814	\$ 3,802,051

Deferred outflows/inflows of resources represent the effect of changes in the net pension liability due to the difference between projected and actual investment earnings, differences between expected and actual actuarial experience, changes in assumptions and changes in the School District's proportion of the collective net pension liability. The deferred outflows and deferred inflows are to be included in pension expense over current and future periods. The difference between projected and actual investment earnings is recognized in pension expense using a straight line method over a five year period beginning in the current year. Deferred outflows and deferred inflows resulting from changes in sources other than differences between projected and actual investment earnings are amortized over the average expected remaining service lives of all members (both active and inactive) using the straight line method. Employer contributions to the pension plan subsequent to the measurement date are also required to be reported as a deferred outflow of resources.

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At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	STRS	SERS	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 1,588,759	\$ 124,250	\$ 1,713,009
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,264,699	759,875	4,024,574
Changes of Assumptions	0	614,966	614,966
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	195,230	107,034	302,264
School District Contributions Subsequent to the Measurement Date	1,766,964	570,418	2,337,382
Total Deferred Outflows of Resources	\$ 6,815,652	\$ 2,176,543	\$ 8,992,195

Deferred Inflows of Resources

Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	\$ 277,382	\$ 0	\$ 277,382
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\$2,337,382 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	STRS	SERS	Total
Fiscal Year Ending June 30:			
2018	\$ 724,795	\$ 422,893	\$ 1,147,688
2019	724,795	422,346	1,147,141
2020	1,977,555	542,454	2,520,009
2021	1,344,161	218,432	1,562,593
	\$ 4,771,306	\$ 1,606,125	\$ 6,377,431

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

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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, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including Inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3.00 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates among active members were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015. The assumed rate of inflation, payroll growth assumption and assumed real wage growth were reduced in the June 30, 2016 actuarial valuation. The rates of withdrawal, retirement and disability updated to reflect recent experience and mortality rates were also updated.

The long-term return expectation for the Pension Plan Investments has been determined by 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 an arithmetic weighted average 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:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	<u>10.00</u>	3.00
Total	<u>100.00 %</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.50 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 earnings were calculated using the long-term assumed investment rate of return (7.50 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 School 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 School District's proportionate share of the net pension liability calculated using the discount rate of 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ 12,196,418	\$ 9,212,230	\$ 6,714,340

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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Inflation	2.75 percent
Projected Salary Increase	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.75 percent, net of investment expenses, including inflation
Cost-of-Living Adjustments (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 commences on the fifth anniversary of the 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 no set back from age 90 and above.

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS’ investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return*</u>
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	<u>1.00</u>	<u>3.00</u>
Total	<u>100.00 %</u>	<u>7.61 %</u>

*10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.50 percent and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. 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, 2016. 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, 2016.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability as of June 30, 2016, calculated using the current period discount rate assumption of 7.75 percent, as well as what the School 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 (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's Proportionate Share of the Net Pension Liability	\$ 52,254,415	\$ 39,321,001	\$ 28,410,904

Changes Between Measurement Date and Report Date In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to School District's net pension liability is expected to be significant.

Note 12 - Postemployment Benefits

School Employees Retirement System

Health Care Plan Description - The School 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 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.

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 2017, SERS did not allocate any employer contributions to the Health Care fund.

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

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017*

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 2017, this amount was \$23,500. 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 2017, the School District's surcharge obligation was \$61,444.

For fiscal years 2016 and 2017, SERS did not allocate employer contributions to the Health Care fund. The School District's contributions for health care for the fiscal year ended June 30, 2015, was \$93,360. The full amount has been contributed for fiscal year 2015.

State Teachers Retirement System

Plan Description – The School 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 or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. 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 years 2017, 2016 and 2015, STRS did not allocate any employer contributions to post-employment health care; therefore, the School District did not contribute to health care in the last three fiscal years.

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 13 - Long - Term Obligations

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

	Outstanding 6/30/16	Additions	Reductions	Outstanding 6/30/17	Amounts Due in One Year
Governmental Activities:					
General Obligation Bonds:					
2011 Series A Energy Conservation Bonds					
Serial Bonds \$1,342,983					
at 5.75%	\$ 910,000	\$ 0	\$ 90,000	\$ 820,000	\$ 90,000
2011 Series B-1 Energy Conservation Bonds					
Tax Exempt Serial Bonds \$430,463					
at 2.00% - 4.80%	150,000	0	100,000	50,000	50,000
Bond Premium	27,970	0	3,107	24,863	0
2011 Series B-2 Energy Conservation Bonds					
Term Bonds \$544,521 at 4.85%	544,521	0	0	544,521	0
2012 Series A Refunding Bonds					
Serial Bonds \$10,315,000					
at 1.94%	8,275,000	0	1,445,000	6,830,000	1,450,000
Capital Appreciation Bond					
at 2.12%	225,000	0	0	225,000	0
Accretion of Interest	450,110	247,762	0	697,872	0
Bond Premium	683,702	0	97,671	586,031	0
2012 Series B Refunding Bonds					
Serial Bonds \$7,910,000					
at 2.30%	7,090,000	0	495,000	6,595,000	0
Capital Appreciation Bond					
at 1.4% - 1.55%	215,000	0	0	215,000	120,000
Accretion of Interest	372,472	189,696	0	562,168	322,464
Bond Premium	748,206	0	49,881	698,325	0
Total General Obligation Bonds	19,691,981	437,458	2,280,659	17,848,780	2,032,464
Net Pension Liability					
STRS	32,309,391	7,011,610	0	39,321,001	0
SERS	7,218,218	1,994,012	0	9,212,230	0
Total Net Pension Liability	39,527,609	9,005,622	0	48,533,231	0
Compensated Absences	1,725,050	330,419	161,069	1,894,400	105,300
Total Governmental Activities					
Long-Term Liabilities	<u>\$60,944,640</u>	<u>\$ 9,773,499</u>	<u>\$ 2,441,728</u>	<u>\$68,276,411</u>	<u>\$ 2,137,764</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

2011 Series A Energy Conservation Improvement Bonds

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

2011 Series B-1 Energy Conservation Improvement Bonds

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

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

2011 Series B-2 Energy Conservation Improvement Bonds

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

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

2012 Series 2012 A School Improvement Refunding Bonds

On November 27, 2012, the School District issued \$10,540,000 refunding general obligation bonds. The proceeds of the bonds were used to refund \$10,540,000 of the School District's outstanding School Improvement Refunding Bonds, Series 2005. The bonds were issued for a 10 year period with final maturity at December 1, 2022. At the date of the refunding, \$11,426,599 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. At June 30, 2017, \$7,040,000 of the defeased debt is outstanding.

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

2012 Series 2012 B School Improvement Refunding Bonds

On November 27, 2012, the School District issued \$8,125,000 refunding general obligation bonds. The proceeds of the bonds were used to refund \$8,125,000 of the School District's outstanding School Improvement Bonds, Series 2005. The bonds were issued for an 18 year period with final maturity at December 1, 2030. At the date of the refunding, \$8,906,587 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. At June 30, 2017, \$7,145,000 of the defeased debt is outstanding.

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

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

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

General obligation bonds will be paid from the bond retirement fund. Compensated absences will be paid from the general fund and the food service fund. Obligations related to employee compensation will be paid from the fund benefitting from their service.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2017 are as follows:

Fiscal Year Ending June 30,	Serial Bonds		Term Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Accretion	Principal	Accretion/ Interest
2018	\$ 1,590,000	\$ 324,397	\$ 0	\$ 26,408	\$120,000	\$ 390,000	\$ 1,710,000	\$ 740,805
2019	90,000	309,535	64,521	24,844	320,000	1,660,000	474,521	1,994,379
2020	2,070,000	285,298	65,000	21,704	0	0	2,135,000	307,002
2021	2,105,000	239,410	65,000	18,552	0	0	2,170,000	257,962
2022	2,145,000	188,593	70,000	15,278	0	0	2,215,000	203,871
2023 - 2027	4,045,000	499,916	280,000	27,158	0	0	4,325,000	527,074
2028 - 2031	2,250,000	105,373	0	0	0	0	2,250,000	105,373
Total	\$14,295,000	\$1,952,522	\$544,521	\$133,944	\$440,000	\$2,050,000	\$15,279,521	\$4,136,466

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 14 - Jointly Governed Organizations

Lake Geauga Computer Association

The Lake Geauga Computer Association (LGCA) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its twenty member school districts. Each of the districts supports LGCA based upon a per pupil charge. The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA's continued existence is not dependent on the School District's continued participation. The School District paid \$117,313 to LGCA during fiscal year 2017. Financial information can be obtained from Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

Ohio Schools Council

The Ohio Schools Council Association (Council) is a jointly governed organization among 198 school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2017, the School District paid \$341 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6933 Oak Tree Boulevard, Suite 377, Independence, Ohio, 44131.

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

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

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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

Note 15 - Insurance Purchasing Pool

The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program, an insurance purchasing pool. Each year, the participating school districts pay an enrollment fee to the Program to cover the costs of administering the program.

Note 16 - Contingencies

Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2017, if applicable, cannot be determined at this time.

Litigation

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

School Foundation

School district foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 17 - Interfund Balances and Transfers

Interfund Balances

Interfund balances at June 30, 2017 consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$ 2,634,056	\$ 0
Building Fund	0	2,634,056
Total	\$ 2,634,056	\$ 2,634,056

The general fund advanced monies to the building fund to cover expenditures until expected revenues are received. All interfund loans will be repaid in fiscal year 2018 with the issuance of general obligation bonds.

Transfers

Transfers made during fiscal year 2017 were as follows:

Fund	Transfer In	Transfer Out
General Fund	\$ 0	\$ 663,195
Bond Retirement Fund	195,695	0
Nonmajor Governmental Funds	467,500	0
Total	\$ 663,195	\$ 663,195

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

Note 18 - Set-Asides

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

	Capital Improvement Reserve
Set Aside Restricted Balance June 30, 2016	\$ 0
Current Year Set-Aside Requirement	350,180
Current Year Offsets	(440,000)
Total	\$ (89,820)
Balance Carried Forward to Fiscal Year 2018	\$ 0
Set Aside Balance June 30, 2017	\$ 0

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

Note 19 – Commitments

Encumbrances

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

	Amount
General Fund	\$ 34,768
Building Fund	2,262,642
Nonmajor Governmental Funds	42,724
	\$ 2,340,134

Contractual Commitment

The School District had an outstanding contractual commitment at June 30, 2017 in the amount of \$2,046,004 for modular units to house students during renovations.

Based on timing of when contracts are encumbered, the contractual commitment identified above may or may not be included in the outstanding encumbrance commitments previously disclosed in this note.

Note 20 – Subsequent Event

On August 8, 2017, the School District issued School Improvement General Obligation Bonds in the amount of \$31,500,000 at an interest rate of 2.0 percent to 5.0 percent to finance the costs of constructing improvements. These bonds mature on December 1, 2039.

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Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Last Four Fiscal Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>State Teachers Retirement System (STRS)</i>				
School District's Proportion of the Net Pension Liability	0.11747075%	0.11690597%	0.11852303%	0.11852303%
School District's Proportionate Share of the Net Pension Liability	\$ 39,321,001	\$ 32,309,391	\$ 28,828,903	\$ 34,340,800
School District's Covered Payroll	\$ 12,959,036	\$ 12,931,886	\$ 13,041,300	\$ 12,097,577
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	303.43%	249.84%	221.06%	283.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.80%	72.10%	74.70%	69.30%
<i>School Employees Retirement System (SERS)</i>				
School District's Proportion of the Net Pension Liability	0.12586600%	0.12650010%	0.12375700%	0.12375700%
School District's Proportionate Share of the Net Pension Liability	\$ 9,212,230	\$ 7,218,218	\$ 6,263,271	\$ 7,359,432
School District's Covered Payroll	\$ 4,410,379	\$ 4,045,364	\$ 3,632,460	\$ 3,756,684
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	208.88%	178.43%	172.43%	195.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available.

The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Notes:

School Employees Retirement System (SERS)

Changes of Benefit Terms: None.

Changes of Assumptions: Amounts reported in 2017 reflect an adjustment of the rates of withdrawal, retirement and disability to more closely reflect actual experience and the expectation of retired life mortality was based on RP-2014 Blue Collar Mortality Tables and RP-2000 Disabled Mortality Table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 7.75% to 7.50%
- Assumed rate of inflation from 3.25% to 3.00%
- Payroll growth assumption from 4.00% to 3.50%
- Assumed real wage growth from 0.75% to 0.50%

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of School District Contributions
Last Ten Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>State Teachers Retirement System (STRS)</i>				
Contractually Required Contribution	\$ 1,766,964	\$ 1,814,265	\$ 1,810,464	\$ 1,695,369
Contributions in Relation to the Contractually Required Contribution	<u>(1,766,964)</u>	<u>(1,814,265)</u>	<u>(1,810,464)</u>	<u>(1,695,369)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 12,621,171	\$ 12,959,036	\$ 12,931,886	\$ 13,041,300
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%
<i>School Employees Retirement System (SERS)</i>				
Contractually Required Contribution	\$ 570,418	\$ 617,453	\$ 533,179	\$ 503,459
Contributions in Relation to the Contractually Required Contribution	<u>(570,418)</u>	<u>(617,453)</u>	<u>(533,179)</u>	<u>(503,459)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 4,074,414	\$ 4,410,379	\$ 4,045,364	\$ 3,632,460
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.18%	13.86%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 1,572,685	\$ 1,510,278	\$ 1,465,362	\$ 1,408,710	\$ 1,354,235	\$ 1,332,273
<u>(1,572,685)</u>	<u>(1,510,278)</u>	<u>(1,465,362)</u>	<u>(1,408,710)</u>	<u>(1,354,235)</u>	<u>(1,332,273)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 12,097,577	\$ 11,617,523	\$ 11,272,015	\$ 10,836,231	\$ 10,417,192	\$ 10,248,254
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
\$ 519,925	\$ 557,109	\$ 471,835	\$ 554,164	\$ 362,227	\$ 327,233
<u>(519,925)</u>	<u>(557,109)</u>	<u>(471,835)</u>	<u>(554,164)</u>	<u>(362,227)</u>	<u>(327,233)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 3,756,684	\$ 4,142,074	\$ 3,753,660	\$ 4,092,792	\$ 3,681,169	\$ 3,332,312
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

Competency-Based Education Pilot Grant Fund – This fund accounts for State monies to provide an environment to allow students to take advantage of opportunities to learn on individualized paths at their own place, time and pace.

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

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

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

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

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

Chagrin Falls Exempted Village School District

Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (continued)

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

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

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

Nonmajor Capital Project Fund

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

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Nonmajor Special Revenue Funds	Permanent Improvement Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 413,614	\$ 180,894	\$ 594,508
Intergovernmental Receivable	37,528	0	37,528
<i>Total Assets</i>	<u>\$ 451,142</u>	<u>\$ 180,894</u>	<u>\$ 632,036</u>
Liabilities:			
Accounts Payable	\$ 9,697	\$ 0	\$ 9,697
Accrued Wages and Benefits	63,950	0	63,950
Intergovernmental Payable	12,608	0	12,608
<i>Total Liabilities</i>	<u>86,255</u>	<u>0</u>	<u>86,255</u>
Deferred Inflows of Resources:			
Other	37,020	0	37,020
Fund Balances:			
Restricted	367,594	0	367,594
Assigned	0	180,894	180,894
Unassigned	(39,727)	0	(39,727)
<i>Total Fund Balances (Deficit)</i>	<u>327,867</u>	<u>180,894</u>	<u>508,761</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 451,142</u>	<u>\$ 180,894</u>	<u>\$ 632,036</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Nonmajor Special Revenue Funds	Permanent Improvement Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 849,598	\$ 0	\$ 849,598
Investment Income	1,836	0	1,836
Tuition and Fees	23,841	0	23,841
Extracurricular Activities	301,469	0	301,469
Charges for Services	630,264	0	630,264
Contributions and Donations	30,430	318	30,748
<i>Total Revenues</i>	<u>1,837,438</u>	<u>318</u>	<u>1,837,756</u>
Expenditures:			
Current:			
Instruction:			
Regular	209,911	710	210,621
Support Services:			
Instructional Staff	486,268	0	486,268
Extracurricular Activities	404,297	0	404,297
Operation of Non-Instructional Services:			
Food Service Operations	674,837	0	674,837
Community Services	168,490	0	168,490
Capital Outlay	296,495	345,203	641,698
<i>Total Expenditures</i>	<u>2,240,298</u>	<u>345,913</u>	<u>2,586,211</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(402,860)	(345,595)	(748,455)
Other Financing Sources (Uses):			
Transfers In	27,500	440,000	467,500
<i>Net Change in Fund Balance</i>	(375,360)	94,405	(280,955)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>703,227</u>	<u>86,489</u>	<u>789,716</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 327,867</u>	<u>\$ 180,894</u>	<u>\$ 508,761</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Data Communications Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 42,271	\$ 149,930	\$ 17,300	\$ 0
Intergovernmental Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$ 42,271</u>	<u>\$ 149,930</u>	<u>\$ 17,300</u>	<u>\$ 0</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 1,638	\$ 8,006	\$ 0
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>1,638</u>	<u>8,006</u>	<u>0</u>
Deferred Inflows of Resources:				
Other	0	0	0	0
Fund Balances:				
Restricted	42,271	148,292	9,294	0
Unassigned	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>42,271</u>	<u>148,292</u>	<u>9,294</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 42,271</u>	<u>\$ 149,930</u>	<u>\$ 17,300</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Competency-Based Education Pilot Grant Fund	Title VI-B Fund	Title I Fund	Preschool Handicapped Fund
Assets:				
Equity in Pooled Cash and Investments	\$ 0	\$ 56	\$ 0	\$ 0
Intergovernmental Receivable	0	37,020	0	0
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 37,076</u>	<u>\$ 0</u>	<u>\$ 0</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 53	\$ 0	\$ 0
Accrued Wages and Benefits	0	33,439	0	0
Intergovernmental Payable	0	5,166	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>38,658</u>	<u>0</u>	<u>0</u>
Deferred Inflows of Resources:				
Other	0	37,020	0	0
Fund Balances:				
Restricted	0	0	0	0
Unassigned	0	(38,602)	0	0
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>(38,602)</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 37,076</u>	<u>\$ 0</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Assets:			
Equity in Pooled Cash and Investments	\$ 0	\$ 204,057	\$ 413,614
Intergovernmental Receivable	0	508	37,528
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 204,565</u>	<u>\$ 451,142</u>
Liabilities:			
Accounts Payable	\$ 0	\$ 0	\$ 9,697
Accrued Wages and Benefits	0	30,511	63,950
Intergovernmental Payable	1,125	6,317	12,608
<i>Total Liabilities</i>	<u>1,125</u>	<u>36,828</u>	<u>86,255</u>
Deferred Inflows of Resources:			
Other	0	0	37,020
Fund Balances:			
Restricted	0	167,737	367,594
Unassigned	(1,125)	0	(39,727)
<i>Total Fund Balances (Deficit)</i>	<u>(1,125)</u>	<u>167,737</u>	<u>327,867</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 204,565</u>	<u>\$ 451,142</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Miscellaneous Grants Fund	Athletic/ District Managed Fund	Auxiliary Services Fund	Data Communications Fund
Revenues:				
Intergovernmental	\$ 0	\$ 0	\$ 145,590	\$ 7,200
Investment Income	0	0	262	0
Tuition and Fees	0	23,841	0	0
Extracurricular Activities	0	301,469	0	0
Charges for Services	0	0	0	0
Contributions and Donations	23,830	6,600	0	0
<i>Total Revenues</i>	<u>23,830</u>	<u>331,910</u>	<u>145,852</u>	<u>7,200</u>
Expenditures:				
Current:				
Instruction:				
Regular	55,261	0	0	7,200
Support Services:				
Instructional Staff	0	0	0	0
Extracurricular Activities	58,875	345,422	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	0	152,027	0
Capital Outlay	296,495	0	0	0
<i>Total Expenditures</i>	<u>410,631</u>	<u>345,422</u>	<u>152,027</u>	<u>7,200</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(386,801)	(13,512)	(6,175)	0
Other Financing Sources (Uses):				
Transfers In	0	27,500	0	0
<i>Net Change in Fund Balance</i>	(386,801)	13,988	(6,175)	0
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>429,072</u>	<u>134,304</u>	<u>15,469</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 42,271</u>	<u>\$ 148,292</u>	<u>\$ 9,294</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Competency-Based Education			Preschool Handicapped
	Pilot Grant Fund	Title VI-B Fund	Title I Fund	Fund
Revenues:				
Intergovernmental	\$ 200,000	\$ 360,472	\$ 53,106	\$ 10,235
Investment Income	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
<i>Total Revenues</i>	<u>200,000</u>	<u>360,472</u>	<u>53,106</u>	<u>10,235</u>
Expenditures:				
Current:				
Instruction:				
Regular	60,000	53	53,106	10,235
Support Services:				
Instructional Staff	140,000	346,268	0	0
Extracurricular Activities	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Community Services	0	14,555	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>200,000</u>	<u>360,876</u>	<u>53,106</u>	<u>10,235</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(404)	0	0
Other Financing Sources (Uses):				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	0	(404)	0	0
<i>Fund Balances (Deficit) Beginning of Year</i>	0	(38,198)	0	0
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 0</u>	<u>\$ (38,602)</u>	<u>\$ 0</u>	<u>\$ 0</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Title II-A Fund	Food Service Fund	Total Nonmajor Special Revenue Funds
Revenues:			
Intergovernmental	\$ 24,839	\$ 48,156	\$ 849,598
Investment Income	0	1,574	1,836
Tuition and Fees	0	0	23,841
Extracurricular Activities	0	0	301,469
Charges for Services	0	630,264	630,264
Contributions and Donations	0	0	30,430
<i>Total Revenues</i>	<u>24,839</u>	<u>679,994</u>	<u>1,837,438</u>
Expenditures:			
Current:			
Instruction:			
Regular	24,056	0	209,911
Support Services:			
Instructional Staff	0	0	486,268
Extracurricular Activities	0	0	404,297
Operation of Non-Instructional Services:			
Food Service Operations	0	674,837	674,837
Community Services	1,908	0	168,490
Capital Outlay	0	0	296,495
<i>Total Expenditures</i>	<u>25,964</u>	<u>674,837</u>	<u>2,240,298</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,125)	5,157	(402,860)
Other Financing Sources (Uses):			
Transfers In	0	0	27,500
<i>Net Change in Fund Balance</i>	(1,125)	5,157	(375,360)
<i>Fund Balances (Deficit) Beginning of Year</i>	0	162,580	703,227
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ (1,125)</u>	<u>\$ 167,737</u>	<u>\$ 327,867</u>

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GOVERNMENTAL FUNDS

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 22,646,301	\$ 22,646,301	\$ 0
Intergovernmental	5,166,942	5,166,942	0
Investment Income	103,161	114,555	11,394
Tuition and Fees	789,291	789,291	0
Extracurricular Activities	93,770	93,770	0
Rentals	9,932	9,932	0
Contributions and Donations	1,145	1,145	0
Miscellaneous	18,235	18,235	0
<i>Total Revenues</i>	<u>28,828,777</u>	<u>28,840,171</u>	<u>11,394</u>
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	9,114,869	9,114,869	0
Fringe Benefits	3,405,184	3,399,832	5,352
Purchased Services	432,405	432,405	0
Materials and Supplies	298,924	298,924	0
Capital Outlay	205,894	205,894	0
Other	5,321	5,321	0
Total Regular	<u>13,462,597</u>	<u>13,457,245</u>	<u>5,352</u>
Special:			
Salaries and Wages	1,292,523	1,292,523	0
Fringe Benefits	374,010	374,010	0
Purchased Services	897,739	894,635	3,104
Materials and Supplies	46,397	46,397	0
Total Special	<u>2,610,669</u>	<u>2,607,565</u>	<u>3,104</u>
Vocational:			
Purchased Services	633,119	633,119	0
Materials and Supplies	53,148	53,148	0
Total Vocational	<u>686,267</u>	<u>686,267</u>	<u>0</u>
Student Intervention Services:			
Purchased Services	51,302	51,302	0
Total Instruction	<u>16,810,835</u>	<u>16,802,379</u>	<u>8,456</u>

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Support Services:			
Pupils:			
Salaries and Wages	\$ 747,967	\$ 747,967	\$ 0
Fringe Benefits	221,530	221,530	0
Purchased Services	502,970	502,482	488
Materials and Supplies	12,716	12,716	0
Capital Outlay	16,166	16,166	0
Total Pupils	1,501,349	1,500,861	488
Instructional Staff:			
Salaries and Wages	662,208	662,208	0
Fringe Benefits	265,955	265,955	0
Purchased Services	31,051	31,051	0
Materials and Supplies	9,930	9,930	0
Total Instructional Staff	969,144	969,144	0
Board of Education:			
Salaries and Wages	8,560	8,560	0
Fringe Benefits	3,913	3,913	0
Purchased Services	52,420	52,420	0
Materials and Supplies	5,979	5,979	0
Other	109,299	36,268	73,031
Total Board of Education	180,171	107,140	73,031
Administration:			
Salaries and Wages	1,460,250	1,460,250	0
Fringe Benefits	618,777	618,777	0
Purchased Services	562,377	561,415	962
Materials and Supplies	12,128	12,128	0
Capital Outlay	4,027	4,027	0
Total Administration	2,657,559	2,656,597	962
Fiscal:			
Salaries and Wages	278,609	278,609	0
Fringe Benefits	166,595	165,595	1,000
Purchased Services	44,561	44,561	0
Materials and Supplies	2,983	2,983	0
Other	424,740	424,740	0
Total Fiscal	917,488	916,488	1,000
Business:			
Salaries and Wages	112,281	112,281	0
Fringe Benefits	45,395	45,395	0
Total Business	157,676	157,676	0

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Operation and Maintenance of Plant:			
Salaries and Wages	\$ 1,034,057	\$ 1,034,057	\$ 0
Fringe Benefits	526,889	526,889	0
Purchased Services	939,137	939,137	0
Materials and Supplies	14,651	14,651	0
Capital Outlay	1,600	1,600	0
Total Operation and Maintenance of Plant	2,516,334	2,516,334	0
Pupil Transportation:			
Salaries and Wages	803,600	803,600	0
Fringe Benefits	294,750	294,750	0
Purchased Services	122,528	121,895	633
Materials and Supplies	238,792	138,792	100,000
Capital Outlay	204,384	204,384	0
Total Pupil Transportation	1,664,054	1,563,421	100,633
Central:			
Salaries and Wages	137,733	137,733	0
Fringe Benefits	76,814	76,814	0
Purchased Services	15,121	15,121	0
Total Central	229,668	229,668	0
Total Support Services	10,793,443	10,617,329	176,114
Extracurricular Activities:			
Sport Oriented Activities:			
Salaries and Wages	527,983	527,983	0
Fringe Benefits	49,638	49,638	0
Purchased Services	29,366	29,366	0
Total Extracurricular Activities	606,987	606,987	0
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	500	500	0
Total Operation of Non-Instructional Services	500	500	0
Total Expenditures	28,211,765	28,027,195	184,570
Excess of Revenues Over (Under) Expenditures	617,012	812,976	195,964

(continued)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Other Financing Sources (Uses):			
Insurance Recoveries	\$ 3,743	\$ 3,743	\$ 0
Refund of Prior Year Expenditures	32,639	32,639	0
Advances Out	(2,634,056)	(2,634,056)	0
Transfers Out	(663,195)	(663,195)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(3,260,869)</u>	<u>(3,260,869)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(2,643,857)	(2,447,893)	195,964
<i>Fund Balance (Deficit) at Beginning of Year</i>	12,157,941	12,157,941	0
Prior Year Encumbrances Appropriated	<u>40,468</u>	<u>40,468</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 9,554,552</u>	<u>\$ 9,750,516</u>	<u>\$ 195,964</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Property and Other Local Taxes	\$ 2,159,486	\$ 2,159,486	\$ 0
Intergovernmental	371,530	371,530	0
<i>Total Revenues</i>	<u>2,531,016</u>	<u>2,531,016</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	59,588	12,662	46,926
Debt Service:			
Principal Retirement	2,130,000	2,130,000	0
Interest and Fiscal Charges	378,970	378,970	0
<i>Total Debt Service</i>	<u>2,508,970</u>	<u>2,508,970</u>	<u>0</u>
<i>Total Expenditures</i>	<u>2,568,558</u>	<u>2,521,632</u>	<u>46,926</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(37,542)</u>	<u>9,384</u>	<u>46,926</u>
Other Financing Sources (Uses):			
Transfers In	195,695	195,695	0
<i>Net Change in Fund Balance</i>	158,153	205,079	46,926
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>4,552,705</u>	<u>4,552,705</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 4,710,858</u>	<u>\$ 4,757,784</u>	<u>\$ 46,926</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance Over (Under)
Revenues:	\$ 0	\$ 0	\$ 0
Expenditures:			
Capital Outlay:			
Building Improvement Services:			
Purchased Services	12,168	12,168	0
Capital Outlay	2,621,888	2,621,888	0
<i>Total Expenditures</i>	2,634,056	2,634,056	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,634,056)	(2,634,056)	0
Other Financing Sources (Uses):			
Advances In	2,634,056	2,634,056	0
Transfers In	0	0	0
<i>Total Other Financing Sources (Uses)</i>	2,634,056	2,634,056	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous Grants Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Gifts and Donations	\$ 23,830	\$ 23,830	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	13,122	13,122	0
Purchased Services	35,238	35,238	0
Materials and Supplies	6,901	6,901	0
Total Instruction	55,261	55,261	0
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Materials and Supplies	3,027	3,027	0
Sports Oriented Activities:			
Capital Outlay	55,848	55,848	0
Total Extracurricular Activities	58,875	58,875	0
Capital Outlay:			
Building Improvement Services:			
Purchased Services	364,265	364,265	0
<i>Total Expenditures</i>	478,401	478,401	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(454,571)	(454,571)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	117,502	117,502	0
Prior Year Encumbrances Appropriated	379,340	379,340	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 42,271	\$ 42,271	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Athletic/District Managed Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 23,841	\$ 23,841	\$ 0
Extracurricular Activities	294,439	301,469	7,030
Gifts and Donations	6,600	6,600	0
<i>Total Revenues</i>	<u>324,880</u>	<u>331,910</u>	<u>7,030</u>
Expenditures:			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Purchased Services	19,870	19,870	0
Materials and Supplies	58,483	58,483	0
Total Academic and Subject Oriented Activities	<u>78,353</u>	<u>78,353</u>	<u>0</u>
Sports Oriented Activities:			
Salaries and Wages	1,275	1,275	0
Purchased Services	168,581	168,581	0
Materials and Supplies	76,211	76,211	0
Capital Outlay	217	217	0
Total Sports Oriented Activities	<u>246,284</u>	<u>246,284</u>	<u>0</u>
School and Public Service Co-Curricular Activities:			
Materials and Supplies	26,089	26,089	0
<i>Total Expenditures</i>	<u>350,726</u>	<u>350,726</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(25,846)</u>	<u>(18,816)</u>	<u>7,030</u>
Other Financing Sources (Uses):			
Transfers In	27,500	27,500	0
<i>Net Change in Fund Balance</i>	1,654	8,684	7,030
<i>Fund Balance (Deficit) at Beginning of Year</i>	125,420	125,420	0
Prior Year Encumbrances Appropriated	9,551	9,551	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 136,625</u>	<u>\$ 143,655</u>	<u>\$ 7,030</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 145,590	\$ 145,590	\$ 0
Investment Income	262	262	0
<i>Total Revenues</i>	<u>145,852</u>	<u>145,852</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Fringe Benefits	60	60	0
Purchased Services	107,503	107,503	0
Materials and Supplies	47,941	47,941	0
Other	5,824	5,824	0
<i>Total Expenditures</i>	<u>161,328</u>	<u>161,328</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(15,476)	(15,476)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	1,574	1,574	0
Prior Year Encumbrances Appropriated	13,902	13,902	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2017

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Competency-Based Education Pilot Grant Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 200,000	\$ 200,000	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	60,000	60,000	0
Support Services:			
Instructional Staff:			
Salaries and Wages	60,000	60,000	0
Purchased Services	80,000	80,000	0
Total Support Services	140,000	140,000	0
<i>Total Expenditures</i>	200,000	200,000	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 360,472	\$ 360,472	\$ 0
Expenditures:			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	209,615	209,615	0
Fringe Benefits	118,276	118,276	0
Materials and Supplies	18,026	18,026	0
Total Support Services	345,917	345,917	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	14,555	14,555	0
Total Expenditures	360,472	360,472	0
Net Change in Fund Balance	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	0
Fund Balance (Deficit) at End of Year	\$ 0	\$ 0	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 53,106	\$ 53,106	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	36,580	36,580	0
Fringe Benefits	10,260	10,260	0
Purchased Services	5,700	5,700	0
Materials and Supplies	566	566	0
<i>Total Expenditures</i>	<u>53,106</u>	<u>53,106</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 10,235	\$ 10,235	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	10,235	10,235	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title II-A Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 24,839	\$ 24,839	\$ 0
Expenditures:			
Current:			
Instruction:			
Regular:			
Salaries and Wages	6,211	6,211	0
Purchased Services	16,720	16,720	0
Total Instruction	22,931	22,931	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	1,908	1,908	0
<i>Total Expenditures</i>	24,839	24,839	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 48,156	\$ 48,156	\$ 0
Investment Income	1,446	1,574	128
Charges for Services	630,306	630,264	(42)
<i>Total Revenues</i>	<u>679,908</u>	<u>679,994</u>	<u>86</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries and Wages	248,894	228,222	20,672
Fringe Benefits	72,859	72,859	0
Purchased Services	8,023	8,023	0
Materials and Supplies	293,831	293,831	0
Capital Outlay	47,060	47,060	0
Other	21,717	21,717	0
<i>Total Expenditures</i>	<u>692,384</u>	<u>671,712</u>	<u>20,672</u>
<i>Net Change in Fund Balance</i>	(12,476)	8,282	20,758
<i>Fund Balance (Deficit) at Beginning of Year</i>	195,775	195,775	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 183,299</u>	<u>\$ 204,057</u>	<u>\$ 20,758</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Extracurricular Activities	\$ 83,970	\$ 84,874	\$ 904
Contributions and Donations	39,709	39,709	0
<i>Total Revenues</i>	<u>123,679</u>	<u>124,583</u>	<u>904</u>
Expenditures:			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	11,661	0	11,661
Purchased Services	61,152	61,152	0
Materials and Supplies	55,115	55,115	0
Total Support Services	<u>127,928</u>	<u>116,267</u>	<u>11,661</u>
			0
Extracurricular Activities:			0
Purchased Services	1,800	1,800	0
Materials and Supplies	2,214	2,214	0
			0
Total Extracurricular Activities	<u>4,014</u>	<u>4,014</u>	<u>0</u>
			0
<i>Total Expenditures</i>	<u>131,942</u>	<u>120,281</u>	<u>11,661</u>
<i>Net Change in Fund Balance</i>	(8,263)	4,302	12,565
<i>Fund Balance (Deficit) at Beginning of Year</i>	28,162	28,162	0
Prior Year Encumbrances Appropriated	<u>5,461</u>	<u>5,461</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 25,360</u>	<u>\$ 37,925</u>	<u>\$ 12,565</u>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Tuition and Fees	\$ 211,387	\$ 225,748	\$ 14,361
Expenditures:			
Current:			
Instruction:			
Regular:			
Materials and Supplies	198,266	198,266	0
<i>Net Change in Fund Balance</i>	13,121	27,482	14,361
<i>Fund Balance (Deficit) at Beginning of Year</i>	249,274	249,274	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 262,395	\$ 276,756	\$ 14,361

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Community Education Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 289,478	\$ 290,504	\$ 1,026
Expenditures:			
Current:			
Support Services:			
Fiscal:			
Other	9,479	9,479	0
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	75,326	75,326	0
Fringe Benefits	10,255	10,255	0
Purchased Services	243,231	243,231	0
Materials and Supplies	4,000	4,000	0
Total Operation of Non-Instructional Services	332,812	332,812	0
<i>Total Expenditures</i>	342,291	342,291	0
<i>Net Change in Fund Balance</i>	(52,813)	(51,787)	1,026
<i>Fund Balance (Deficit) at Beginning of Year</i>	62,509	62,509	0
Prior Year Encumbrances Appropriated	32,946	32,946	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 42,642	\$ 43,668	\$ 1,026

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance Over (Under)
Revenues:			
Gifts and Donations	\$ 318	\$ 318	\$ 0
Expenditures:			
Current:			
Instruction			
Regular:			
Materials and Supplies	710	710	0
Capital Outlay:			
Building Acquisitions and Construction Services:			
Purchased Services	67,454	30,629	36,825
Capital Outlay	348,320	345,864	2,456
Total Capital Outlay	415,774	376,493	39,281
<i>Total Expenditures</i>	416,484	377,203	39,281
<i>Excess of Revenues Over (Under) Expenditures</i>	(416,166)	(376,885)	39,281
Other Financing Sources (Uses):			
Transfers In	440,000	440,000	0
<i>Net Change in Fund Balance</i>	23,834	63,115	39,281
<i>Fund Balance (Deficit) at Beginning of Year</i>	58,449	58,449	0
Prior Year Encumbrances Appropriated	30,540	30,540	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 112,823	\$ 152,104	\$ 39,281

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AGENCY FUNDS
Combining Statements

Chagrin Falls Exempted Village School District

Combining Statement – Agency Fund

Agency Fund

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

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

Chagrin Falls Exempted Village School District

Statement of Changes in Assets and Liabilities

Agency Fund

For the Fiscal Year Ended June 30, 2017

	Beginning Balance 7/1/16	Additions	Deductions	Ending Balance 6/30/17
Student Activities				
Assets				
Equity in Pooled Cash and Investments	\$ 77,929	\$ 61,832	\$ 67,990	\$ 71,771
Liabilities				
Due to Students	\$ 77,929	\$ 61,832	\$ 67,990	\$ 71,771

Supplemental Schedules
Entity-Wide Accrual Statements
Reporting with GASB 68 and without GASB 68

Background:

During 2015, the School District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions— an Amendment of GASB Statement 27*, which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School 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.

Under the standards required by GASB 68, the net pension liability equals the School 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 School 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 School 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 of resources.

The following schedules are summarized accrual basis financial statements for the fiscal year ending June 30, 2017, that report the financial statements including the impact of GASB 68 and excluding the impact of GASB 68.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Net Position - Including GASB 68
June 30, 2017

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$ 18,256,667
Receivables:	
Intergovernmental	85,236
Property Taxes	27,459,917
Nondepreciable Capital Assets	1,386,635
Depreciable Capital Assets (Net)	24,045,338
<i>Total Assets</i>	71,233,793
Deferred Outflows of Resources	
Pension	8,992,195
Liabilities	
Accounts Payable	55,733
Accrued Wages and Benefits	2,509,598
Contracts Payable	353,996
Intergovernmental Payable	420,712
Accrued Vacation Leave Payable	104,442
Matured Compensated Absences Payable	82,070
Long Term Liabilities:	
Due Within One Year	2,137,764
Due In More Than One Year:	
Net Pension Liability	48,533,231
Other Amounts Due in More Than One Year	17,605,416
<i>Total Liabilities</i>	71,802,962
Deferred Inflows of Resources	
Property Taxes Levied for the Next Fiscal Year	21,850,628
Pension	277,382
<i>Total Deferred Inflows of Resources</i>	22,128,010
Net Position	
Net Investment in Capital Assets	8,843,233
Restricted For:	
Debt Service	5,271,163
Food Service	149,818
Athletics	148,292
Other Purposes	51,565
Unrestricted	(28,169,055)
<i>Total Net Position</i>	\$ (13,704,984)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Net Position - Excluding GASB 68
June 30, 2017

	Governmental Activities
Assets	
Equity in Pooled Cash and Investments	\$ 18,256,667
Receivables:	
Intergovernmental	85,236
Property Taxes	27,459,917
Nondepreciable Capital Assets	1,386,635
Depreciable Capital Assets (Net)	24,045,338
<i>Total Assets</i>	<i>71,233,793</i>
Deferred Outflows of Resources	
Pension	0
Liabilities	
Accounts Payable	55,733
Accrued Wages and Benefits	2,509,598
Contracts Payable	353,996
Intergovernmental Payable	420,712
Accrued Vacation Leave Payable	104,442
Matured Compensated Absences Payable	82,070
Long Term Liabilities:	
Due Within One Year	2,137,764
Due In More Than One Year:	
Net Pension Liability	0
Other Amounts Due in More Than One Year	17,605,416
<i>Total Liabilities</i>	<i>23,269,731</i>
Deferred Inflows of Resources	
Property Taxes Levied for the Next Fiscal Year	21,850,628
Pension	0
<i>Total Deferred Inflows of Resources</i>	<i>21,850,628</i>
Net Position	
Net Investment in Capital Assets	8,843,233
Restricted For:	
Debt Service	5,271,163
Food Service	149,818
Athletics	148,292
Other Purposes	51,565
Unrestricted	11,649,363
<i>Total Net Position</i>	<i>\$ 26,113,434</i>

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Activities - Including GASB 68
For the Fiscal Year Ended June 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 16,142,031	\$ 669,228	\$ 174,274	\$ (15,298,529)
Special	2,669,221	43,420	72,753	(2,553,048)
Vocational	687,699	396,161	3,540	(287,998)
Student Intervention Services	51,092	0	0	(51,092)
Support Services:				
Pupils	1,656,899	84,874	39,710	(1,532,315)
Instructional Staff	1,560,187	0	343,902	(1,216,285)
Board of Education	104,709	0	0	(104,709)
Administration	2,790,840	0	0	(2,790,840)
Fiscal	976,038	9,932	0	(966,106)
Business	164,699	0	0	(164,699)
Operation and Maintenance of Plant	2,855,209	0	0	(2,855,209)
Pupil Transportation	1,778,495	0	29,384	(1,749,111)
Central	256,181	0	0	(256,181)
Operation of Non-Instructional Services:				
Food Service Operations	717,229	630,086	49,908	(37,235)
Community Services	498,008	290,504	302,133	94,629
Extracurricular Activities	1,056,642	325,310	4,778	(726,554)
Interest and Fiscal Charges	632,864	0	68,557	(564,307)
Total	\$ 34,598,043	\$ 2,449,515	\$ 1,088,939	(31,059,589)

General Revenues

Property Taxes Levied for:

General Purposes	20,468,050
Debt Service	1,938,277
Grants and Entitlements Not Restricted to Specific Programs	5,456,810
Investment Earnings	114,555
Miscellaneous	25,480

Total General Revenues 28,003,172

Change in Net Position (3,056,417)

Net Position Beginning of Year (10,648,567)

Net Position End of Year \$ (13,704,984)

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Supplemental Schedule
Statement of Activities - Excluding GASB 68
For the Fiscal Year Ended June 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities
Governmental Activities				
Instruction:				
Regular	\$ 15,278,069	\$ 669,228	\$ 174,274	\$ (14,434,567)
Special	2,617,287	43,420	72,753	(2,501,114)
Vocational	687,699	396,161	3,540	(287,998)
Student Intervention Services	51,092	0	0	(51,092)
Support Services:				
Pupils	1,627,413	84,874	39,710	(1,502,829)
Instructional Staff	1,471,338	0	343,902	(1,127,436)
Board of Education	103,532	0	0	(103,532)
Administration	2,696,114	0	0	(2,696,114)
Fiscal	941,752	9,932	0	(931,820)
Business	160,242	0	0	(160,242)
Operation and Maintenance of Plant	2,728,139	0	0	(2,728,139)
Pupil Transportation	1,679,619	0	29,384	(1,650,235)
Central	239,190	0	0	(239,190)
Operation of Non-Instructional Services:				
Food Service Operations	695,726	630,086	49,908	(15,732)
Community Services	492,099	290,504	302,133	100,538
Extracurricular Activities	1,031,199	325,310	4,778	(701,111)
Interest and Fiscal Charges	632,864	0	68,557	(564,307)
Total	\$ 33,133,374	\$ 2,449,515	\$ 1,088,939	(29,594,920)

General Revenues

Property Taxes Levied for:	
General Purposes	20,468,050
Debt Service	1,938,277
Grants and Entitlements Not Restricted to Specific Programs	5,456,810
Investment Earnings	114,555
Miscellaneous	25,480
Total General Revenues	28,003,172
Change in Net Position	(1,591,748)
Net Position Beginning of Year	27,705,182
Net Position End of Year	\$ 26,113,434

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**STATISTICAL
SECTION**

Statistical Section

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

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

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

NOTE:

With the implementation of GASB No. 54 in fiscal year 2010, previously reported enterprise funds (business-type activities) have been recorded as governmental funds (governmental activities). Previous year's statistical tables have not been updated to reflect the impact this would have in previous years. Amounts are not deemed significant to impact the users of this Section. There have also been other minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes) with the implementation of GASB No. 54. Prior year amounts also have not been adjusted to reflect this change.

With the implementation of GASB No. 68 in fiscal year 2015, the calculation of pension expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>Restated 2014</u>
Governmental Activities:				
Net Investment in Capital Assets	\$ 8,843,233	\$ 7,205,322	\$ 6,449,713	\$ 5,331,584
Restricted	5,620,838	6,027,257	5,304,461	5,302,302
Unrestricted	<u>(28,169,055)</u>	<u>(23,881,146)</u>	<u>(27,806,433)</u>	<u>(31,425,677)</u>
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ (13,704,984)</u>	<u>\$ (10,648,567)</u>	<u>\$ (16,052,259)</u>	<u>\$ (20,791,791)</u>
Business-Type Activities:				
Net Investment in Capital Assets	N/A	N/A	N/A	N/A
Unrestricted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Primary Government:				
Net Investment in Capital Assets	\$ 8,843,233	\$ 7,205,322	\$ 6,449,713	\$ 5,331,584
Restricted	5,620,838	6,027,257	5,304,461	5,302,302
Unrestricted	<u>(28,169,055)</u>	<u>(23,881,146)</u>	<u>(27,806,433)</u>	<u>(31,425,677)</u>
<i>Total Primary Government</i>				
<i>Net Position</i>	<u>\$ (13,704,984)</u>	<u>\$ (10,648,567)</u>	<u>\$ (16,052,259)</u>	<u>\$ (20,791,791)</u>

2013	2012	2011	Restated 2010	2009	2008
\$ 4,423,196	\$ 3,937,653	\$ 4,722,780	\$ 4,490,753	\$ 3,607,515	\$ 1,611,681
4,598,098	3,923,873	5,141,274	3,843,429	3,143,103	4,004,857
5,616,152	5,377,457	2,949,083	3,178,606	2,657,943	1,009,120
<u>\$ 14,637,446</u>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,408,561</u>	<u>\$ 6,625,658</u>
N/A	N/A	N/A	N/A	\$ 81,412	\$ 93,071
N/A	N/A	N/A	N/A	119,858	77,779
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>\$ 201,270</u>	<u>\$ 170,850</u>
\$ 4,423,196	\$ 3,937,653	\$ 4,722,780	\$ 4,490,753	\$ 3,688,927	\$ 1,704,752
4,598,098	3,923,873	5,141,274	3,843,429	3,143,103	4,004,857
5,616,152	5,377,457	2,949,083	3,178,606	2,777,801	1,086,899
<u>\$ 14,637,446</u>	<u>\$ 13,238,983</u>	<u>\$ 12,813,137</u>	<u>\$ 11,512,788</u>	<u>\$ 9,609,831</u>	<u>\$ 6,796,508</u>

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

	2017	2016	2015	2014 (1)
Expenses:				
Governmental Activities:				
Regular Instruction	\$ 16,142,031	\$ 14,353,740	\$ 13,838,480	\$ 14,621,735
Special Instruction	2,669,221	2,575,475	2,498,548	2,316,214
Vocational Instruction	687,699	551,097	526,200	673,506
Student Intervention	51,092	49,565	35,037	31,712
Pupil Support	1,656,899	1,481,950	1,264,451	1,247,197
Instructional Staff Support	1,560,187	1,438,066	1,241,894	1,101,942
Board of Education	104,709	90,640	76,745	74,759
Administration	2,790,840	2,485,474	2,517,045	2,481,325
Fiscal	976,038	963,857	895,234	918,196
Business	164,699	151,958	150,570	151,203
Operation and Maintenance of Plant	2,855,209	2,586,843	2,789,538	2,622,626
Pupil Transportation	1,778,495	1,547,502	1,338,678	1,373,927
Central	256,181	193,220	213,827	253,174
Operation of Non-Instructional Services:				
Food Service Operations	717,229	660,231	630,912	696,602
Community Services	498,008	449,780	469,417	411,546
Extracurricular Activities	1,056,642	979,888	1,280,424	940,121
Interest and Fiscal Charges	632,864	549,369	538,746	461,441
<i>Total Governmental Activities Expenses</i>	<u>34,598,043</u>	<u>31,108,655</u>	<u>30,305,746</u>	<u>30,377,226</u>
Business-Type Activities:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities Expenses</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government Expenses</i>	<u>\$ 34,598,043</u>	<u>\$ 31,108,655</u>	<u>\$ 30,305,746</u>	<u>\$ 30,377,226</u>
Program Revenues:				
Governmental Activities:				
Charges for Services:				
Regular Instruction	\$ 669,228	\$ 669,598	\$ 595,483	\$ 547,588
Special Instruction	43,420	43,150	38,130	57,742
Vocational Instruction	396,161	602,995	345,774	280,039
Pupil Support	84,874	106,139	83,546	96,373
Fiscal	9,932	18,584	11,165	15,749
Operation and Maintenance of Plant	0	0	0	0
Food Service Operations	630,086	630,097	599,573	620,888
Community Services	290,504	316,053	301,948	308,072
Extracurricular Activities	325,310	305,609	349,997	416,675
Operating Grants, Contributions and Interest:				
Regular Instruction	174,274	637,549	859,660	240,590
Special Instruction	72,753	73,412	73,850	64,877
Vocational Instruction	3,540	3,802	2,708	3,223
Pupil Support	39,710	0	4,044	9,988
Instructional Staff Support	343,902	390,466	322,702	281,680
Administration	0	0	0	0
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	21,405	0
Pupil Transportation	29,384	44,185	41,843	40,684

	2013	2012	Restated 2011	2010	2009	2008
\$	13,475,875	\$ 12,969,392	\$ 12,815,102	\$ 12,856,519	\$ 11,527,572	\$ 10,211,305
	2,366,608	2,424,207	2,248,567	1,903,964	1,998,884	1,851,409
	608,328	657,097	519,757	438,535	112,692	108,040
	21,786	17,778	20,409	23,103	20,131	0
	1,419,630	1,253,869	1,148,707	1,174,071	899,849	962,287
	1,515,678	1,470,882	1,627,692	1,328,776	1,426,196	1,343,348
	75,162	79,204	65,485	75,274	80,176	62,223
	2,277,862	2,052,841	2,226,136	2,050,077	2,015,517	1,963,707
	854,924	934,832	918,514	885,475	828,131	707,475
	400	400	400	300	400	800
	2,075,031	2,463,010	2,626,552	1,990,526	2,473,588	2,442,552
	1,385,459	1,226,329	1,357,761	1,264,395	1,127,451	1,157,144
	12,700	15,564	18,801	12,933	16,632	16,001
	698,428	622,261	583,757	669,562	0	0
	492,505	468,432	505,349	160,455	283,041	165,741
	835,066	887,157	994,169	844,500	801,231	623,811
	1,133,102	1,159,994	1,369,563	1,360,443	1,320,426	1,333,641
	29,389,994	28,703,249	29,046,721	27,038,908	24,931,917	22,949,484
	N/A	N/A	N/A	N/A	706,059	657,655
	N/A	N/A	N/A	N/A	84,224	99,922
	N/A	N/A	N/A	N/A	342,088	400,043
	N/A	N/A	N/A	N/A	1,132,371	1,157,620
\$	29,389,994	\$ 28,703,249	\$ 29,046,721	\$ 27,038,908	\$ 26,064,288	\$ 24,107,104

\$	299,308	\$ 402,152	\$ 321,113	\$ 416,414	\$ 229,320	\$ 108,321
	53,637	62,314	0	0	0	0
	368,117	405,326	273,403	371,189	0	0
	90,563	124,042	107,675	100,370	84,827	89,748
	4,210	5,410	320	3,988	17,221	29,053
	0	0	0	0	642	0
	598,193	603,607	568,535	616,442	0	0
	307,318	301,383	297,223	0	0	0
	312,874	315,908	336,643	236,417	215,933	143,706
	204,637	230,746	289,400	104,258	137,025	75,556
	0	0	488	2,010	25,418	67,296
	180,155	130,019				
	28,317	84,905	809	3,764	3,042	3,940
	320,317	263,333	456,368	512,006	305,995	381,111
	0	0	5,000	5,000	5,840	13,322
	0	0	0	0	1,985	0
	0	0	0	0	0	0
	85,362	3,675	17,272	0	0	0

(continued)

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

	2017	2016	2015	2014 (1)
Food Service Operations	\$ 49,908	\$ 46,214	\$ 71,202	\$ 65,009
Community Services	302,133	149,082	152,954	144,414
Extracurricular Activities	4,778	67,116	37,956	54,717
Interest and Fiscal Charges	68,557	73,211	65,133	81,890
Capital Grants and Contributions:				
Regular Instruction	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>3,538,454</u>	<u>4,177,262</u>	<u>3,979,073</u>	<u>3,330,198</u>
Business-Type Activities:				
Charges for Services:				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
Operating Grants and Contributions:				
Food Service	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities Program Revenues</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government Program Revenues</i>	<u>3,538,454</u>	<u>4,177,262</u>	<u>3,979,073</u>	<u>3,330,198</u>
Net (Expense) Revenue:				
Governmental Activities	(31,059,589)	(26,931,393)	(26,326,673)	(27,047,028)
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government Net Expense</i>	<u>\$ (31,059,589)</u>	<u>\$ (26,931,393)</u>	<u>\$ (26,326,673)</u>	<u>\$ (27,047,028)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 20,468,050	\$ 24,703,805	\$ 23,454,224	\$ 23,457,314
Debt Service	1,938,277	2,328,454	2,269,705	2,379,168
Grants and Entitlements not Restricted to Specific Programs	5,456,810	5,147,605	5,240,979	5,216,364
Investment Earnings	114,555	109,250	45,373	50,131
Miscellaneous	25,480	45,971	55,924	16,218
<i>Total Governmental Activities</i>	<u>28,003,172</u>	<u>32,335,085</u>	<u>31,066,205</u>	<u>31,119,195</u>
Business-Type Activities:				
Investment Earnings	N/A	N/A	N/A	N/A
Miscellaneous	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 28,003,172</u>	<u>\$ 32,335,085</u>	<u>\$ 31,066,205</u>	<u>\$ 31,119,195</u>
Change in Net Position				
Governmental Activities	\$ (3,056,417)	\$ 5,403,692	\$ 4,739,532	\$ 4,072,167
Business-Type Activities	N/A	N/A	N/A	N/A
<i>Total Primary Government</i>	<u>\$ (3,056,417)</u>	<u>\$ 5,403,692</u>	<u>\$ 4,739,532</u>	<u>\$ 4,072,167</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal year 2014 reflect this change.

		Restated				
2013	2012	2011	2010	2009	2008	
\$ 66,166	\$ 58,971	\$ 61,047	\$ 60,804	\$ 0	\$ 0	
162,733	145,765	184,789	138,989	157,624	151,237	
42,582	17,034	57,599	0	0	0	
88,945	92,483	25,868	0	0	0	
0	0	0	0	0	13,202	
0	0	0	0	2,604	36,345	
0	0	272,000	0	0	0	
<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>	
N/A	N/A	N/A	N/A	\$ 599,641	\$ 600,990	
N/A	N/A	N/A	N/A	104,698	101,299	
N/A	N/A	N/A	N/A	357,764	363,369	
N/A	N/A	N/A	N/A	100,074	76,331	
N/A	N/A	N/A	N/A	1,162,177	1,141,989	
<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>	<u>2,571,651</u>	<u>2,349,653</u>	<u>2,254,826</u>	
(26,176,560)	(25,456,176)	(25,771,169)	(24,467,257)	(23,744,441)	(21,836,647)	
N/A	N/A	N/A	N/A	29,806	(15,631)	
<u>\$ (26,176,560)</u>	<u>\$ (25,456,176)</u>	<u>\$ (25,771,169)</u>	<u>\$ (24,467,257)</u>	<u>\$ (23,714,635)</u>	<u>\$ (21,852,278)</u>	
\$ 20,627,391	\$ 18,742,949	\$ 18,950,590	\$ 18,124,570	\$ 18,443,992	\$ 17,044,074	
2,180,526	2,185,659	2,397,179	2,478,184	2,486,452	2,267,975	
4,714,154	4,709,361	5,608,901	5,493,978	5,356,437	4,815,085	
1,135	67,385	71,014	60,186	105,901	232,816	
51,817	176,668	43,834	201,566	134,562	127,169	
<u>27,575,023</u>	<u>25,882,022</u>	<u>27,071,518</u>	<u>26,358,484</u>	<u>26,527,344</u>	<u>24,487,119</u>	
N/A	N/A	N/A	N/A	614	2,432	
N/A	N/A	N/A	N/A	0	120	
N/A	N/A	N/A	N/A	614	2,552	
<u>\$ 27,575,023</u>	<u>\$ 25,882,022</u>	<u>\$ 27,071,518</u>	<u>\$ 26,358,484</u>	<u>\$ 26,527,958</u>	<u>\$ 24,489,671</u>	
\$ 1,398,463	\$ 425,846	\$ 1,300,349	\$ 1,891,227	\$ 2,782,903	\$ 2,650,472	
N/A	N/A	N/A	N/A	30,420	(13,079)	
<u>\$ 1,398,463</u>	<u>\$ 425,846</u>	<u>\$ 1,300,349</u>	<u>\$ 1,891,227</u>	<u>\$ 2,813,323</u>	<u>\$ 2,637,393</u>	

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014 (1)</u>
Governmental Activities				
Regular Instruction	\$ 843,502	\$ 1,307,147	\$ 1,455,143	\$ 788,178
Special Instruction	116,173	116,562	111,980	122,619
Vocational Instruction	399,701	606,797	348,482	283,262
Pupil Support	124,584	106,139	87,590	106,361
Instructional Support	343,902	390,466	322,702	281,680
Administration	0	0	0	0
Fiscal	9,932	18,584	11,165	15,749
Operation and Maintenance of Plant	0	0	21,405	0
Pupil Transportation	29,384	44,185	41,843	40,684
Operation of Non-Instructional Services:				
Food Service Operations	679,994	676,311	670,775	685,897
Community Services	592,637	465,135	454,902	452,486
Extracurricular Activities	330,088	372,725	387,953	471,392
Interest and Fiscal Charges	68,557	73,211	65,133	81,890
<i>Total Governmental Activities</i>	<u>3,538,454</u>	<u>4,177,262</u>	<u>3,979,073</u>	<u>3,330,198</u>
Business-Type Activities				
Food Service	N/A	N/A	N/A	N/A
Uniform School Supplies	N/A	N/A	N/A	N/A
Community Education	N/A	N/A	N/A	N/A
<i>Total Business-Type Activities</i>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<i>Total Primary Government</i>	<u>\$ 3,538,454</u>	<u>\$ 4,177,262</u>	<u>\$ 3,979,073</u>	<u>\$ 3,330,198</u>

(1) Certain foundation payments for special education and transportation were reclassified to program revenue from general revenue in fiscal year 2015. For comparability purposes, fiscal year 2014 was updated but no years prior to fiscal year 2014 reflect this change.

	2013	2012	Restated 2011	2010	2009	2008
\$	503,945	\$ 632,898	\$ 610,513	\$ 520,672	\$ 366,345	\$ 197,079
	53,637	62,314	488	2,010	25,418	67,296
	548,272	535,345	273,403	371,189	0	0
	118,880	208,947	108,484	104,134	87,869	93,688
	320,317	263,333	456,368	512,006	305,995	381,111
	0	0	5,000	5,000	5,840	13,322
	4,210	5,410	320	3,988	19,206	29,053
	0	0	0	0	3,246	36,345
	85,362	3,675	17,272	0	0	0
	664,359	662,578	629,582	677,246	0	0
	470,051	447,148	482,012	138,989	157,624	151,237
	355,456	332,942	666,242	236,417	215,933	143,706
	88,945	92,483	25,868	0	0	0
	<u>3,213,434</u>	<u>3,247,073</u>	<u>3,275,552</u>	<u>2,571,651</u>	<u>1,187,476</u>	<u>1,112,837</u>
	N/A	N/A	N/A	N/A	699,715	677,321
	N/A	N/A	N/A	N/A	104,698	101,299
	N/A	N/A	N/A	N/A	357,764	363,369
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>1,162,177</u>	<u>1,141,989</u>
\$	<u>3,213,434</u>	<u>\$ 3,247,073</u>	<u>\$ 3,275,552</u>	<u>\$ 2,571,651</u>	<u>\$ 2,349,653</u>	<u>\$ 2,254,826</u>

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Assigned	\$ 1,778,528	\$ 84,548	\$ 1,562,938	\$ 198,107
Unassigned	12,602,807	16,288,995	11,166,118	10,097,276
<i>Total General Fund</i>	<u>14,381,335</u>	<u>16,373,543</u>	<u>12,729,056</u>	<u>10,295,383</u>
All Other Governmental Funds				
Reserved	N/A	N/A	N/A	N/A
Unreserved, Reported in:				
Special Revenue Funds	N/A	N/A	N/A	N/A
Debt Service Funds	N/A	N/A	N/A	N/A
Capital Projects Funds	N/A	N/A	N/A	N/A
Restricted	5,555,854	5,952,438	5,277,736	5,210,602
Assigned	180,894	86,489	10,897	0
Unassigned	(411,141)	(38,198)	0	(27,020)
<i>Total All Other Governmental Funds</i>	<u>5,325,607</u>	<u>6,000,729</u>	<u>5,288,633</u>	<u>5,183,582</u>
<i>Total Governmental Funds</i>	<u>\$ 19,706,942</u>	<u>\$ 22,374,272</u>	<u>\$ 18,017,689</u>	<u>\$ 15,478,965</u>

For fiscal year 2010, the School District implemented GASB 54 which changes governmental fund classifications. The School District has elected not to restate fund balance amounts for fiscal years prior to implementation.

2013	2012	2011	Restated 2010	2009	2008
N/A	N/A	N/A	N/A	\$ 3,053,283	\$ 2,879,582
N/A	N/A	N/A	N/A	1,424,748	0
\$ 194,555	\$ 2,068,948	\$ 53,895	\$ 113,178	N/A	N/A
7,632,218	4,572,566	6,637,210	5,702,466	N/A	N/A
7,826,773	6,641,514	6,691,105	5,815,644	4,478,031	2,879,582
N/A	N/A	N/A	N/A	674,516	408,383
N/A	N/A	N/A	N/A	123,372	2,304,098
N/A	N/A	N/A	N/A	2,539,420	172,850
N/A	N/A	N/A	N/A	128,099	0
4,543,585	3,823,738	4,860,250	3,563,784	N/A	N/A
0	0	0	0	N/A	N/A
(40,369)	0	(12,317)	(69,232)	N/A	N/A
4,503,216	3,823,738	4,847,933	3,494,552	3,465,407	2,885,331
\$ 12,329,989	\$ 10,465,252	\$ 11,539,038	\$ 9,310,196	\$ 7,943,438	\$ 5,764,913

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

	2017	2016	2015	2014
Revenues:				
Property and Other Local Taxes	\$ 22,324,727	\$ 27,102,704	\$ 25,642,581	\$ 25,722,453
Intergovernmental	6,480,642	6,153,802	6,803,490	6,088,167
Investment Income	116,391	110,752	46,487	51,183
Tuition and Fees	1,329,384	1,572,701	1,247,832	1,215,101
Extracurricular Activities	480,113	482,468	488,327	491,388
Rentals	9,932	18,584	11,165	15,749
Charges for Services	630,264	602,009	599,907	621,141
Contributions and Donations	71,602	483,732	175,231	112,248
Miscellaneous	19,032	16,959	34,645	16,215
<i>Total Revenues</i>	<u>31,462,087</u>	<u>36,543,711</u>	<u>35,049,665</u>	<u>34,333,645</u>
Expenditures:				
Current:				
Instruction:				
Regular	13,877,488	13,416,725	13,407,086	13,011,249
Special	2,562,853	2,560,804	2,558,592	2,296,504
Vocational	687,699	551,097	532,862	673,506
Student Intervention Services	51,092	49,565	35,037	31,712
Support Services:				
Pupils	1,601,074	1,477,995	1,289,702	1,330,609
Instructional Staff	1,434,996	1,421,622	1,244,058	1,083,004
Board of Education	103,532	90,943	77,969	74,759
Administration	2,669,577	2,541,365	2,604,809	2,457,317
Fiscal	937,140	966,134	908,494	914,017
Business	158,782	152,110	148,124	132,302
Operation and Maintenance of Plant	2,499,840	2,446,336	2,492,464	2,442,656
Pupil Transportation	1,603,807	1,333,074	1,340,989	1,320,863
Central	229,927	203,441	212,624	245,638
Extracurricular Activities	1,031,642	985,471	990,624	940,121
Operation of Non-Instructional Services:				
Food Service Operations	674,837	645,510	640,708	692,795
Community Services	486,792	449,447	465,651	436,734
Capital Outlay	1,013,112	442,775	1,032,107	591,525
Debt Service:				
Principal Retirement	2,130,000	2,080,000	2,078,600	1,742,155
Interest and Fiscal Charges	378,970	377,718	453,551	772,086
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>34,133,160</u>	<u>32,192,132</u>	<u>32,514,051</u>	<u>31,189,552</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	(2,671,073)	4,351,579	2,535,614	3,144,093
Other Financing Sources (Uses):				
Inception of Capital Lease	0	0	0	0
Debt Issuance	0	0	0	0
Refunding Bonds	0	0	0	0
Payment to Refund Bond Escrow Agent	0	0	0	0
Proceeds from Sale of Assets	0	0	0	0
Premiums on Debt Issuance	0	0	0	0
Insurance Recoveries	3,743	5,004	3,110	4,883
Transfers In	663,195	637,061	625,294	759,200
Transfers Out	(663,195)	(637,061)	(625,294)	(759,200)
<i>Total Financing Sources and (Uses)</i>	<u>3,743</u>	<u>5,004</u>	<u>3,110</u>	<u>4,883</u>
<i>Net Change in Fund Balance</i>	<u>\$ (2,667,330)</u>	<u>\$ 4,356,583</u>	<u>\$ 2,538,724</u>	<u>\$ 3,148,976</u>
Debt Service as a Percentage of				
Noncapital Expenditures	7.48%	7.70%	7.88%	8.16%

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

	2013	2012	2011	Restated 2010	2009	2008
\$	23,086,685	\$ 20,982,400	\$ 21,425,142	\$ 20,524,509	\$ 21,480,808	\$ 19,398,904
	5,687,827	5,759,317	6,583,553	6,126,192	5,992,945	5,517,743
	1,929	68,419	72,134	60,844	108,926	272,167
	986,886	1,082,797	846,097	831,786	314,147	108,321
	468,444	528,139	510,660	336,787	215,933	233,454
	4,210	5,410	320	3,988	17,863	29,053
	598,762	626,027	569,369	616,442	0	0
	140,830	128,652	380,991	145,181	91,937	92,018
	28,304	176,667	43,833	56,385	42,625	35,151
	<u>31,003,877</u>	<u>29,357,828</u>	<u>30,432,099</u>	<u>28,702,114</u>	<u>28,265,184</u>	<u>25,686,811</u>
	12,096,267	11,849,977	11,484,844	11,413,091	10,599,975	9,494,487
	2,346,902	2,406,039	2,218,241	1,859,174	1,998,852	1,842,475
	608,328	657,097	519,757	438,535	112,692	108,040
	21,786	17,778	20,409	23,103	20,131	0
	1,327,418	1,240,528	1,132,241	1,142,194	896,199	962,350
	1,371,116	1,421,094	1,580,327	1,257,778	1,283,972	1,251,731
	75,162	79,204	65,485	75,274	80,176	62,223
	2,191,399	2,053,193	2,283,321	2,036,099	1,980,521	2,039,699
	852,244	936,094	914,816	882,859	835,484	723,495
	400	400	400	300	400	800
	2,304,880	2,395,654	2,483,910	2,236,090	2,368,677	2,253,916
	1,236,951	1,136,568	1,257,667	1,304,983	1,182,167	1,124,880
	12,700	15,564	18,801	12,933	16,632	16,001
	844,758	887,157	994,169	844,243	797,899	620,941
	658,606	628,225	586,949	669,562	0	0
	505,333	447,529	460,736	133,465	276,529	157,167
	426,048	2,807,005	895,156	481,724	831,865	1,703,012
	1,286,696	505,974	1,032,466	1,544,128	1,485,870	1,435,000
	1,192,836	1,965,025	1,694,010	1,092,272	1,144,118	1,141,325
	141,450	0	0	0	0	0
	<u>29,501,280</u>	<u>31,450,105</u>	<u>29,643,705</u>	<u>27,447,807</u>	<u>25,912,159</u>	<u>24,937,542</u>
	1,502,597	(2,092,277)	788,394	1,254,307	2,353,025	749,269
	0	0	97,465	0	0	0
	0	974,984	1,342,983	0	0	0
	18,665,000	0	0	0	0	0
	(20,333,186)	0	0	0	0	0
	0	0	0	5,782	0	400
	2,022,116	43,507	0	0	0	0
	8,210	0	0	0	0	0
	419,200	495,100	417,600	417,600	417,600	313,600
	(419,200)	(495,100)	(417,600)	(417,600)	(417,600)	(313,600)
	<u>362,140</u>	<u>1,018,491</u>	<u>1,440,448</u>	<u>5,782</u>	<u>0</u>	<u>400</u>
\$	<u>1,864,737</u>	<u>(1,073,786)</u>	<u>2,228,842</u>	<u>\$ 1,260,089</u>	<u>\$ 2,353,025</u>	<u>\$ 749,669</u>

8.73% 8.64% 9.37% 9.81% 10.68% 11.18%

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

<u>Collection Year</u>	<u>Real Property (1)</u>		<u>Public Utility (2)</u>	
	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>
2017	\$ 512,432,620	\$ 1,464,093,200	\$ 8,411,980	\$ 9,559,068
2016	507,691,820	1,450,548,057	7,965,680	9,051,909
2015	495,899,750	1,416,856,429	7,796,760	8,859,955
2014	495,737,230	1,416,392,086	7,415,900	8,427,159
2013	493,957,600	1,411,307,429	6,761,840	7,683,909
2012	480,591,290	1,373,117,971	6,209,130	7,055,830
2011	482,312,310	1,378,035,171	5,968,250	6,782,102
2010	479,878,670	1,371,081,914	5,849,490	6,647,148
2009	484,579,200	1,384,512,000	5,489,790	6,238,398
2008	486,429,360	1,389,798,171	5,218,290	5,929,875

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

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

<u>Tangible Personal Property (3)</u>		<u>Total</u>			
<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Assessed Value</u>	<u>Estimated Actual Value</u>	<u>Ratio</u>	<u>Direct Rate</u>
\$ 0	\$ 0	\$ 520,844,600	\$ 1,473,652,268	35%	115.20
0	0	515,657,500	1,459,599,966	35%	115.30
0	0	503,696,510	1,425,716,384	35%	115.30
0	0	503,153,130	1,424,819,245	35%	115.60
0	0	500,719,440	1,418,991,338	35%	115.60
0	0	486,800,420	1,380,173,801	35%	107.70
0	0	488,280,560	1,384,817,273	35%	107.70
0	0	485,728,160	1,377,729,062	35%	108.60
1,302,500	5,663,043	491,371,490	1,396,413,441	35%	108.30
2,905,855	12,634,152	494,553,505	1,408,362,199	35%	108.30

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

Calendar Year	School Levy (1)	Cuyahoga County Levy	Geauga County Levy	Other (2)	City Levy	Total Levy	Debt Service Included in Total Levy			
							School	County	City	Total
2016	115.20	14.05	15.60	9.78	9.30	163.93	4.75	0.95	1.0	6.70
2015	115.30	14.05	13.40	9.78	9.40	161.93	4.85	0.95	1.1	6.90
2014	115.30	14.05	14.10	9.78	9.30	162.53	4.85	0.85	1.0	6.70
2013	115.60	14.05	15.10	8.88	9.50	163.13	5.15	0.85	1.2	7.20
2012	115.60	13.22	15.10	7.98	9.50	161.40	5.15	0.17	1.2	6.52
2011	107.70	13.22	15.10	7.58	8.90	152.50	5.15	0.17	1.2	6.52
2010	107.70	13.32	15.10	7.98	11.20	155.30	5.15	0.27	2.9	8.32
2009	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.55	2.9	9.50
2008	108.60	13.32	15.10	7.68	11.20	155.90	6.05	0.50	2.9	9.45
2007	108.30	13.42	15.10	7.18	11.20	155.20	5.75	0.74	2.9	9.39

(1)

	Operating Rates	Debt Service Rates	Total Direct Rate
2016	110.45	4.75	115.20
2015	110.45	4.85	115.30
2014	110.45	4.85	115.30
2013	110.45	5.15	115.60
2012	110.45	5.15	115.60
2011	102.55	5.15	107.70
2010	102.55	5.15	107.70
2009	102.55	6.05	108.60
2008	102.55	6.05	108.60
2007	102.55	5.75	108.30

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

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

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

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

Year (2)	Total Tax Levy	Current Collections	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Percent of Total Tax Collections to Tax Levy
2016	\$ 28,753,932	\$ 27,660,946	96.20%	\$ 609,928	\$ 28,270,874	98.32%
2015	28,437,389	27,174,172	95.56%	614,922	27,789,094	97.72%
2014	28,466,769	27,355,757	96.10%	507,781	27,863,538	97.88%
2013	27,887,640	27,218,366	97.60%	580,425	27,798,791	99.68%
2012	23,799,204	23,171,739	97.36%	676,584	23,848,323	100.21%
2011	23,687,638	22,887,139	96.62%	732,076	23,619,215	99.71%
2010	24,056,310	23,295,361	96.84%	740,353	24,035,714	99.91%
2009	24,110,035	23,262,773	96.49%	681,891	23,944,664	99.31%
2008	24,111,227	23,187,605	96.17%	829,265	24,016,870	99.61%
2007	21,912,082	19,583,534	89.37%	979,469	20,563,003	93.84%

Source: Cuyahoga and Geauga County Auditors.

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

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

(2) Represents collection year. 2017 information cannot be presented because all collections have not been made by June 30.

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

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Principal Taxpayers
Real Estate Tax
December 31, 2016 and December 31, 2007

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2016		
Western Reserve Company	1,794,920	0.35%
Chagrin Falls Shopping Center	1,741,260	0.34%
Harris Realty Co.	1,606,380	0.31%
Hamlet Hills LLC	1,662,520	0.32%
Bell Street Properties	1,268,650	0.25%
Edmund A. Leopold	1,114,700	0.22%
Breedon, Winston H III & Tricia L.	907,940	0.18%
Antonucci, John and Marsha	857,510	0.17%
Singerman, Lawrence	823,980	0.16%
Blaustein, Lawrence and Marilyn	820,730	0.16%
Totals	<u>\$ 12,598,590</u>	<u>2.46%</u>
Total Assessed Valuation	<u>\$ 512,432,620</u>	
December 31, 2007		
Cleveland Electric Illuminating Company	\$ 2,040,490	0.42%
Western Reserve Company, LLC	1,844,970	0.38%
Hamlet Retirement LLC	1,731,870	0.36%
Chagrin Falls Shopping Center	1,684,380	0.35%
Harris Realty Co.	1,619,600	0.33%
Hamlet Atrium, LLC	1,303,760	0.27%
River Street Partners LLC	998,800	0.21%
Step North Equities LTD	930,790	0.19%
Hamlet Manor LLC	836,400	0.17%
Singerman, Lawrence J.	784,500	0.16%
Totals	<u>\$ 13,775,560</u>	<u>2.84%</u>
Total Assessed Valuation	<u>\$ 486,429,360</u>	

(1) Assessed values are for the 2017 collection year for 2016 and the 2008 collection year for 2007.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Principal Taxpayers
Public Utility
December 31, 2016 and December 31, 2007

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
December 31, 2016		
Cleveland Electric Illuminating Company	3,629,700	43.15%
American Wireless Transmission	554,450	6.59%
East Ohio Gas	246,800	2.93%
Totals	<u>\$ 4,430,950</u>	<u>52.67%</u>
Total Assessed Valuation	<u>\$ 8,411,980</u>	
December 31, 2007		
Cleveland Electric Illuminating Company	\$ 2,131,090	40.84%
Alltel Ohio	224,900	4.31%
Western Reserve	168,400	3.23%
American Transmission	156,240	2.99%
East Ohio Gas Company	140,270	2.69%
Ohio Bell Telephone company	59,270	1.14%
Totals	<u>\$ 2,880,170</u>	<u>55.20%</u>
Total Assessed Valuation	<u>\$ 5,218,290</u>	

Source: Cuyahoga and Geauga County Auditors

(1) Assessed values are for the 2017 collection year for 2016 and the 2008 collection year for 2007.

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Computation of Legal Debt Margin
Last Ten Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Assessed Valuation (2)	\$ 512,432,620	\$ 507,691,820	\$ 495,899,750	\$ 495,737,230
Bonded Debt Limit - 9% of Assessed Value (1)	\$ 46,118,936	\$ 45,692,264	\$ 44,630,978	\$ 44,616,351
Outstanding Debt:				
General Obligation Bonds	15,279,521	17,409,521	19,489,521	21,544,521
Less Amount Available in Debt Service	<u>(5,271,163)</u>	<u>(5,211,013)</u>	<u>(4,822,762)</u>	<u>(4,489,197)</u>
Total	<u>10,008,358</u>	<u>12,198,508</u>	<u>14,666,759</u>	<u>17,055,324</u>
Amount of Debt Subject to Debt Limit:	<u>10,008,358</u>	<u>12,198,508</u>	<u>14,666,759</u>	<u>17,055,324</u>
Overall Debt Margin	<u>\$ 36,110,578</u>	<u>\$ 33,493,756</u>	<u>\$ 29,964,219</u>	<u>\$ 27,561,027</u>
Legal Debt Margin as a Percentage of Debt Limit	78%	73%	67%	62%
Bonded Debt Limit - .1% of Assessed Value (1)	\$ 512,433	\$ 507,692	\$ 495,900	\$ 495,737
Amount of Debt Applicable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$ 512,433</u>	<u>\$ 507,692</u>	<u>\$ 495,900</u>	<u>\$ 495,737</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100%	100%	100%	100%

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

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

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

2013	2012	2011	2010	2009	2008
\$ 493,957,600	\$ 480,591,290	\$ 488,280,560	\$ 485,728,160	\$ 491,371,490	\$ 494,553,505
\$ 44,456,184	\$ 43,253,216	\$ 43,945,250	\$ 43,715,534	\$ 44,223,434	\$ 44,509,815
23,263,652 (4,049,716)	24,531,212 (3,426,592)	24,044,899 (3,196,966)	23,719,980 (3,118,852)	25,264,108 (2,944,092)	26,749,978 (2,709,481)
19,213,936	21,104,620	20,847,933	20,601,128	22,320,016	24,040,497
19,213,936	21,104,620	20,847,933	20,601,128	22,320,016	24,040,497
\$ 25,242,248	\$ 22,148,596	\$ 23,097,317	\$ 23,114,406	\$ 21,903,418	\$ 20,469,318
57%	51%	53%	53%	50%	46%
\$ 493,958	\$ 480,591	\$ 488,281	\$ 485,728	\$ 491,371	\$ 494,554
0	0	0	0	0	0
\$ 493,958	\$ 480,591	\$ 488,281	\$ 485,728	\$ 491,371	\$ 494,554
100%	100%	100%	100%	100%	100%

Chagrin Falls Exempted Village School District
Cuyahoga County, Ohio
Computation of Direct and Overlapping General Obligation Debt
as of June 30, 2017

	<u>Outstanding Debt Obligations</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Application to School District</u>
Direct:			
Chagrin Falls Exempted Village	\$ 17,848,780	100.00%	\$ 17,848,780
Overlapping:			
Cuyahoga County	163,760,000	1.20%	1,965,120
Geauga County	6,526,684	6.10%	398,128
Chagrin Falls Village	362,000	100.00%	362,000
Russell Township	<u>985,000</u>	4.24%	<u>41,764</u>
Total Overlapping	<u>171,633,684</u>		<u>2,767,012</u>
Total	<u>\$ 189,482,464</u>		<u>\$ 20,615,792</u>

Source: Ohio Municipal Advisory Council.

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

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

Fiscal Year	Outstanding Debt Obligations (1)			Percentage of Personal Income	Net Debt Per Capita
	General Obligation Bonds	Capital Lease	Total		
2017	\$ 17,848,780	\$ 0	\$ 17,848,780	0.52%	\$ 1,490
2016	19,691,981	0	19,691,981	0.47%	1,626
2015	21,598,012	0	21,598,012	0.43%	1,784
2014	23,562,704	23,600	23,586,304	0.39%	1,946
2013	25,588,610	46,624	25,635,234	0.36%	2,114
2012	26,537,792	65,760	26,603,552	0.35%	2,192
2011	24,044,899	0	24,044,899	0.39%	1,986
2010	23,719,980	0	23,719,980	0.39%	2,042
2009	25,264,108	0	25,264,108	0.37%	2,194
2008	26,749,978	0	26,749,978	0.35%	2,303

Source:

(1) School District Financial Records

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

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property (2)	General Bonded Debt Outstanding (3)	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value	Net Debt Bonded Debt Per Capita
2017	12,107	\$ 1,473,652,268	\$ 17,848,780	\$ 5,271,163	\$ 12,577,617	0.85%	\$ 1,039
2016	12,107	1,459,599,966	19,691,981	5,211,013	14,480,968	0.99%	1,196
2015	12,107	1,425,716,384	21,598,012	4,822,762	16,775,250	1.18%	1,386
2014	12,107	1,424,819,245	23,562,704	4,489,197	19,073,507	1.34%	1,575
2013	12,107	1,418,991,338	25,588,610	4,049,716	21,538,894	1.52%	1,779
2012	12,107	1,380,173,801	26,537,792	3,426,592	23,111,200	1.67%	1,909
2011	12,107	1,384,817,274	24,044,899	3,196,966	20,847,933	1.51%	1,722
2010	11,617	1,377,729,062	23,719,980	3,118,852	20,601,128	1.50%	1,773
2009	11,514	1,396,413,441	25,264,108	2,944,092	22,320,016	1.60%	1,939
2008	11,614	1,408,362,199	26,749,978	2,709,481	24,040,497	1.71%	2,070

Source:

(1) U.S. Census of Population

(2) Cuyahoga and Geauga County Auditors

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

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

December 31, 2016 (2)			
Employer	Nature of Business	Employees	Percent of Total Employment (1)
Chagrin Falls Exempted Village Schools	Public Schools	281	N/A
Chagrin Falls Village	Government	56	N/A
Live Nation Worldwide, Inc.	Retail	23	N/A
Personnel Research & Development	Consulting	19	N/A
Gleeson Construction, Inc.	Construction	19	N/A
Peppertree Capital Management	Financial Services	15	N/A
Merrill Lynch Pierce Fenner & Smith, Inc.	Financial Services	14	N/A
Wells Fargo Clearing Services	Financial Services	11	N/A
1192 Holdings	Financial Services	4	N/A
Lancor Partners LP	Financial Services	4	N/A

December 31, 2007			
Employer	Nature of Business	Employees	Percent of Total Employment (1)
Chagrin Falls Exempted Village Schools	Public Schools	250	N/A
Giant Eagle, Inc.	Grocery Store	150	N/A
Hamlet Village LLC	Healthcare Services	125	N/A
Game Keepers Hospitality, Inc.	Restaurant	120	N/A
Windsor Hospital	Healthcare Services	104	N/A
Village of Chagrin Falls	Government	67	N/A
Smith Barney	Financial Services	55	N/A
Gleeson Construction	Property Manager	55	N/A
First Union Securities	Financial Services	39	N/A

(1) Total employment not readily available

Source: 2007 - Chagrin Falls Village, Chagrin Falls Library and RITA
2016 - RITA

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

Fiscal Year	Cuyahoga County Population (1)	Geauga County Population (5)	Bentleyville Village Population (1)	Chagrin Falls Village Population (1)	Moreland Hills Village Population (1)
2017	1,265,111	94,060	863	4,079	3,306
2016	1,265,111	94,295	863	4,079	3,306
2015	1,265,111	94,295	863	4,079	3,306
2014	1,265,111	93,978	863	4,079	3,306
2013	1,265,111	93,680	863	4,079	3,306
2012	1,270,294	93,228	864	4,113	3,320
2011	1,280,122	93,389	864	4,113	3,320
2010	1,275,709	99,060	894	3,620	3,041
2009	1,283,925	98,817	896	3,641	3,064
2008	1,341,241	95,676	905	3,678	3,093

Source:

- (1) U.S. Census Bureau, Census.gov
- (2) Cuyahoga County
- (3) U.S. Census Bureau, 2010 Census
- (4) Estimated based on 2010 Census information
- (5) 2008 - 2016 U.S. Census Bureau
2017 Geauga County
- (6) 2008 - 2016 Department of Job and Family Services
2017 Geauga County

South Russell Village Population (1)	Personal Income Per Capita (3)	Total Personal Income (4)	Cuyahoga County Unemployment Rate (2)	Geauga County Unemployment Rate (6)
3,822	\$ 49,384	\$ 596,064,880	5.4	4.4
3,822	49,384	596,064,880	5.6	4.6
3,822	49,384	596,064,880	6.4	6.2
3,822	45,186	545,395,020	6.4	6.2
3,822	45,186	545,395,020	7.5	5.8
3,810	45,186	547,066,902	6.9	5.7
3,810	45,186	547,066,902	8.8	6.5
4,062	42,885	498,195,045	9.7	7.3
3,913	42,885	493,777,890	10.2	7.9
3,938	42,885	498,066,390	8.1	6.3

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Gurney Elementary School				
Constructed in 1966, additions in 1968,1971,1998				
Total Building Square Footage	66,472	66,472	66,472	66,472
Enrollment Grades	PreK-3	PreK-3	PreK-3	PreK-3
Student Capacity - enrollment	485	522	522	522
Regular Instruction Classrooms	39	39	39	39
Regular Instruction Teachers	28	28	28	31
Special Instruction Teachers	8	8	8	6
Chagrin Falls Intermediate School				
Constructed in 1914, additions in 1939, 1952				
Total Building Square Footage	71,243	71,243	71,243	71,243
Enrollment Grades	4-6	4-6	4-6	4-6
Student Capacity - enrollment	419	469	469	464
Regular Instruction Classrooms	28	28	28	28
Regular Instruction Teachers	24	24	24	24
Special Instruction Teachers	5	5	5	4
Chagrin Falls Middle School				
Constructed in 1999				
Total Building Square Footage	103,537	103,537	103,537	103,537
Enrollment Grades	7-8	7-8	7-8	7-8
Student Capacity - enrollment	343	343	343	337
Regular Instruction Classrooms	24	24	24	24
Regular Instruction Teachers	21	21	21	21
Special Instruction Teachers	4	4	4	4
Chagrin Falls High School				
Constructed in 1957, additions in 1961,1965,1968,1971				
Total Building Square Footage	116,404	116,404	116,404	116,404
Enrollment Grades	9-12	9-12	9-12	9-12
Student Capacity - enrollment	703	692	692	616
Regular Instruction Classrooms	44	44	44	44
Regular Instruction Teachers	47	38	38	38
Special Instruction Teachers	6	4	4	3

Source: School District Records

2013	2012	2011	2010	2009	2008
66,472	66,472	66,472	66,472	66,472	66,472
PreK-3	PreK-3	PreK-3	PreK-3	PreK-3	PreK-3
522	571	577	580	580	592
39	39	39	39	39	39
29	29	29	29	29	29
9	9	9	9	9	9
71,243	71,243	71,243	71,243	71,243	71,243
4-6	4-6	4-6	4-6	4-6	4-6
464	480	478	453	453	436
28	28	28	28	28	28
27	27	27	27	27	27
6	6	6	6	6	6
103,537	103,537	103,537	103,537	103,537	103,537
7-8	7-8	7-8	7-8	7-8	7-8
337	328	312	313	313	322
24	24	24	24	24	24
22	22	22	22	22	22
3	3	3	3	3	3
116,404	116,404	116,404	116,404	116,404	116,404
9-12	9-12	9-12	9-12	9-12	9-12
616	651	650	627	627	647
44	44	44	44	44	44
46	46	46	46	46	46
2	2	2	2	2	2

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

Year	General Fund Expenditures	Average Daily Student Enrollment	Cost Per Pupil
2017	\$ 28,653,903	1,952	\$ 14,679
2016	27,361,822	2,041	13,406
2015	26,915,877	2,026	13,285
2014	26,656,084	1,975	13,497
2013	25,049,476	1,939	12,919
2012	24,483,735	2,030	12,061
2011	24,106,803	2,018	11,946
2010	22,036,369	2,016	10,931
2009	21,460,131	2,033	10,556
2008	19,633,885	1,997	9,832

Source: School District Financial Records

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

Year	Elementary School	Intermediate School	Middle School	High School	Total
2017	488	418	343	703	1,952
2016	511	478	343	709	2,041
2015	522	469	343	692	2,026
2014	534	471	343	627	1,975
2013	522	464	337	616	1,939
2012	571	480	328	651	2,030
2011	577	478	312	651	2,018
2010	574	478	282	682	2,016
2009	576	478	282	697	2,033
2008	592	436	322	647	1,997

Source: School District Records

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

Degree	2017	2016	2015	2014	2013	2012
Bachelor's Degree	8	8	5	10	7	12
Bachelor + 10	4	2	2	0	2	1
Bachelor + 20	1	3	5	4	1	2
Bachelor + 30	6	8	7	8	9	7
Master's Degree	38	45	44	45	38	45
Master's + 10	36	36	40	41	46	35
Master's + 20	27	19	18	17	22	20
Master's + 30	24	24	23	20	21	18
Phd	2	2	2	2	2	1
Total	146	147	146	147	148	141

Source: School District Personnel Records.

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
6	6	8	10
4	4	4	9
5	5	11	9
7	7	9	12
53	54	53	48
34	32	34	30
21	21	16	16
15	16	8	9
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>146</u>	<u>146</u>	<u>144</u>	<u>144</u>

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

Fiscal Year	Chagrin Falls Attendance Rate	State Average	Chagrin Falls Graduation Rate	State Average
2017	95.8%	93.9%	98.9%	N/A
2016	95.9	94.1	99.4	83.5%
2015	95.9	94.1	97.4	83.0
2014	96.4	94.3	99.3	82.0
2013	95.7	94.2	98.5	82.2
2012	95.9	94.5	98.7	81.3
2011	95.8	94.5	100.0	84.3
2010	95.6	94.3	99.3	83.0
2009	96.0	94.3	100.0	84.6
2008	96.0	94.2	100.0	86.9

Source: Ohio Department of Education Local Report Cards

N/A This information is not currently available

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

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Chagrin Falls Composite	Ohio Composite	National Composite
2017	156	173	90%	26.5	22.0	21.0
2016	157	167	94%	25.7	22.0	20.8
2015	143	150	95%	25.9	22.0	21.0
2014	114	128	89%	25.6	22.0	21.0
2013	156	172	90%	25.4	21.8	20.9
2012	115	135	85%	25.5	21.8	21.1
2011	125	151	83%	26.2	21.8	21.1
2010	131	166	79%	25.8	21.8	21.0
2009	108	150	72%	25.5	21.7	21.1
2008	122	163	75%	25.4	21.7	21.1

Source: High School Guidance Office

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

School Year	Number of Test Takers	Number of Seniors	Percent of Students	Evidence-Based Reading and Writing		
				Chagrin Falls	Ohio	National
2017	70	173	41%	626	570	538
2016	61	167	37%	591	556	494
2015	60	150	40%	576	557	495
2014	61	128	48%	576	555	497
2013	111	172	65%	572	548	496
2012	97	135	72%	565	543	496
2011	117	151	77%	584	539	497
2010	124	166	75%	576	538	501
2009	111	150	74%	568	537	501
2008	128	163	79%	560	534	502

Source: High School Guidance Office

Chagrin Falls Math	Ohio Math	National Math	Chagrin Falls Writing	Ohio Writing	National Writing
631	565	533	N/A	N/A	N/A
616	563	508	572	534	482
601	563	511	585	537	484
603	562	573	572	535	487
584	556	514	565	556	514
574	552	514	562	525	488
600	545	514	570	522	489
605	548	516	572	522	492
600	546	515	569	523	493
590	544	515	559	521	494

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

Function	2017	2016	2015	2014	2013
Regular Instruction					
Elementary Classroom Teachers	28.00	29.00	29.00	31.00	29.50
Intermediate Classroom Teachers	24.00	28.00	28.00	24.00	26.00
Middle School Classroom Teachers	24.00	21.00	21.00	21.00	19.00
High School Classroom Teachers	47.00	38.00	38.00	38.00	40.00
Special Instruction					
Elementary Classroom Teachers	8.00	6.00	6.00	6.00	6.00
Intermediate Classroom Teachers	5.00	4.00	4.00	4.00	4.50
Middle School Classroom Teachers	4.00	4.00	4.00	4.00	3.00
High School Classroom Teachers	6.00	3.00	3.00	3.00	3.00
Pupil Support Services					
Guidance Counselors	6.00	6.00	6.00	6.00	6.00
Librarians	1.00	1.00	1.00	1.00	4.00
Psychologists	2.00	2.00	2.00	2.00	1.00
Speech and Language Pathologists	2.00	2.00	2.00	2.00	2.00
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00	2.00
Instructional Support Services					
Non-Teaching Support Staff Elementary	15.00	12.00	12.00	12.00	12.00
Non-Teaching Support Staff Intermediate	10.00	7.00	7.00	7.00	7.00
Non-Teaching Support Staff Middle	12.00	4.00	4.00	4.00	4.00
Non-Teaching Support Staff High	15.00	6.50	6.50	6.50	6.50
Non-Teaching Support Staff Central	2.00	2.00	2.00	2.00	2.00
Administration					
Elementary	1.00	1.00	1.00	1.00	1.00
Intermediate	1.00	1.00	1.00	1.00	1.00
Middle School	1.00	1.00	1.00	1.00	1.00
High School	2.00	2.00	2.00	2.00	2.00
Business					
Central	2.00	2.00	2.00	2.00	2.00
Business					
Treasurer Department	4.00	4.00	4.00	4.00	4.00
Operation of Plant					
Custodian Department	15.00	15.00	15.00	15.00	19.00
Maintenance Department	4.00	4.00	4.00	4.00	4.00
Pupil Transportation					
Bus Drivers	24.00	17.00	17.00	12.00	22.00
Mechanics	1.00	1.50	1.50	1.50	1.50
Transportation Support Staff	0.00	1.50	1.50	1.50	1.50
Central					
Community Relations	0.50	0.50	0.50	0.50	1.00
Technology	2.00	2.00	2.00	2.00	2.00
Curriculum/Instruction	2.00	2.00	2.00	0.00	0.00
Personnel	1.00	1.00	1.00	1.00	0.50
Extracurricular					
Athletic Department	2.00	2.00	2.00	2.00	2.00
Food Service Program					
Elementary	2.00	2.00	2.00	2.00	2.00
Intermediate	2.00	2.00	2.00	2.00	2.00
Middle School	2.00	2.00	2.00	2.00	2.00
High School Cooks	5.00	5.00	5.00	5.00	5.00
Central	0.00	1.00	1.00	1.00	1.00
Community Service					
Community Education	0.00	1.00	1.00	1.00	1.50
Totals	286.50	248.00	248.00	239.00	255.50

(continued)

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

Source: School District Records

2012	2011	2010	2009	2008
29.50	29.50	29.50	29.50	29.00
26.00	26.00	26.00	26.00	26.50
19.00	19.00	19.00	19.00	20.00
40.00	40.00	40.00	40.00	42.50
6.00	6.00	6.00	6.00	6.00
4.50	4.50	4.50	4.50	4.50
3.00	3.00	3.00	3.00	2.50
3.00	3.00	3.00	3.00	3.00
6.00	6.00	6.00	6.00	6.00
4.00	4.00	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	3.50
12.00	12.00	12.00	12.00	12.50
7.00	7.00	7.00	7.00	7.00
4.00	4.00	4.00	4.00	5.00
6.50	6.50	6.50	6.50	7.50
2.00	2.00	2.00	2.00	3.50
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00
19.00	19.00	19.00	19.00	19.00
4.00	4.00	4.00	4.00	4.00
22.00	22.00	22.00	22.00	20.50
1.50	1.50	1.50	1.50	1.50
1.50	1.50	1.50	1.50	0.50
1.00	1.00	1.00	1.00	1.00
2.00	2.00	2.00	2.00	2.00
0.00	0.00	0.00	0.00	0.00
0.50	0.50	0.50	0.50	0.50
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
2.00	2.00	2.00	2.00	2.00
5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00
1.50	1.50	1.50	1.50	1.50
255.50	255.50	255.50	255.50	261.50

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Dave Yost • Auditor of State

CHAGRIN FALLS EXEMPTED VILLAGE SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
FEBRUARY 20, 2018