

# **Shaker Heights City School District, Shaker Heights, Ohio**

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2014



**SHAKER HEIGHTS CITY SCHOOL DISTRICT**  
**SHAKER HEIGHTS, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Issued By:  
Treasurer's Office  
Bryan C. Christman  
Treasurer





## The Mission of the Schools

The District will nurture, educate, and graduate students who are civic-minded and prepared to make ethical decisions; who are confident, competent communicators, skillful in problem solving, capable of creative thinking; who have a career motivation and a knowledge of our global and multicultural society.

# Shaker



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## INTRODUCTORY SECTION





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# SHAKER HEIGHTS CITY SCHOOL DISTRICT

BOARD OF EDUCATION  
15600 Parkland Drive  
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(216) 295-1400

Gregory C. Hutchings, Jr., Ed.D.  
Superintendent of Schools

Bryan C. Christman  
Treasurer

December 31, 2014

Members of the Board of Education and  
Residents of the Shaker Heights City School District

Dear Board Members and Residents:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Shaker Heights City School District for the fiscal year ended June 30, 2014. This CAFR enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of the fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Ohio law requires independent audits to be performed on all financial operations of the School District either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. The Auditor of State rendered an opinion on the School District's financial statements as of June 30, 2014, and the Independent Auditor's Report on the basic financial statements is included in the financial section of this report.

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 complements this letter of transmittal and should be read in conjunction with it.

## **The Shaker Heights City School District**

The Shaker schools were founded in 1912 as an independent School District. Theodore Roosevelt split the Republican Party, the Country elected Woodrow Wilson president, there was trouble below the Rio Grande with Pancho Villa, the *Titanic* sank, Ohio was adopting a new constitution - and Shaker Heights opened its first public school.

MEMBERS OF THE BOARD:  
WILLIAM L. CLAWSON II   ALEX L. DYKEMA   AMY H. FULFORD   REUBEN HARRIS, JR.   ANNETTE TUCKER SUTHERLAND

The “school” was in the Van Sweringen real estate office at Lee Road and Shaker Boulevard, and four teachers and 26 students constituted its population. The first school board looked ahead, planned well, worked hard and got off on the right foot. It had to, for along with the rapid construction of new homes came a tremendous growth in the school population. Today, there are over 5,300 students in the Shaker schools.

The little real estate office was gradually supplanted by twelve modern buildings over a 50-year period. The buildings were constructed in the following order:

- 1914 - Boulevard School**, at Drexmore and Southington Roads. *A new wing was added to this facility in 1990.*
- 1918 - Woodbury Elementary**, on South Woodland at Woodbury Road. *Originally used as the Senior High School until 1931, then renamed Woodbury Junior High. In 1985 it was converted to an upper elementary school that serves students in grades five and six.*
- 1922 - Malvern School**, at Malvern and Falmouth Roads. *Sold to the City of Shaker Heights, it now houses a private school.*
- 1922 - Sussex School**, on Sussex at Norwood Road. *Sold to the City of Shaker Heights, it serves as a center for several preschools and the Shaker Family Center, a non-profit organization serving families with young children. The School District’s Pre-K program for children with disabilities was relocated there in the fall of 1999, but then relocated to Onaway School in the fall of 2006.*
- 1923 - Onaway School**, at Onaway and Woodbury Roads. *A new classroom wing was added to this facility in 1990.*
- 1924 - Moreland School**, at Van Aken Boulevard (then known as Moreland Boulevard and Lee Road). *Sold to the City of Shaker Heights and serves as the community’s main library.*
- 1927 - Fernway School**, at Fernway and Ardmore Roads.
- 1927 - Ludlow School**, at Southington and Ludlow Roads. *Now houses the Positive Education Program (PEP) operated by Cuyahoga County.*
- 1928 - Lomond School**, on Lomond Boulevard at Strandhill and Palmerston Roads.
- 1931 - Shaker Heights High School**, on Aldersyde Drive at Onaway Road. *A new handicapped accessible front entrance and gym/music wing was added in 1999. A two-story cafeteria addition was added in 2008.*
- 1952 - Mercer School**, on Wimbledon Road off of Green Road and Shaker Boulevard.
  
- 1957 - Shaker Heights Middle School**, on Shaker Boulevard and Warrensville Center Road, *formerly known as Byron Junior High.*
- 1962 - Administration Building**, on Parkland at Ashford Road.

When the Shaker schools were opened, they were organized on the 8-4 plan, with an eight-year elementary school and a four-year senior high school. As the school population grew and new buildings were constructed, the School District shifted to a 6-3-3 plan, with six-year elementary schools, a three-year junior high and a three-year high school. This plan was followed from 1931 until 1985, when Byron Junior High became Shaker Heights Middle School, housing all seventh and eighth graders. Two years later, the elementary organization changed again to its current configuration to reflect shifts in student enrollment. Four K-6 schools were closed, and five of the remaining buildings were converted to K-4 schools, while Woodbury became an upper elementary school serving fifth and sixth graders. The High School houses all ninth through twelfth graders.

Dr. C. A. Bowers, an early President of the Shaker Heights Board of Education, wrote the following about Shaker’s proud history of educational excellence:

*Conceived in a vision that was unique and, in a way, that has few parallels in American public school education, the system of Shaker Heights Schools has upheld the high purposes of the founders of the village. The early Board members caught this spirit; succeeding boards have changed it but little. The loyal support given by our superintendents, principals, teachers, and the business and maintenance staffs has created a true Shaker spirit.*

That “Shaker spirit” is still very much alive today as the Shaker Heights Schools continue to demonstrate the educational excellence which has been the hallmark of their distinguished history.

The Shaker Heights City School District is one of 610 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The School District is the 61<sup>st</sup> largest in student enrollment in Ohio, with an enrollment of 5,343 students for the 2013-2014 academic year, and projected enrollment for fiscal year 2015 of 5,350 students. The School District offers general education, special education, and vocational education academic programs. The School District covers approximately 7.5 square miles, including all of the City of Shaker Heights and a portion of the City of Cleveland in the Shaker Square area, and is located approximately ten miles southeast of downtown Cleveland.

### **Organizational Structure**

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

The Board of Education is required to adopt an annual tax budget and an annual appropriation resolution that serves as the basis for control over and authorization for all expenditures of School District tax money.

### **The Reporting Entity**

The School District has reviewed its reporting entity definition in order to insure conformance with the GASB Statement No. 14, *The Financial Reporting Entity* as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and 34*. In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the School District (the primary government) and its potential component units. Excluded from the reporting entity because they are fiscally independent of the School District, are the City of Shaker Heights, the City of Cleveland, the Parent-Teacher Organization and the parochial and private schools.

The School District is associated with three organizations, the Ohio Schools’ Council Association (OSC), the Lakeshore Northeast Ohio Computer Association (LNOCA), now known as the North Coast Council (NCC), and the Shaker Heights Public Library. NCC and OSC are jointly-governed organizations whose relationships to the School District are described in Note 20 to the accompanying financial statements. The Shaker Heights Public Library is a related organization and is described in Note 19 to the accompanying financial statements.

A complete discussion of the School District’s reporting entity is provided in Note 1 to the accompanying financial statements.

## **Economic Condition and Outlook**

The School District serves 28,448 residents in the City of Shaker Heights, and 3,911 for the City of Cleveland. The community is primarily residential in nature with a diverse base of residents working largely in professional capacities. The School District is a mature, fully developed inner ring suburb whose economic strength is largely dependent upon the strength of the Northeast Ohio economy. According to the Ohio Department of Taxation, the average federal adjusted gross income per return for residents of the School District filing returns for calendar year 2012 was \$131,435, compared to the averages of \$75,754 for all Ohio school districts and \$62,102 for all districts in Cuyahoga County.

Because Shaker Heights is home to many management employees, the stability of Cleveland's major employers -- including several Fortune 500 companies -- is important to the continued vitality of this School District. While downtown Cleveland is only twenty minutes by car, the rapid transit, a light rail public transit system, provides even more accessibility to downtown Cleveland's business community and attractions. The Greater Cleveland Regional Transit System has extended the original rapid transit rail line to serve not only downtown Cleveland and Cleveland Hopkins International Airport but also the Cleveland waterfront area including the currently in-process redevelopment of the recreational/entertainment area known as the "Flats", the Rock & Roll Hall of Fame and Museum, the Great Lakes Science Museum, Quicken Loans Arena (home of the NBA Cleveland Cavaliers), Progressive Field (home of the MLB Cleveland Indians) and First Energy Stadium (home of the NFL Cleveland Browns).

Further enhancing Shaker Heights' proximity and easy access to downtown Cleveland are other recent economic development projects in downtown Cleveland including the HorseShoe Casino, which as the first casino in Ohio opened in May 2012, the Global Center for Health Innovation (previously referred to as the Medical Mart) and the Cleveland Convention Center, both of which celebrated their grand openings in June 2013.

Only five miles southeast of Shaker Heights, the Chagrin Highlands development next to Interstate 271, including the relocation from downtown Cleveland of the Fortune 500 Eaton Corporation's operational headquarters and University Hospital's Ahuja Medical Center, has only served to enhance Shaker Heights as an ideal residential location.

Another contributor to the School District's economic strength is its proximity to the University Circle area of Cleveland. University Circle is the leading focus of employment growth in the area and home to major cultural, educational and medical facilities including Severance Hall, the home of the world-renowned Cleveland Orchestra, the recently-rebuilt and expanded Cleveland Museum of Art, Case Western Reserve University, and University Hospitals of Cleveland and the Cleveland Clinic, world-renowned medical research, teaching and treatment facilities and the two largest employers in Cuyahoga County. Significant numbers of Shaker Heights residents work in the medical, cultural, and educational institutions in nearby University Circle.

The Shaker Square shopping district, which lies in the Cleveland portion of the School District, was purchased and redeveloped in 2001 and 2002. The School District, in accordance with a tri-party agreement between the developer and the City of Cleveland, receives 25 percent of the increased property taxes resulting from the redevelopment for the 25-year abatement period. Thereafter, the School District will receive 100 percent of the increased property taxes. Additionally, the School District will receive 50 percent of the increased income taxes collected by the City of Cleveland during the 25-year abatement period for the redevelopment area. Although, the 2004 sale to a new local owner reinvigorated the enthusiasm about the Shaker Square potential and long-term prospects for success, the recession impacted commercial retail operations which are now improving.

The area of the School District is a substantially fully-developed residential community among the "inner ring" suburbs surrounding the City of Cleveland. The City of Shaker Heights, however, is aggressively pursuing new development, both commercial and residential. Through a process based



on a collaborative effort of public and private community leaders, the City developed a Strategic Investment Plan that serves to advise the City on how to best leverage its limited assets to encourage appropriate private investment, and to ensure that Shaker Heights remains one of the premier communities in the Country.

The City's historical Strategic Investment Plan has resulted in numerous projects.

- Construction of a new \$5 million City Fire Station in the Shaker Towne Centre area;
- Redevelopment of commercial properties in the Shaker Towne Centre complex including \$3 million of facade and other improvements;
- \$13 million of public improvements completed in early 2008 at the Shaker Towne Centre including the reconfiguration and narrowing of Chagrin Boulevard; the addition of angled, on-street parking on Chagrin Boulevard; the construction of Center Street - a new road through Shaker Towne Centre which connects Chagrin Boulevard with Van Aken Boulevard; utility work to upgrade sewers, electric and telephone lines; public art and streetscape work on Chagrin Boulevard; and streetscape work on Lee Road between Chagrin Boulevard and City Hall.
- Building of 16 cluster townhouses known as Sussex Courts - Phase I on the north side of Chagrin Boulevard at Farnsleigh Road;
- Building of 30 cluster townhouses known as Sussex Courts - Phase II on the south side of Chagrin Boulevard at Farnsleigh Road;
- Development of 16 new residential condominiums entitled South Park Row on vacant land in the Warwick Road area;
- Construction of a new stand-alone retail bank branch building at Shaker Towne Centre;
- Shaker Common Shops (\$3.0 million) involved the purchase and major renovation of 35,000 square feet of historic retail buildings opposite Shaker Towne Center; and
- Razing of certain residential properties adjacent to the Shaker Towne Centre and the construction of a new residential project entitled Avalon Station. Phase 1 (began in November 2005 and completed in 2007) of the project (\$12 million) includes 51 loft condominiums and a 90-car parking garage with a landscaped roof. When complete the project will consist of three 4-story buildings with approximately 160 loft condominiums and 17 townhomes as well as ground floor retail space in two buildings. Unfortunately, the recession has since 2008 delayed development beyond Phase 1.

The City is continuing to implement redevelopment projects pursuant to its Strategic Investment Plan, including the following:

- **Van Aken District**-a plan for a 50-acre, transit-oriented commercial district was developed with much public input and adopted in April 2008. In November 2008, in partnership with the Cuyahoga County Engineer, the City applied for and received a \$4 million Safety Grant from the Ohio Department of Transportation toward reconfiguring this intersection with four major highways intersecting at various angles. There are now seven funding sources and the road reconfiguration is fully funded at \$18.4 million. Construction began in 2014. The road reconfiguration is setting the stage for vibrant mixed-use; reconfiguration from 6 legs to 4 legs; creating regular development parcels; and creating an intermodal station at the end of the transit line. In furtherance of achieving the objectives of the overall plan, the City has entered into a Memorandum of Understanding with the owners of one of the two shopping plazas in this area to build new retail office and housing as part of Phase 1 of the redevelopment. The City has purchased a former car dealership in this area and is using the facility for City purposes until it can be redeveloped in the district. In addition, the City obtained a vacant commercial building on Warrensville Center Road which it has demolished. The City has a Memorandum of Understanding with the adjacent property owner to purchase this parcel and redevelop it with that owner's two adjacent parcels for retail purposes.

- Reconstructing Lee Road, a major north-south thoroughfare, from border to border, including replacing five sewer lines.
- Replacing a mechanical traffic signalization system with a computer-coordinated system.
- Developing in conjunction with the Greater Cleveland Regional Transit Authority the transit oriented development plan (\$3.0 million) for the rapid transit station at Van Aken and Lee.

Additionally, the City in 2010 engaged a private firm to analyze and prepare strategic recommendations to be incorporated into a new Economic Development Strategy for the City, the purpose of which was to find ways to expand the City's tax base, property and income, and expand development efforts that would accomplish that goal. In November 2010, the City adopted an Economic Development Plan that incorporated a framework of action that is designed to produce positive financial results while being judicious in the use of limited City resources. It proposes a variety of action items and policy interventions that are designed to enhance the City's level of office-oriented and business activities. The plan envisions both a strategic and tactical response that includes:

- Financial incentives to commercial property owners;
- Financial incentives to businesses seeking to expand or locate in Shaker Heights;
- Investments in upgrading programs and operations that address Shaker businesses and commercial properties; and
- Aggressive marketing, branding, and business recruitment efforts.

This strategy has identified key segments of the Cleveland metropolitan business community that can and will be targeted in this effort, as well as key commercial districts in Shaker Heights that will be targeted for investment and reinvestment. When Shaker Heights becomes successful in growing these segments – ambulatory health care and social services, design, government and legal services, and information services – it will strengthen its fiscal base and set the stage for long-term economic health.

The recommendations of the plan significantly increase the City's ability to diversify its tax base and generate the level of density required to support the types of amenities – restaurants and retail – that the community desires.

An update to the Economic Development Plan was presented to City Council on April 11, 2011, at which time City Council approved two financial incentive programs to spur economic development in Shaker Heights:

- Forgivable Loan Program – Targeted to established, growing businesses that are ready to move into office space in Shaker Heights, this program offers a forgivable loan to make tenant improvements and purchase equipment based on the amount of income/payroll taxes the City will collect over a three to five year period.
- Shaker SEEDs Microfinance Revolving Loan Program – The goal of the program is strengthen the City's commercial districts and offer residents and businesses the amenities they demand by making available financing tools for new retail and restaurant creation and existing business expansions.

In accordance with the Economic Development Plan, the City invested \$500,000 in a City-owned building that was formerly a car dealership to house the Shaker LaunchHouse (SLH), a public-private partnership that fosters entrepreneurial success and job creation through seed capital, education and innovation, and connects new entrepreneurs with proven business leaders in a grassroots, for-profit model. SLH member companies enjoy over 25,000 square feet of affordable office space, free Wi-Fi, free coffee, access to over 100 free educational and networking events, and many additional resources. SLH member companies are made up of portfolio companies, regional startups, entrepreneurs, creative groups, nonprofits, service providers, investors, and mentors.

Some of the additional business brought into the City through these efforts include: a bakery, a yoga studio, a running apparel store, a State of Ohio license bureau, new dental offices, new adult day care, a wallpaper store, a law firm, an educational software firm, real estate services, a financial advisor, a therapeutic accelerator for new medicines, an orthodontist, a coffee shop, a restaurant, a taekwondo studio, and a sandwich shop.

In addition to commercial and multi-family dwelling property development, the City is also pursuing single-family residential development. In keeping with its aggressive pursuit of maintaining and enhancing the City's housing stock, in late 2006 the City enacted legislation creating five new "housing only" Community Reinvestment Areas (CRA's) with the particular objective to encourage new residential construction and significant rehabilitation. Although conditions are currently improving, the impact of the 2008-2009 recession and mortgage crisis and subsequent anemic recovery on these development initiatives is still unknown at this time.

Although the 2006 departure from the City by OfficeMax and its headquarters left a significant hole in the commercial backbone of the City, the void was short-lived. In the fall of 2006, the University Hospitals Corporation announced its purchase of the OfficeMax headquarters building and the relocation of as many as 900 full-time administrative and corporate office employees to such facility, resulting in a greater income tax base for the City than what previously existed.

The School District and City were able to weather the financial storm resulting from the economic downturn and are now well positioned to once again prosper and thrive. Despite the recession-resulting loss of \$165 million or 17.2% of the School District's property tax base from its 2007 high of \$957 million, the property tax base has begun to recover and will be primed to grow at an enhanced rate as a result of the commercial redevelopment undertaken by the City of Shaker Heights. These local initiatives, combined with Cleveland's economic development, provide for a stable and desirable economic condition and outlook for our School District. This favorable economic outlook combined with the unwavering community support for the School District has resulted in repeated tax levy success over the last 15 years including a capital improvement bond issue in 2004 and operating levies in 2000, 2003, 2006, 2010 and most recently a 6.9 mill levy in May 2014, all but one (58% in 2010) of which passed with a 60% or higher margin.

These are the cornerstones upon which the School District's future financial outlook depends. With these resounding reinforcements from the community, the economic outlook for the School District remains favorable.

### **Long-Term Financial Planning**

The Board of Education has adopted (as revised) three specific policies that guide both the short- and long-term financial planning as well as the annual appropriation process.

Policy DA, titled *FISCAL MANAGEMENT GOALS*, reads as follows:

*The quantity and quality of learning programs are directly dependent on the funding provided and the effective, efficient management of those funds. It follows that the School District's purposes can best be achieved through prudent fiscal management.*

*The School District's first obligation is the provision of education to its children. However, the Board of Education recognizes the need to frame educational programs within the School District's fiscal plan.*

*As trustees of the community's investment in plant, facilities, and operational funds, the Board has a responsibility to ensure that the investment is protected and used wisely. Competent personnel and efficient procedures are essential for sound management of fiscal affairs. The Superintendent of Schools and Treasurer will keep the Board of Education informed through*

*reports -- both oral and written -- of the fiscal management of the schools.*

*The Shaker Heights Board of Education seeks to achieve the following goals:*

*To engage in thorough planning with staff involvement in order to develop budgets and to guide expenditures to achieve the greatest educational returns and contributions to the educational program in relation to dollars expended;*

*To assure levels of funding that provide high quality education for the School District's students;*

*To use the best available techniques for budget development and management;*

*To provide timely and appropriate information to all staff with fiscal management responsibilities; and*

*To assure effective procedures for accounting, reporting, business, purchasing and delivery, payroll, payment of vendors and contractors and all other areas of fiscal management.*

Policy DBD, titled *LONG-TERM FINANCIAL PLANNING*, reads as follows:

*The Shaker Heights Board of Education believes that annual and long-term financial planning are both essential to support current educational programs and the School District's long-term educational needs. Annual financial planning should be an integral part of program planning and should be a year-round process involving broad participation by the Board of Education, administrators, teachers, and other personnel throughout the School District.*

*The School District should also engage in strategic long-term financial planning and attempt to forecast the need for future educational and capital expenditures and the availability of financial resources to meet those needs. Long-term financial planning should result in the development of a strategy to meet educational needs.*

*An integral part of the long-term planning process will include the periodic preparation of a five-year financial forecast in accordance with State requirements. The Superintendent and Treasurer will work in close cooperation with the Board of Education in developing the significant assumptions utilized in the forecast, and will be responsible for preparing the five-year forecast for the Board's approval.*

Policy DB, titled *ANNUAL BUDGET AND APPROPRIATION MEASURES*, reads as follows:

#### ***BUDGET***

*The purpose of the annual operating budget is to identify adequate financial resources for the education program and to provide a basis for accountability in fiscal management. The precursor to the preparation of the operating budget is the tax budget. The purpose of the annual tax budget is to enable the county budget commission to establish tax rates and serve as the basis for certification of revenue to the School District.*

*The annual tax budget is regulated and controlled by State law and requirements of the County Budget Commission.*

*The Superintendent and the Treasurer will be responsible for the preparation of both the annual operating and tax budgets and presentation to the Board of Education for adoption.*

## APPROPRIATIONS

*As permitted by law, no later than July 1, the Board of Education will pass a temporary appropriation measure to provide for meeting the ordinary expenses of the School District until such time as the Board approves the annual appropriation resolution for the year, which will be not later than October 1. The Board will approve appropriations for the School District at the Fund level.*

## BUDGET MODIFICATION

*The Treasurer routinely provides more detailed budget and expenditure information to the Board. Appropriations approved by the Board at the Fund level may receive a line item increase as long as there is a corresponding decrease. Any increase in the amount of the appropriation measure or transfer of funds permitted by law from major fund to major fund requires Board approval and may require approval from the Court of Common Pleas.*

The Board of Education has assigned responsibility for annual and long-term financial planning to the Superintendent and Treasurer. The policies require that the first objective of financial management planning is to provide for the education of the School District's children. We are expected to use the best available techniques for budget development and management, as well as to engage in strategic, long-term financial planning which attempts to forecast the need for future educational and capital expenditures.

In April of 1995, the Board of Education revised its policies to incorporate the use of expense-growth limitations for future years' spending as a part of long-term financial planning. The annual expense-growth rate was developed using an assumed rate of inflation as measured by the Consumer Price Index and an assumed rate of change in student enrollment measured by the official October Average Daily Membership. These spending caps were renewed in 2000, and the School District has successfully operated under modified spending limits since then.

Currently, the Board of Education's long-term financial plan is guided by the Board-mandated edicts of restricting the School District's operating levy cycle to no more often than once every four years, at a rate below seven mills.

## **2014 Major Initiatives**

### Academic Achievement

With the support of faculty, parents, and local residents, our students continued to excel in academics, the arts, athletics, and community service. Approximately 5 percent of the Class of 2014 earned honors in the National Merit, National Achievement, and National Hispanic scholarship competitions, compared with 2 percent nationally. This again places Shaker in the top ranks of Ohio schools using this nationally accepted "gold standard" of scholastic achievement. Each year since the inception of the National Merit program in 1956, Shaker has far outpaced the national average in the production of these scholars.

394 students at Shaker Heights High School took one or more Advanced Placement (AP) classes this year. On the basis of their outstanding performance on Advanced Placement examinations, 130 Shaker students were named AP Scholars in 2014.

Shaker Heights students continue to be sought after by colleges. Members of the Class of 2013 were accepted into more than 229 colleges, including some of the most selective in the nation. Approximately 63.5% of graduating seniors plan to attend a 4-year college and 11.5% plan to attend a 2-year college.

## Technology

Our computer network serves students, teachers, and staff in a wide variety of applications for instruction and business. We have more than 26 servers and approximately 2,000 workstations in 12 buildings, running over a fiber network. Our network also supports a variety of enterprise systems such as our phone system, transportation tracking, time cards, security systems, and other business products.

We continue to add classroom tools such as student response systems and document cameras. As of the 2014-2015 school year we have approximately 1,000 laptops organized on mobile carts in sets of 15. Carts or Computers on Wheels (COW) are provided to each School District building based on factors such as enrollment and computer lab availability. Teachers are able to sign out the carts for classroom activities. It is anticipated that more carts will be added in subsequent years. Funding for these tools is provided through grant monies, Red & White and PTO funds, as well as School District funds. Teachers use these classroom tools to encourage student engagement by incorporating the use of visual materials, video sources, and web information that can be used interactively in daily classroom activities. The 2014-2015 school year also brings the advent of online testing for which the technology staff will be reviewing requirements for specific testing environments such as PARCC and AIR.

Software supports our focus on student achievement, particularly in mathematics with the use of Pearson Successmaker in grades K-8 and Aleks and Cognitive Tutor in the upper grades. A number of tools for teachers (AIMSweb, MAP—Measure of Academic Progress) provide data to inform instructional efforts. We provide a variety of online database resources for journals, encyclopedias, and other learning resources to support our curricula. All buildings also have access to Discoverystreaming and BrainPop, online video databases which allow teachers to choose short video clips to illustrate concepts as they teach. A growing number of teachers are using the Moodle course management system, which allows teachers to develop online courses, using this resource to post class materials, conduct online discussions, provide online activities, and more. We expect teacher use of this resource to continue to grow.

## Capital Improvements

### **Building and Grounds Maintenance; and Capital Construction**

During the 2013-2014 school year, we continued to make repairs and upgrades throughout the School District, both interior and exterior, including HVAC, electrical and plumbing systems; roof repairs; masonry work; and flooring projects. In particular, improvements and upgrades were made to the High School Science Lab to create one learning environment to use for both teaching and lab work. A new Spitz “star machine” was purchased and installed in the Planetarium at the High School. Warehouse operations continued its logistics (shipping and receiving) and procurement support for the School District. The custodial team, maintenance and grounds crews continued to provide a safe and clean environment for the staff and students, earning high ratings in customer satisfaction.

### **Food and Nutrition Services**

The School District vendor, AVI, improved its menu offerings using input from student surveys and classroom discussions about healthy eating. The revised menu incorporated more fresh fruit and vegetables that also allowed students to receive larger portions of food. The AVI vendor met budget and finished with a profitable P&L with increases in reimbursable foods, a-la carte and catering sales. The total annual breakfast served was 108,958 breakfast meals. The total annual lunch served was 314,295 lunch meals (numbers include Summer Academy.)

### **Administrative Business Services**

The Department continued its support services including inter-district mail delivery, cell-phone management, purchasing, accounts payable, printing, real property and high-value property control, building usage/rentals, and copier account management. Warehouse logistics operations (shipping and receiving), inventory control and procurement support for the School District continued.

### **Safety and Security Services**

The Safety and Security Department supported several School District initiatives to enhance safety across the School District. This included efforts to support development of the critical events manual (emergency management plans), coordination with local police, and daily security support at the schools. The office provided security coverage at approximately two-hundred after-school events including home and away athletic trips and extracurricular activities.

### **Transportation Services**

The Transportation Department underwent several leadership transitions with a new transportation supervisor, assistant supervisor, lead mechanic, and bus mechanic. Eight new buses were purchased in October of 2013. The Transportation Department generated savings with the reduction of two routes and more efficient use of substitute drivers for athletic trips. The department also developed a new routing plan which incorporated more group and/or corner stops to improve service efficiency. The new routing plan will be implemented in the 2014-2015 year.

### **Human Resources**

The Human Resources Department continued its support to recruit, develop, train, evaluate and release employees in all classifications. The HR Department also processed numerous supplemental contracts and project payments. They developed and procured a new substitute management system using the North Coast Shared Services Alliance (NCSSA). The NCSSA vendor provides teacher substitutes thus relieving Central Office management of this demanding task. (The School District continues to manage long-term certificated/licensed employees, school bus drivers, school nurses, nurses' aides, security, and skilled trades/laborers, etc.)

### Current and Future Initiatives

The School District continues to study, plan, and implement instructional initiatives aimed at improving the academic achievement of all students. In the summer of 2014, the School District adopted a Five-Year Strategic Plan. The plan has six goals: The Shaker Experience; Continuous Improvement; Policy, Human Resources, and Facilities; Communication; and Finance. Each goal has respective measures, milestones, and metrics attached. Current instructional initiatives include efforts to increase parental and community engagement, involvement, and support; adoption of the International Baccalaureate Programme from preschool through 12<sup>th</sup> grade; implementation of the Ohio Academic Standards; preparation for new state assessments; increased emphasis on professional learning for all groups of staff with an initial emphasis on teachers and administrators; formative and summative assessments; establishing consistent protocols and practices for homework and grades; using data to make informed decisions; supporting students' personal growth; early intervention for behavioral and academic needs; cultural proficiency training for staff; increased supports for student success; community and business partnerships; educational experiences beyond the classroom; and extended-day and extended-year programming for students. Curriculum guides are being created and implemented. A new math curriculum for kindergarten through eighth grades is being implemented. These changes are supported by a new administrative structure which includes an Assistant Superintendent of Curriculum and Instruction, a Director of Curriculum, and three mathematics coaches. Collaboration with local universities, the City of Shaker Heights, the Shaker Heights Public Library, the Shaker Heights Youth Center, and other local agencies concerned with the welfare of youth continue to be an area of strength.

### Building Improvement Plans

The Shaker Heights City School District maintains an ongoing commitment to the philosophy of continuous improvement. All school principals revise their school improvement plans annually based on achievement data and climate survey results. The plans are developed in consultation with faculty members, the School District administrative team, and the superintendent. Each plan includes educational goals, performance measures, strategies, resource allocation, assignment of responsibility, and timelines for completion. The plans reflect both School District and building-level instructional priorities and are monitored through frequent data review.

## **2014 – 2019 Strategic Plan**

On June 24, 2014, the Board of Education approved a five-year Strategic Plan. The plan is the work of a 44 person committee representing educators, administrators, parents, school board members, students and community members. The document is based on considerable public input and a thorough review of existing data and plans.

The core of the plan is the aspirations, mission, vision, and core values of the School District.

### **Our Aspirations:**

Excellence – Equity – Exploration

### **Our Mission:**

The School District will nurture, educate, and graduate students who are civic-minded and prepared to make ethical decisions; who are confident, competent communicators, skillful in problem solving, capable of creative thinking; who have a career motivation and a knowledge of our global and multicultural society.

### **Our Vision:**

Shaker is the first-choice school district for all students.

### **Core Values:**

We believe:

- Each student is valued.
- Every student must succeed.
- Diversity makes us stronger.
- Breadth of experience is vital.
- Fiscal responsibility is essential.
- We are all accountable.

The Superintendent and the Board of Education agreed on six areas of focus for the plan.

1. **Shaker Experience** - Academics, school climate, and out-of-school activities that make up the student experience for all Shaker students
2. **Continuous Improvement** – The institutional commitment to ongoing self-examination and betterment
3. **Policy** – Formal, Board-adopted policies that guide the daily work of the schools
4. **Human Resources and Facilities** – The commitment to providing students with the best possible staff and physical environment for learning
5. **Communications** – Open, two-way communication between and among staff, students, parents, and residents
6. **Finance** – Obtaining the maximum value for every dollar spent

Each of the focus areas has associated strategic initiatives, action plans, and timelines. Progress toward goals will be audited annually. The Strategic Plan and the Year One and Year Two Progress Reports can be found at [www.shaker.org/strategicplan.aspx](http://www.shaker.org/strategicplan.aspx)

### **International Baccalaureate**

After a year of careful study, the School District began pursuing adoption of the International Baccalaureate Programme at the elementary, middle, and high school levels during the 2008-2009 school year. Full program implementation will make Shaker the only K-12 International Baccalaureate district in Greater Cleveland. This program is especially in demand among international families who are relocating to Cleveland to work in higher education, health care, and research.



At the beginning of the 2010-2011 school year, the International Baccalaureate Diploma Programme was authorized and began with the Junior Class. Offered as an elective course of study at the high school level, the International Baccalaureate Diploma Programme permits students to participate in a rigorous, internationally-oriented curriculum, culminating in a diploma that is recognized all over the world. The Class of 2012 included the first group of students with the opportunity to complete the fully developed two-year program and qualify for the International Baccalaureate Diploma. The Shaker Heights High School Class of 2013 included 12 International Baccalaureate diploma candidates and the Class of 2014 had 27 candidates.

As of August 2013, all five of Shaker's K-4 elementary schools have been authorized as International Baccalaureate World Schools following intensive site inspections by representatives of the International Baccalaureate Organization. The schools were required to demonstrate that they have collaboratively developed and are consistently teaching the globally-focused interdisciplinary units, using inquiry and problem-solving strategies as instructional approaches, as well as meeting rigorous requirements for student assessment.

In the spring of 2014, Woodbury, the Middle School, and the High School cleared the first hurdle in the authorization process by earning Middle Years Programme Candidate School status. The Middle Years Programme leadership team is working with the International Baccalaureate Organization to establish a date for the Middle Years Programme authorization visit. The authorization visit for the Middle Years Programme is expected to occur in the spring of 2015. Work has continued at the middle grades unifying the instructional approaches in grades 5-12 with greater emphasis being placed on 21<sup>st</sup> century skills, inquiry-based approaches to learning, international awareness, and higher expectations for all students. Efforts have included encouraging students to think globally, internalizing the "learner profile", and benefitting fully from thematic units of instruction developed by the staff. Staff members at grades 5-12 are working together to prepare for authorization of the International Baccalaureate Middle Years Programme. All tenth grade students are required to execute a Personal Project and implementation of this requirement is underway at the High School.

### **Awards**

**GFOA Certificate of Achievement** - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Shaker Heights City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. The Certificate 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.

**ASBO Certificate** - The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2013 to the Shaker Heights City School District. This award certifies that the Comprehensive Annual Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. We believe our current report, which will be submitted to ASBO for review, continues to conform to ASBO's principles and standards.

**Auditor of State Award** – The School District was awarded the *Auditor of State Award with Distinction*, which recognizes excellence in financial reporting for the School District's Comprehensive Annual Financial Report for the fiscal year ended 2013. The School District has received this award, as well as the State's Excellence in Financial Reporting Award, for numerous consecutive years.

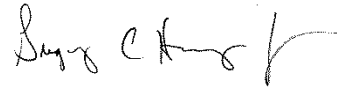
**Acknowledgments**

The publication of this CAFR enhances the School District's accountability to the citizens of the School District. The preparation of this report would not have been possible without the assistance and support of the staff of the Treasurer's office and numerous other School District staff members. Our appreciation is also expressed to the GAAP Conversion Division of Rea & Associates' office for their assistance in preparing and reviewing this financial report.

Respectfully submitted,



Bryan C. Christman  
Treasurer



Gregory C. Hutchings, Jr., Ed.D.  
Superintendent

**Shaker Heights City School District**

**Principal Officials**

**June 30, 2014  
Board of Education**

Mr. William L. Clawson II..... President  
Mr. Reuben Harris, Jr..... Vice-President  
Mr. Alex Liston Dykema.....Member  
Mrs. Amy H. Fulford .....Member  
Ms. Annette Tucker Sutherland.....Member

**Administration**

Dr. Gregory C. Hutchings, Jr.....Superintendent

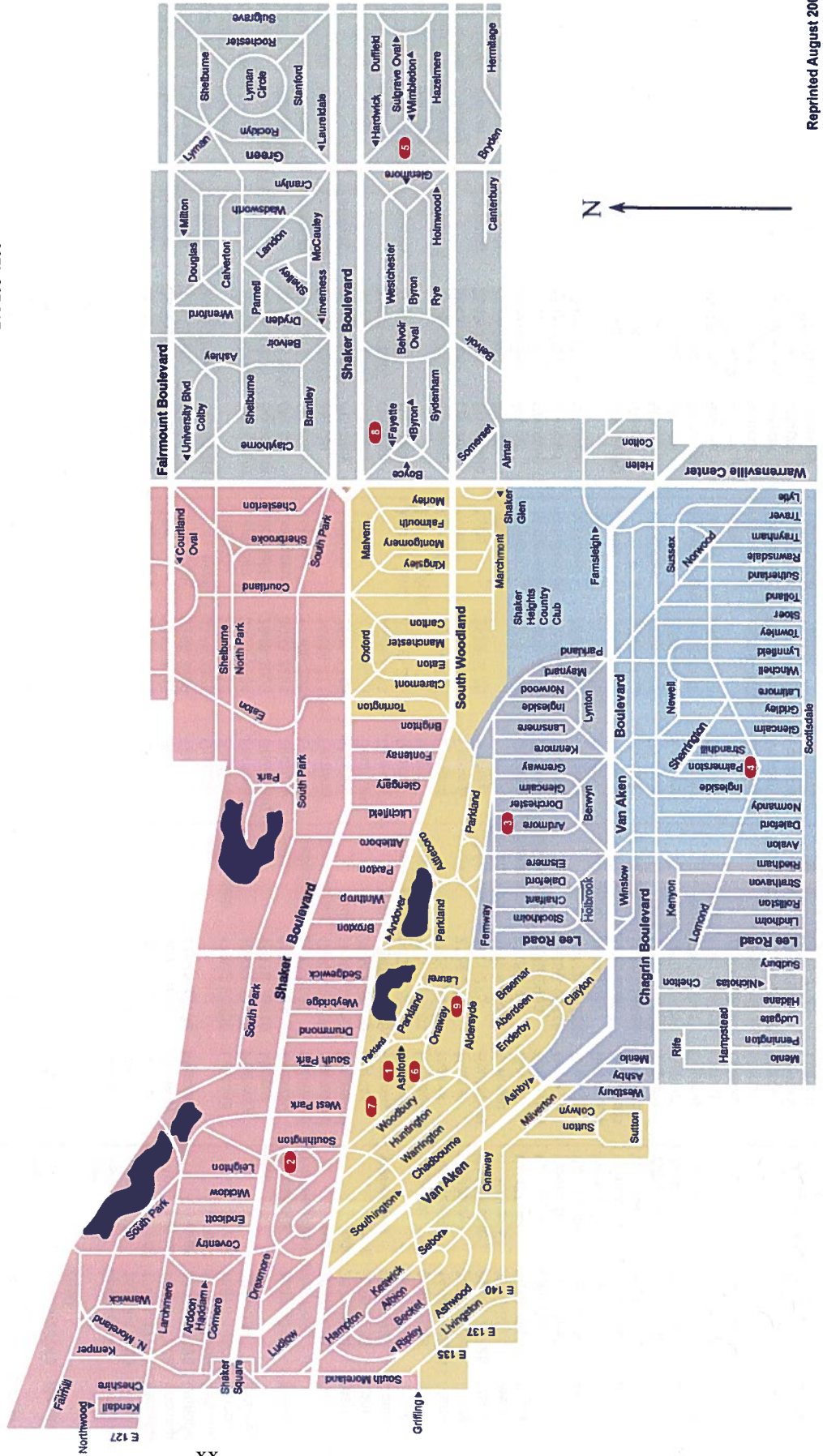
Bryan C. Christman .....Treasurer



# SHAKER HEIGHTS CITY SCHOOL DISTRICT

[www.shaker.org](http://www.shaker.org)

- 1** Shaker Heights City Schools  
15600 Parkland Drive  
Shaker Heights, OH 44120  
216 295-1400
- 2** Boulevard Elementary K-4  
14900 Drexmore Road  
Shaker Heights, OH 44120  
216 295-4020
- 3** Fernway Elementary K-4  
17420 Fernway Road  
Shaker Heights, OH 44120  
216 295-4040
- 4** Lomond Elementary K-4  
17917 Lomond Boulevard  
Shaker Heights, OH 44122  
216 295-4050
- 5** Mercer Elementary K-4  
23325 Wimbleton Road  
Shaker Heights, OH 44122  
216 295-4070
- 6** Onaway Elementary K-4  
3115 Woodbury Road  
Shaker Heights, OH 44120  
216 295-4080
- 7** Woodbury Elementary 5-6  
15400 South Woodland Road  
Shaker Heights, OH 44120  
216 295-4150
- 8** Shaker Heights Middle School 7-8  
20600 Shaker Boulevard  
Shaker Heights, OH 44122  
216 295-4100
- 9** Shaker Heights High School 9-12  
15911 Aldersyde Drive  
Shaker Heights, OH 44120  
216 295-4200







Government Finance Officers Association

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

Presented to

**Shaker Heights City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# Association of School Business Officials International



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

## Shaker Heights City School District

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2013*

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



A handwritten signature in black ink, reading 'Terrie S. Simmons', written over a horizontal line.

Terrie S. Simmons, RSBA, CSBO  
President

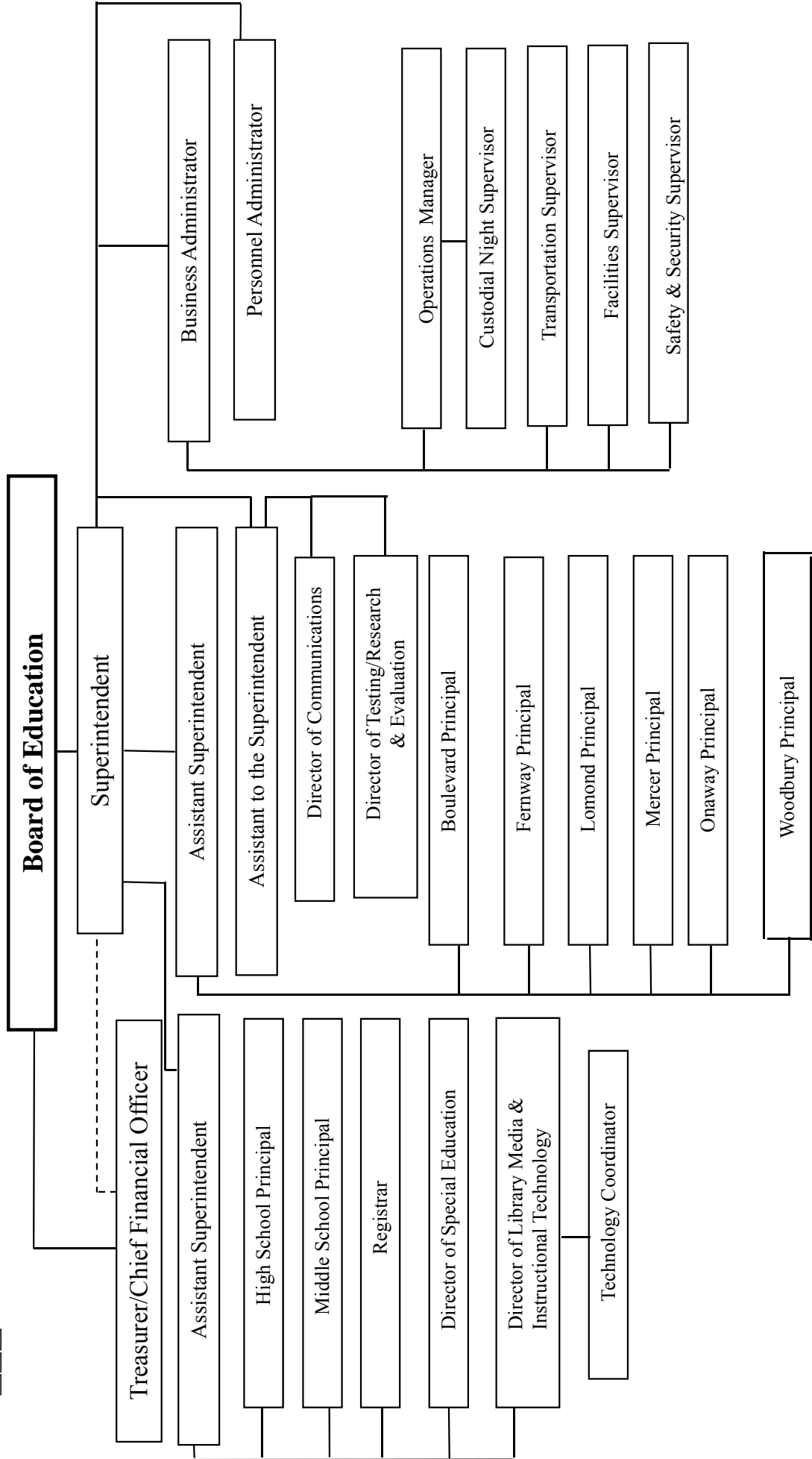
A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director



# SHAKER HEIGHTS CITY SCHOOL DISTRICT

## ORGANIZATIONAL CHART





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FINANCIAL SECTION





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Shaker Heights City School District  
Cuyahoga County  
15600 Parkland Drive  
Shaker Heights, Ohio 44120

To the Board of Education:

### ***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 Shaker Heights City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Shaker Heights City School District, Cuyahoga County, Ohio, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

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

December 31, 2014

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**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*

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

***Financial Highlights***

Key financial highlights for 2014 are as follows:

- Net position increased \$5,026,002, which represents a 9.6% increase from 2013.
- Capital assets increased \$1,163,331 during fiscal year 2014.
- During the year, outstanding debt decreased from \$25,604,657 to \$23,397,172 due to principal payments made by the School District.

***Using this Annual 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 Shaker Heights City 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 the *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 Shaker Heights City School District, the general fund is by far the most significant fund.

***Reporting the School District as a Whole***

*Statement of Net Position and the Statement of Activities*

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2014?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets, deferred outflow of resources, liabilities, and deferred inflow 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.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*

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

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

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

***Fund Financial Statements***

The major funds 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 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.

***Proprietary Fund*** The School District maintains two proprietary funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District uses the internal service funds to account for payments, administrative costs and reserves of the School District's self-insured prescription drug, health and dental coverage plans, and the State's retrospective rating workers' compensation plan, and is reported separately as the School District's proprietary funds. Because this service predominately benefits governmental functions, it has been included within the governmental activities in the government-wide financial statements. The proprietary fund financial statements begin on page 23.

***Reporting the School District's Fiduciary Responsibilities***

The School District 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 a separate Statement of Fiduciary Assets and Liabilities on page 26. 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.



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*

**The School District as a Whole**

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

**Table 1**  
**Net Position**

	Governmental Activities	
	2014	2013
<b>Assets</b>		
Current and Other Assets	\$ 111,163,732	\$ 112,696,009
Capital Assets	38,330,860	37,167,529
<i>Total Assets</i>	<u>149,494,592</u>	<u>149,863,538</u>
<b>Deferred Outflows of Resources</b>	<u>490,158</u>	<u>544,079</u>
<b>Liabilities</b>		
Other Liabilities	11,329,760	12,272,955
Long-Term Liabilities	30,731,493	32,166,719
<i>Total Liabilities</i>	<u>42,061,253</u>	<u>44,439,674</u>
<b>Deferred Inflows of Resources</b>	<u>50,694,433</u>	<u>52,676,723</u>
<b>Net Position</b>		
Net Investment in Capital Assets	15,783,429	13,553,310
Restricted	7,490,738	5,332,698
Unrestricted	33,954,897	33,317,054
<i>Total Net Position</i>	<u>\$ 57,229,064</u>	<u>\$ 52,203,062</u>

At year end, capital assets represented 25.6% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment, and vehicles. Net investment in capital assets was \$15,783,429 at June 30, 2014. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$7,490,738 or 13.1%, represents resources that are subject to external restrictions on how they may be used. The balance of government-wide unrestricted net position of \$33,954,897 may be used to meet the government's ongoing obligations to students and creditors.

Total current and other assets showed a net decrease of \$1,532,277 with a \$3.1 million increase in pooled cash and investments, primarily as a result of the timing differences in retiring outstanding encumbrances as of June 30, 2014 (See Note 16). This increase was offset by a decrease in taxes receivable of \$4.7 million related to collection of delinquent taxes.

The increase in capital assets was attributed to the additions exceeding the depreciation expense in the current year.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*

Total liabilities decreased \$2,378,421, primarily due to principal payments, a decrease in SERS surcharge and a decrease in matured compensated absences payable due to a decrease of employees retiring.

Table 2 shows the changes in net position for fiscal year 2014 and 2013.

**Table 2**  
**Changes in Net Position**

	Governmental Activities	
	2014	2013
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for Services	\$ 3,006,945	\$ 2,911,871
Operating Grants	5,032,764	5,087,485
Capital Grants	185,313	152,620
<i>Total Program Revenues</i>	<u>8,225,022</u>	<u>8,151,976</u>
<i>General Revenues:</i>		
Property Taxes	63,577,443	65,933,054
Grants and Entitlements Not Restricted	26,539,426	23,839,415
Other	485,335	582,309
<i>Total General Revenues</i>	<u>90,602,204</u>	<u>90,354,778</u>
<i>Total Revenues</i>	<u>98,827,226</u>	<u>98,506,754</u>
<b>Program Expenses</b>		
Instruction:		
Regular	34,580,662	34,461,051
Special	15,645,258	12,397,536
Vocational	114,533	73,704
Student Intervention Services	187,160	94
Other	217,011	42,270
Support Services:		
Pupils	5,812,143	5,556,492
Instructional Staff	3,775,660	7,540,608
Board of Education	35,491	65,876
Administration	5,904,079	5,815,470
Fiscal	2,581,225	2,443,694
Business	780,306	1,085,086
Operation and Maintenance of Plant	11,269,156	13,142,708
Pupil Transportation	5,044,428	4,674,160
Central	1,497,140	1,683,000
Operation of Non-Instructional Services:		
Food Service Operations	1,800,930	1,855,816
Community Services	1,463,402	1,598,259
Extracurricular Activities	2,064,830	1,331,012
Debt Service:		
Interest and Fiscal Charges	1,027,810	1,123,129
<i>Total Expenses</i>	<u>93,801,224</u>	<u>94,889,965</u>
<i>Increase (Decrease) in Net Position</i>	5,026,002	3,616,789
<i>Net Position at Beginning of Year</i>	<u>52,203,062</u>	<u>48,586,273</u>
<i>Net Position at End of Year</i>	<u>\$ 57,229,064</u>	<u>\$ 52,203,062</u>

**Shaker Heights City School District**  
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Overall revenue increased \$320,472, due to an increase State funding only partially offset by a decrease in property taxes.

Program expenses decreased from \$94.9 million to \$93.8 million, which represents a 1.2% decrease from fiscal year 2013. This decrease is primarily due to a decrease in operations and maintenance with less repairs and maintenance, partially offset by an increase in extracurricular activities for purchase of supplies and equipment for the new stadium.

Fluctuations between special instruction and instructional staff are attributed to the re-coding of expenses in accordance with the revised expenditure standards approved by the State Board of Education on December 11, 2012. The expenditure standards revisions addressed operating expenditures and classroom instruction versus non-classroom expenditures.

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

**Table 3**  
**Governmental Activities**

	Total Cost of Service		Net Cost of Service	
	2014	2013	2014	2013
<b>Instruction:</b>				
Regular	\$ 34,580,662	\$ 34,461,051	\$ 33,101,636	\$ 33,118,818
Special	15,645,258	12,397,536	13,271,147	10,741,657
Vocational	114,533	73,704	114,533	73,704
Student Intervention Services	187,160	94	(117,005)	(17)
Other	217,011	42,270	211,836	12,719
<b>Support Services:</b>				
Pupils	5,812,143	5,556,492	5,753,272	5,556,492
Instructional Staff	3,775,660	7,540,608	3,503,753	6,091,287
Board of Education	35,491	65,876	35,491	65,876
Administration	5,904,079	5,815,470	5,881,910	5,785,396
Fiscal	2,581,225	2,443,694	2,528,638	2,413,802
Business	780,306	1,085,086	780,306	1,085,086
Operation and Maintenance of Plant	11,269,156	13,142,708	11,253,797	13,132,215
Pupil Transportation	5,044,428	4,674,160	4,940,651	4,557,364
Central	1,497,140	1,683,000	1,497,140	1,663,283
<b>Operation of Non-Instructional Services:</b>				
Food Service Operations	1,800,930	1,855,816	(119,600)	2,873
Community Services	1,463,402	1,598,259	(7,717)	128,821
Extracurricular Activities	2,064,830	1,331,012	1,918,604	1,185,484
<b>Debt Service:</b>				
Interest and Fiscal Charges	1,027,810	1,123,129	1,027,810	1,123,129
<b>Total Expenses</b>	<b>\$ 93,801,224</b>	<b>\$ 94,889,965</b>	<b>\$ 85,576,202</b>	<b>\$ 86,737,989</b>

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The dependence upon general revenues for governmental activities is apparent. Over 91% of governmental activities are supported through taxes and other general revenues; such revenues are 92% 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. All governmental funds had total revenues of \$104,102,846 and expenditures of \$97,670,761 for fiscal year 2014. The net change in fund balances for the fiscal year was an increase of \$6,434,448 for all governmental funds with the most significant increase in the general fund.

The general fund's net change in fund balance for fiscal year 2014 was an increase of \$4,752,645. This increase is primarily due to the increase in tax collections and grant monies, offset some by the timing of payments related to outstanding encumbrances (See Note 16).

The fund balance of the building fund increased by \$1,223,350. This increase can be attributed to a transfer in to help cover building expenses related to improvements in the School District.

***General Fund Budgeting Highlights***

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

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

For the general fund, actual budget basis revenue was \$2,456,345 higher than the final budget basis revenue of \$88,640,803, due to an underestimation of state funding and tax collections.

Final expenditure appropriations of \$95,460,210 were \$3,033,144 higher than the actual expenditures of \$92,427,066, as cost savings were recognized for wages and benefits.

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***Capital Assets and Debt Administration***

**Capital Assets**

At the end of fiscal year 2014, the School District had \$38,330,860 invested in capital assets. Table 4 shows fiscal year 2014 balances compared with 2013.

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

	Governmental Activities	
	2014	2013
Land	\$ 943,600	\$ 943,600
Construction in Progress	0	2,057,834
Land Improvements	1,786,356	1,825,818
Buildings and Improvements	27,870,842	25,936,516
Equipment	6,136,282	5,078,680
Vehicles	1,593,780	1,325,081
<i>Totals</i>	\$ 38,330,860	\$ 37,167,529

The \$1,163,331 increase in capital assets was attributable to additional purchases exceeding depreciation and disposals in the current year. During fiscal year 2014, the School District substantially completed the science lab improvement project and stadium project during the fiscal year. See Note 11 for more information about the capital assets of the School District.

**Debt**

At June 30, 2014, the School District had \$23,397,172 in debt outstanding. Table 5 summarizes bonds outstanding.

**Table 5**  
**Outstanding Debt at Year End**

	Governmental Activities	
	2014	2013
School Improvement Bonds - 2005	\$ 462,103	\$ 924,207
School Improvement Refunding Bonds - 2005	0	218,978
School Improvement Bonds - 2007	5,654,420	6,004,352
School Improvement Refunding Bonds - 2007	2,473,585	2,829,997
School Improvement Refunding Bonds - 2007	1,400,236	1,599,575
School Improvement Bonds - 2008	3,984,948	4,229,745
Capital Improvement & Equipment Bond - 2012	3,875,000	4,170,000
School Improvement Refunding Bonds - 2012	5,546,880	5,627,803
	\$ 23,397,172	\$ 25,604,657

Outstanding debt decreased \$2,207,485 in fiscal year 2014 due to principal payments.

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***School District Outlook***

The School District has continued to maintain the highest standards of service to its students, parents and community. The School District is continually presented with challenges and opportunities. The School District is impacted by national and State factors, including economic, political, and educational issues. Despite reductions over the last several fiscal years in the State's various funding programs, the School District was able to maintain its educational program uninterrupted by the financial shock inflicted as a result of the State's most recent budget crisis. Because the School District relies heavily upon its local taxpayer base, the impact of the State's most recent budget crisis did not play as significant a role in the funding picture for the School District as it did for many of the neighboring districts. The School District specifically monitors such matters in order to anticipate, with the objective of minimizing, any negative fallout from these events.

The establishment of the Finance and Audit Committee (F&A Committee) in October 2002 by the Board of Education paved the way for a new era in the School District's financial management function. By creating the F&A Committee, the Board added an ongoing mechanism designed to provide additional financial insight and oversight to complement the School District's internal financial management. The F&A Committee consists of nine community members (two of which are Board members). The backgrounds of the members are primarily concentrated in business and financial management. The F&A Committee's charter includes the twin objectives of monitoring the financial affairs of the School District and serving as the primary contact for the School District's external financial auditors.

Because of its long history of strong community support at the ballot box, coupled with the continuous City efforts targeted toward maintaining the housing stock (thereby helping to maintain and improve the City's tax base), the School District has a strong financial outlook. The Board of Education and administration closely monitor its revenues and expenditures in accordance with its financial forecast.

Overall, the School District continues to work to improve its performance with respect to the educational criteria. Our most recent State report card for fiscal year 2014 shows the School District students achieving 17 out of 24 indicators with respect to the Achievement section of the report card.

As the preceding information shows, the School District heavily depends on its residential property taxpayers. Our community's support continues to be unwavering as demonstrated by the most recent operating levy in May of 2014, wherein a 6.9 mill levy was passed with a 61.2% margin in the wake of a national, State and local economic recession. The continued financial support of the School District demonstrates the strong belief of parents and community members that their schools are one of the highest priorities and one of the most important public institutions in their community.

The School District has communicated to the community the extent upon which the School District relies upon their support for the major part of its operations, and will continue to work diligently to carefully monitor expenses, staying within the School District's five-year financial plan. State law retards the growth of income generated by local levies rendering revenue relatively constant. This lack of revenue growth, however, forces the School District to come back to the voters from time to time and ask for additional financial support.

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***State School Funding***

Although significantly less than local taxes, the State's educational funding support is nonetheless an important component of the School District's total funding picture. As has been proven time and time again, such funding is subject to significant fluctuations from biennium to biennium. The following summarizes some of the more significant changes over time impacting the State's support to the School District.

- The school funding case known as *DeRolph vs Ohio*, which became synonymous with the State-wide attempt to accomplish public school funding reform in Ohio, was initially ruled on in 1994 and upheld by the Ohio Supreme Court an unprecedented four times. Unfortunately, the plaintiffs were unsuccessful in forcing the State of Ohio to comply with the Ohio Supreme Court orders and in fact were denied a last ditch effort in October 2003, when the United States Supreme Court denied the plaintiffs motion to be heard. As of the date of these financial statements, the consensus opinion is that *DeRolph* case is over and done.
- Past *DeRolph*, the State continued to struggle with the development of a constitutional school funding system primarily through the work of the then Governor's Blue Ribbon Task Force on Financing Student Success. The recommendation of the Task Force, which had failed to reach consensus on school funding improvements to provide a system that would be predictable, affordable, spend money effectively, and support student achievement, were only partially adopted and incorporated into House Bill No. 66, the State's budget bill for the fiscal year 2006 and 2007.
- House Bill No. 66 (H.B. 66), the State's biennial budget for fiscal years 2006 and 2007, was enacted in June 2005. This legislation adopted sweeping changes in the State's tax structure. The most significant provisions impacting the School District were the elimination of the Cost of Doing Business Factor (CODB) portion of the State Formula Aid calculation, and the elimination of the tangible personal property tax. The CODB was phased-out over fiscal years 2006 and 2007. H.B. 66, however, provided for a "guarantee", or a floor (the fiscal year 2004 State Formula Aid amount) below which school districts' funding would not fall during that biennium. Absent the continuation of the biennial "guarantee", the School District would lose approximately \$2 million per year. H.B. 66 eliminated the tangible personal property tax; the tax had previously generated about \$2 million per year for the School District. The phase-out for the tangible personal property taxpayer began with the 2006 tax collection year, in which approximately 75% of the traditional amount was payable, followed by 50% and 25% in tax collection years 2007 and 2008, respectively, with no tax due in collection year 2009. At the same time the tangible personal property tax phase-out occurred, the phase-out of the H.B. 66 personal property tax loss reimbursement mechanism began to make payments to school districts to help offset the loss of personal property tax collections. The reimbursement payments coincided with the phase-out, and in essence approximate the reciprocal percentage of the phase-out tax payment percentage (i.e. 25%, 50%, 75% and 100% for the tax collection years 2006, 2007, 2008, and 2009, respectively). After a second 100% reimbursement year in tax collection year 2010, the reimbursement payments were to be phased-out over the ensuing seven years.

**Shaker Heights City School District**  
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- The tax reform provision of H.B. 66 was continued in the 2008-2009 State biennial budget which was passed in 2007. Additionally, the budget bill provided for the continuation of the State Foundation Formula Aid “guarantee” through the end of the biennium. However, due to the State budget crisis, the Governor twice implemented mid-term budget reductions in 2008 resulting in peripheral budget reductions to the Ohio school district funding, but left the primary school districts State Foundation Funding untouched.
- After conducting a series of public forums in 2008 to first gather input about the desired attributes of a world class educational system, and then about financing such educational system, Governor Strickland developed and proposed the Ohio Evidenced-Based Model Education Program (OEBM), most of which was incorporated into the fiscal year 2010-2011 biennial State budget, House Bill No. 1. The OEBM represented a significant overhaul to the historical per pupil funding model utilized by the State, and was scheduled to be phased-in over the ensuing ten to twelve years. The State of Ohio utilized approximately \$8 billion of the Federal Stimulus package (American Recovery and Reinvestment Act, aka ARRA) to fill its budgetary hole for the 2010-2011 biennium, under which the School District’s State Foundation Funding continued to be subject to the guarantee with a 1% reduction during each of the two fiscal years of the biennium.
- In November 2010, Governor Strickland lost his bid for re-election. Facing an \$8 billion budget deficit for the fiscal year 2012 and 2013 biennial budget, Governor Kasich and the General Assembly repealed the OEBM, reinstated a modified per pupil funding model, and implemented substantial budget reductions including not replacing the State Foundation payments that were funded utilizing ARRA funds during fiscal years 2010 and 2011, and accelerating the phase-out of the public utility and the tangible personal property tax reimbursement payments. As a result, the School District has lost revenue totaling \$21 million during the 2012 – 2019 years, including \$8 million over the 2012 and 2013 biennium.
- In June 2013, the General Assembly approved Substitute House Bill No. 59, the State’s 2014 and 2015 biennial budget bill, which incorporated a new school funding formula that resulted in increases in funding for the School District in both fiscal year 2014 and 2015. House Bill No. 59, also eliminated the State’s subsidy of the 12.5% rollback credit for all future tax levies, but continues the subsidy for all of the school district’s existing levies.

While the School District is currently the beneficiary of additional funding during this biennium, the long term impact of the outcome of these and other State funding policies on the School District is unknown at this time. Consequently, all of the School District’s financial abilities will be called upon to meet the challenges the future will bring. The School District’s Board and management team continue to carefully, and prudently plan in order to provide the resources required to meet the future needs of its students.



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*

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**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 questions about this report or need additional financial information, contact Bryan C. Christman, Treasurer, at Shaker Heights City School District, 15600 Parkland Drive, Shaker Heights, Ohio 44120, or e-mail at [christman\\_b@shaker.org](mailto:christman_b@shaker.org).

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Net Position*  
*June 30, 2014*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 40,353,385
Receivables:	
Accrued Interest	43,150
Accounts	14,277
Intergovernmental	1,364,870
Property Taxes	69,351,122
Prepaid Items	36,928
Nondepreciable Capital Assets	943,600
Depreciable Capital Assets (Net)	37,387,260
<i>Total Assets</i>	149,494,592
 <b>Deferred Outflows of Resources</b>	
Deferred Charges on Refunding	490,158
 <b>Liabilities</b>	
Accounts Payable	581,923
Accrued Wages and Benefits	8,105,946
Contracts Payable	6,000
Intergovernmental Payable	2,011,371
Matured Compensated Absences Payable	595,254
Accrued Interest Payable	29,266
Long Term Liabilities:	
Due Within One Year	3,103,845
Due In More Than One Year	27,627,648
<i>Total Liabilities</i>	42,061,253
 <b>Deferred Inflows of Resources</b>	
Property Taxes Levied for the Next Year	50,694,433
 <b>Net Position</b>	
Net Investment in Capital Assets	15,783,429
Restricted For:	
Capital Outlay	2,970,535
Debt Service	3,447,258
Set Asides	353,070
Other Purposes	719,875
Unrestricted	33,954,897
<i>Total Net Position</i>	\$ 57,229,064

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2014

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Governmental Activities</b>					
Instruction:					
Regular	\$ 34,580,662	\$ 1,188,561	\$ 180,152	\$ 110,313	\$ (33,101,636)
Special	15,645,258	637,025	1,737,086	0	(13,271,147)
Vocational	114,533	0	0	0	(114,533)
Student Intervention Services	187,160	0	304,165	0	117,005
Other	217,011	5,175	0	0	(211,836)
Support Services:					
Pupils	5,812,143	0	58,871	0	(5,753,272)
Instructional Staff	3,775,660	0	271,907	0	(3,503,753)
Board of Education	35,491	0	0	0	(35,491)
Administration	5,904,079	18,201	3,968	0	(5,881,910)
Fiscal	2,581,225	38,187	14,400	0	(2,528,638)
Business	780,306	0	0	0	(780,306)
Operation and Maintenance of Plant	11,269,156	15,359	0	0	(11,253,797)
Pupil Transportation	5,044,428	18,496	10,281	75,000	(4,940,651)
Central	1,497,140	0	0	0	(1,497,140)
Operation of Non-Instructional Services:					
Food Service Operations	1,800,930	942,432	978,098	0	119,600
Community Services	1,463,402	0	1,471,119	0	7,717
Extracurricular Activities	2,064,830	143,509	2,717	0	(1,918,604)
Debt Service:					
Interest and Fiscal Charges	1,027,810	0	0	0	(1,027,810)
<b>Total</b>	<b>\$ 93,801,224</b>	<b>\$ 3,006,945</b>	<b>\$ 5,032,764</b>	<b>\$ 185,313</b>	<b>(85,576,202)</b>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes					61,323,747
Debt Service					2,253,696
Grants and Entitlements Not Restricted to Specific Programs					26,539,426
Investment Earnings					141,545
Miscellaneous					343,790
<b>Total General Revenues</b>					<b>90,602,204</b>
<i>Change in Net Position</i>					
					5,026,002
<i>Net Position Beginning of Year</i>					
					52,203,062
<i>Net Position End of Year</i>					
					<b>\$ 57,229,064</b>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2014*

	General	Building Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 25,412,239	\$ 3,031,828	\$ 3,948,389	\$ 32,392,456
Restricted Cash and Investments	353,070	0	0	353,070
Receivables:				
Accrued Interest	43,150	0	0	43,150
Accounts	8,074	2,185	4,018	14,277
Interfund	12,340	0	0	12,340
Intergovernmental	1,122,719	0	242,151	1,364,870
Property Taxes	66,871,968	0	2,479,154	69,351,122
Prepaid Items	36,928	0	0	36,928
<i>Total Assets</i>	<u>\$ 93,860,488</u>	<u>\$ 3,034,013</u>	<u>\$ 6,673,712</u>	<u>\$ 103,568,213</u>
<b>Liabilities</b>				
Accounts Payable	\$ 223,258	\$ 57,478	\$ 234,487	\$ 515,223
Accrued Wages and Benefits	7,698,386	0	407,560	8,105,946
Contracts Payable	0	6,000	0	6,000
Intergovernmental Payable	1,904,690	0	106,681	2,011,371
Matured Compensated Absences Payable	564,725	0	30,529	595,254
Interfund Payable	0	0	12,340	12,340
<i>Total Liabilities</i>	<u>10,391,059</u>	<u>63,478</u>	<u>791,597</u>	<u>11,246,134</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Year	48,961,546	0	1,732,887	50,694,433
Unavailable Revenue	6,878,967	0	367,142	7,246,109
<i>Total Deferred Inflows of Resources</i>	<u>55,840,513</u>	<u>0</u>	<u>2,100,029</u>	<u>57,940,542</u>
<b>Fund Balances</b>				
Nonspendable	36,928	0	0	36,928
Restricted	353,070	2,970,535	3,857,174	7,180,779
Assigned	4,248,345	0	0	4,248,345
Unassigned	22,990,573	0	(75,088)	22,915,485
<i>Total Fund Balances</i>	<u>27,628,916</u>	<u>2,970,535</u>	<u>3,782,086</u>	<u>34,381,537</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 93,860,488</u>	<u>\$ 3,034,013</u>	<u>\$ 6,673,712</u>	<u>\$ 103,568,213</u>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*June 30, 2014*

<b>Total Governmental Fund Balances</b>		<b>\$ 34,381,537</b>
 <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.		38,330,860
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Intergovernmental	\$ 84,226	
SERS Reimbursement	88,988	
Property Taxes	7,072,895	7,246,109
 An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		 6,000,130
 In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported.		 (29,266)
 In the statement of activities, a gain/loss on the refunding of bonds is amortized over the term of the bonds, whereas in governmental funds a refunding gain/loss is reported when bonds are issued		 490,158
 Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Bonds	(21,940,000)	
Capital Appreciation Bonds	(289,891)	
Bond Premium	(808,801)	
Accretion of Interest - Capital Appreciation Bonds	(358,480)	
Compensated Absences	(5,793,292)	(29,190,464)
 <i>Net Position of Governmental Activities</i>		 <b><u><u>\$ 57,229,064</u></u></b>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2014*

	General	Building Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property and Other Local Taxes	\$ 66,114,681	\$ 0	\$ 2,453,319	\$ 68,568,000
Intergovernmental	26,183,125	0	5,659,317	31,842,442
Investment Income	141,567	327	229	142,123
Tuition and Fees	1,575,618	0	0	1,575,618
Extracurricular Activities	87,389	0	142,844	230,233
Rentals	82,619	0	0	82,619
Charges for Services	174,513	0	891,992	1,066,505
Contributions and Donations	16,827	185,313	2,110	204,250
Miscellaneous	229,101	110,544	51,411	391,056
<i>Total Revenues</i>	<u>94,605,440</u>	<u>296,184</u>	<u>9,201,222</u>	<u>104,102,846</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	36,129,829	73,766	183,471	36,387,066
Special	13,868,514	0	1,780,536	15,649,050
Vocational	114,533	0	0	114,533
Student Intervention Services	0	0	187,160	187,160
Other	155,798	0	49,636	205,434
Support Services:				
Pupils	5,752,434	0	81,593	5,834,027
Instructional Staff	3,423,285	0	370,520	3,793,805
Board of Education	35,491	0	0	35,491
Administration	5,857,943	0	29,274	5,887,217
Fiscal	2,534,454	0	63,512	2,597,966
Business	751,140	20,274	0	771,414
Operation and Maintenance of Plant	11,057,792	0	12,159	11,069,951
Pupil Transportation	4,682,005	690,370	3,304	5,375,679
Central	1,425,673	52,898	33,611	1,512,182
Extracurricular Activities	943,182	0	322,847	1,266,029
Operation of Non-Instructional Services:				
Food Service Operations	0	0	1,800,930	1,800,930
Community Services	48,669	0	1,650,023	1,698,692
Capital Outlay	390,226	128,789	0	519,015
Debt Service:				
Principal Retirement	205,000	90,000	1,905,000	2,200,000
Interest and Fiscal Charges	40,563	19,100	705,457	765,120
<i>Total Expenditures</i>	<u>87,416,531</u>	<u>1,075,197</u>	<u>9,179,033</u>	<u>97,670,761</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,188,909</u>	<u>(779,013)</u>	<u>22,189</u>	<u>6,432,085</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Recoveries	0	2,363	0	2,363
Transfers In	0	2,236,264	436,264	2,672,528
Transfers Out	(2,436,264)	(236,264)	0	(2,672,528)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,436,264)</u>	<u>2,002,363</u>	<u>436,264</u>	<u>2,363</u>
<i>Net Change in Fund Balance</i>	4,752,645	1,223,350	458,453	6,434,448
<i>Fund Balances Beginning of Year</i>	<u>22,876,271</u>	<u>1,747,185</u>	<u>3,323,633</u>	<u>27,947,089</u>
<i>Fund Balances End of Year</i>	<u>\$ 27,628,916</u>	<u>\$ 2,970,535</u>	<u>\$ 3,782,086</u>	<u>\$ 34,381,537</u>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2014*

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	6,434,448
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*Amounts reported for governmental activities in the  
statement of activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital additions exceeded depreciation in the current period.

Capital Asset Additions	\$ 3,551,770	
Current Year Depreciation	<u>(2,351,834)</u>	1,199,936

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (36,605)

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

Property Taxes	(4,990,557)	
SERS Reimbursement	(8,070)	
Intergovernmental	<u>(287,426)</u>	(5,286,053)

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,200,000

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	2,556	
Amortization of Issuance Costs	(218,810) *	
Amortization of Premium on Bonds	114,338	
Amortization of Refunding Loss	<u>(53,921)</u>	(155,837)

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. 508,838

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		268,128
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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. (106,853)

<i>Change in Net Position of Governmental Activities</i>	\$	<u>5,026,002</u>
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\* Prior year issuance costs were written off in current year (immaterial) with the implementation of GASB 65.

See accompanying notes to the basic financial statements.

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

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$ 62,449,760	\$ 62,449,760	\$ 63,950,204	\$ 1,500,444
Intergovernmental	22,718,558	24,287,043	25,182,423	895,380
Investment Income	141,147	150,000	136,582	(13,418)
Tuition and Fees	1,317,501	1,418,400	1,415,691	(2,709)
Rentals	35,945	41,300	82,619	41,319
Charges for Services	75,000	75,000	141,028	66,028
Miscellaneous	206,428	219,300	188,601	(30,699)
<i>Total Revenues</i>	<u>86,944,339</u>	<u>88,640,803</u>	<u>91,097,148</u>	<u>2,456,345</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	36,448,697	38,351,888	36,562,038	1,789,850
Special	15,439,417	16,221,456	15,498,986	722,470
Vocational	354,653	354,533	354,533	0
Other	0	174,671	174,672	(1)
Support Services:				
Pupils	5,874,648	5,926,657	5,926,659	(2)
Instructional Staff	3,891,826	3,899,005	3,899,006	(1)
Board of Education	94,907	43,391	43,391	0
Administration	5,740,146	5,912,960	5,912,961	(1)
Fiscal	2,565,355	2,672,682	2,574,917	97,765
Business	1,191,993	808,522	808,522	0
Operation and Maintenance of Plant	13,695,010	12,549,276	12,126,214	423,062
Pupil Transportation	4,717,566	5,109,302	5,109,301	1
Central	1,304,582	1,672,025	1,672,025	0
Extracurricular Activities	923,273	943,913	943,912	1
Operation of Non-Instructional Services:				
Community Services	46,544	48,669	48,669	0
Capital Outlay	646,313	525,697	525,697	0
Debt Service:				
Principal Retirement	205,000	205,000	205,000	0
Interest and Fiscal Charges	63,975	40,563	40,563	0
<i>Total Expenditures</i>	<u>93,203,905</u>	<u>95,460,210</u>	<u>92,427,066</u>	<u>3,033,144</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(6,259,566)</u>	<u>(6,819,407)</u>	<u>(1,329,918)</u>	<u>5,489,489</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(2,481,264)	(2,461,264)	(2,436,264)	25,000
<i>Net Change in Fund Balance</i>	(8,740,830)	(9,280,671)	(3,766,182)	5,514,489
<i>Fund Balance Beginning of Year</i>	18,454,367	18,454,367	18,454,367	0
Prior Year Encumbrances Appropriated	5,031,774	5,031,774	5,031,774	0
<i>Fund Balance End of Year</i>	<u>\$ 14,745,311</u>	<u>\$ 14,205,470</u>	<u>\$ 19,719,959</u>	<u>\$ 5,514,489</u>

See accompanying notes to the basic financial statements.



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Fund*  
*June 30, 2014*

	Governmental Activities - Internal Service Funds
<b>Assets</b>	
<i>Current Assets</i>	
Equity in Pooled Cash and Investments	\$ 7,607,859
<i>Total Assets</i>	7,607,859
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Accounts Payable	66,700
Claims Payable	199,286
<i>Total Current Liabilities</i>	265,986
<i>Long-Term Liabilities</i>	
Claims Payable - net of Current Portion	1,341,743
<i>Total Liabilities</i>	1,607,729
<b>Net Position</b>	
Unrestricted	6,000,130
<i>Total Net Position</i>	\$ 6,000,130

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Revenues, Expenses, and Changes in Fund Net Position*  
*Proprietary Fund*  
*For the Fiscal Year Ended June 30, 2014*

	Governmental Activities - Internal Service Funds
<b>Operating Revenues</b>	
Charges for Services	\$ 9,671,624
<b>Operating Expenses</b>	
Purchased Services	1,155,746
Claims	8,007,040
<i>Total Operating Expenses</i>	9,162,786
<i>Operating Income (Loss)</i>	508,838
<i>Net Position Beginning of Year</i>	5,491,292
<i>Net Position End of Year</i>	\$ 6,000,130

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Fiscal Year Ended June 30, 2014

	<u>Governmental Activities - Internal Service Funds</u>
<b>Cash Flows From Operating Activities</b>	
Cash Received from Interfund Services Provided	\$ 9,872,364
Cash Paid for Goods and Services	(1,165,746)
Cash Paid for Claims	(8,054,811)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>651,807</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	651,807
<i>Cash and Investments, Beginning of Year</i>	<u>6,956,052</u>
<i>Cash and Investments, End of Year</i>	<u>\$ 7,607,859</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</b>	
Operating Income (Loss)	\$ 508,838
(Increase) Decrease Assets:	
Intergovernmental Receivable	200,740
Increase (Decrease) in Liabilities:	
Accounts Payable	(10,000)
Claims Payable	(47,771)
<i>Total Adjustments</i>	<u>142,969</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ 651,807</u>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds*  
*June 30, 2014*

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	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 359,362
Accounts Receivable	2,563
<i>Total Assets</i>	<u>\$ 361,925</u>
<b>Liabilities</b>	
Intergovernmental Payable	\$ 157
Undistributed Monies	216,130
Due to Students	145,638
<i>Total Liabilities</i>	<u>\$ 361,925</u>

See accompanying notes to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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**Note 1 - Description of the School District**

The Shaker Heights City School District (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. Each member is elected to a four year term. The School District provides educational services as mandated by State and federal agencies. The Board of Education controls the School District's eight instructional and four support facilities.

The School District is located in Shaker Heights, Ohio, Cuyahoga County. The School District operates five elementary schools (K-4), one elementary school (5-6), one middle school (7-8), and one high school (9-12). The School District's four support facilities include an administration building, transportation center, warehouse and maintenance vehicle garage and a media and technology services facility.

***Reporting Entity***

A reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements 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 Shaker Heights City School District, this includes the agencies and departments that provide the following services: general operations, food service, preschool and student related activities of the School District.

***Non-Public Schools*** Within the School District boundaries, Saint Dominic is operated through the Cleveland Catholic Diocese. Also, within the School District boundaries are Hanna-Perkins, Hathaway-Brown, Laurel and University non-public schools. Current legislation provides funding to these schools. These monies are received and disbursed on behalf of the schools by the Treasurer of the School District, as directed by the schools. This activity is reflected in a special revenue fund and as a governmental activity 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; (3) the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provides financial support to, the organization; (4) 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 the budget, the issuance of their debt or the levying of their taxes. The School District has no component units.

The School District is associated with a related organization and two jointly governed organizations. These organizations are the Shaker Heights Public Library, the Ohio Schools' Council Association and the North Coast Council. These organizations are presented in Notes 19 and 20 to the basic financial statements.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Shaker Heights City 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. The more significant of the School District's accounting policies are described below.

***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 activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal 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 limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental activity 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. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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***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 three categories of funds: governmental, proprietary 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 outflow of resources and liabilities and deferred inflow of resources is reported as fund balance. The following are the School District's major governmental funds:

***General Fund*** The general fund is the operating fund of the School District and is used to account for and report all financial resources except those required to be accounted for and reported 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.

***Building Fund*** This fund accounts for revenues restricted for various capital improvements within the School District.

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

***Proprietary Fund Type*** Proprietary funds focus on the determination of operating income, changes in net position, financial position and cash flows and are classified as either enterprise or internal service. The School District only has internal service funds.

***Internal Service Funds*** The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The internal service funds account for the payments, administrative costs and reserves of the School District's self-insured prescription drug coverage, the potential obligation under its contingent premium health and dental insurance plan, and the State's retrospective rating workers' compensation plan.

***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 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. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has two agency funds which account for field trips and college entrance exam testing and student activities.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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***Measurement Focus***

***Government-wide Financial Statements*** The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total 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.

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

***Basis of Accounting***

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



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

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

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

On the accrual basis of accounting, unamortized deferred charges on debt refunding are reported as a deferred outflow of resources. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

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

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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***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 for all funds. The Treasurer has been given authority to allocate Board appropriations to the function and object levels within each fund.

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 and final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate that was in effect at the time the original and final appropriations were passed by the Board of Education. The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues by fund. 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. Interest in the pool is presented as "equity in pooled cash and investments."

During fiscal year 2014, investments were limited to STAR Ohio (the State Treasury Asset Reserve of Ohio), commercial paper, federal farm credit bank notes, federal home loan bank, federal national mortgage association and U.S. Treasury notes.

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

Investments are reported at fair value which is based on quoted market prices.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2014 amounted to \$141,567, which includes \$74,202 assigned from other School District funds.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as “investments.”

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2014, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund include amounts required by State statute to be set-aside for budget stabilization. See Note 9 for additional information regarding set asides.

***Capital Assets***

All capital assets of the School District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by backtrending (i.e., estimating the current replacement cost of the capital asset to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$1,000. 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.

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

Description	Governmental Activities Estimated Lives
Land Improvements	5 - 60 Years
Buildings and Improvements	50 - 100 Years
Equipment	5 - 20 Years
Vehicles	8 Years

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***Interfund Balances***

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as “interfund receivables/payables.” These amounts are eliminated in the governmental activities column of the statement of net position.

***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. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “matured compensated absences payable” in the funds from which the employees who have resigned or retired will be paid.

***Bond Premium***

On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bonds using the bond outstanding method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are reported as an other financing source when received.

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

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

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

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***Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2014, there was no net position restricted by enabling legislation.

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

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance 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.

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

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

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies and authorized purchase commitments by 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.

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***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.

***Internal Activity***

Transfers between governmental activities are eliminated on the government wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for the self-insurance and workers' compensation programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Any revenues and expenses not meeting the definitions of operating are reported as nonoperating.

***Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred in fiscal year 2014.

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***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 Policies***

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

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

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

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

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**Note 3 - Fund Balances**

Fund balance is 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 the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

	General Fund	Building Fund	Nonmajor Governmental Funds	Total
Nonspendable for:				
Prepays	\$ 36,928	\$ 0	\$ 0	\$ 36,928
Total Nonspendable	36,928	0	0	36,928
Restricted for:				
Food Service	0	0	382,284	382,284
Athletics	0	0	92,078	92,078
Non-Public Schools	0	0	104,793	104,793
Student Intervention	0	0	25,731	25,731
Math Enrichment	0	0	46,282	46,282
Special Instruction	0	0	12,398	12,398
Debt Service Payments	0	0	3,193,608	3,193,608
Capital Improvements	0	2,970,535	0	2,970,535
Budget Stabilization-BWC Refund	353,070	0	0	353,070
Total Restricted	353,070	2,970,535	3,857,174	7,180,779
Assigned for:				
Uniform School Supplies	3,326	0	0	3,326
Public School Support	112,890	0	0	112,890
Shaker Merchandise	3,073	0	0	3,073
Encumbrances:				
Instruction	2,263,105	0	0	2,263,105
Student Support	1,838,292	0	0	1,838,292
Extracurricular	10,713	0	0	10,713
Capital Outlay	16,946	0	0	16,946
Total Assigned	4,248,345	0	0	4,248,345
Unassigned (Deficit)	22,990,573	0	(75,088)	22,915,485
Total Fund Balance (Deficit)	<u>\$ 27,628,916</u>	<u>\$ 2,970,535</u>	<u>\$ 3,782,086</u>	<u>\$ 34,381,537</u>



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**Note 4 – Fund Deficits**

Fund balances at June 30, 2014, included the following individual fund deficits:

	<u>Fund Balance</u>
Nonmajor Governmental Funds:	
Parent Mentor Grant	\$ 1,458
Title VI-B	27,720
Limited English Proficiency	8,745
Title I	36,732
Preschool Disability	433

The special revenue funds have deficits caused by the recognition of expenditures on a modified accrual basis of accounting which are substantially greater than the expenditures recognized on a cash basis. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

**Note 5 - Budgetary Basis of Accounting**

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

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

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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	\$ 4,752,645
Net Adjustment for Revenue Accruals	(3,148,583)
Net Adjustment for Expenditure Accruals	(1,018,383)
Funds Budgeted Elsewhere **	1,282
Adjustment for Encumbrances	(4,353,143)
Budget Basis	\$ (3,766,182)

\*\* 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 Shaker merchandise fund, fringe benefits, and uniform school supplies fund.

**Note 6 - Deposits and Investments**

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

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

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

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

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

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

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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 2% 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) and STAR Plus;
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed 25% of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

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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 \$550 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 \$26,696,813 and the bank balance was \$27,926,982. Of the bank balance:

1. \$23,240,574 of the bank balance was covered by depository insurance; and
2. \$4,686,408 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

Standard & Poor's Rating	Investment	Fair Value	Maturity (in years)		% Total Investments
			0 - 1	2 - 5	
AAAm	STAR Ohio	\$ 16,434	\$ 16,434	\$ 0	0.12%
N/A	US Treasury Notes	2,993,680	2,000,320	993,360	21.36%
AAA	Commercial Paper	1,000,000	1,000,000	0	7.14%
AA+	Federal Home Loan Bank	7,000,320	2,004,310	4,996,010	49.94%
AA-	Federal National Mortgage Association	1,000,600	0	1,000,600	7.14%
AA+	Federal Farm Credit Bank	2,004,350	1,002,510	1,001,840	14.30%
	Totals	\$ 14,015,384	\$ 6,023,574	\$ 7,991,810	100.00%

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

STAROhio 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 STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAROhio as of June 30, 2014, is 51 days and rated as shown above by Standard & Poor's.

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**Credit Risk:** The School District's investments at June 30, 2014 are rated as shown above by Standard & Poor's. Federal money markets are exempt from ratings since 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. 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.

**Note 7 - Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State law at 35% 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 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 and are collected in 2014 with real property taxes. Public utility real property is assessed at 35% 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 County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 operations. The amount available as an advance at June 30, 2014 was \$11,120,443 in the general fund and \$463,351 in the bond retirement fund, a nonmajor governmental fund. The amount available for advance at June 30, 2013, was \$8,955,966 in the general fund and \$373,164 in the bond retirement fund, a nonmajor governmental fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2014 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.

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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.

The assessed values upon which the fiscal year 2014 taxes were collected are:

	2013 Second Half Collections		2014 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 780,338,410	98.42%	\$ 778,902,230	98.27%
Public Utility Personal Property	12,558,450	1.58%	13,746,470	1.73%
	\$ 792,896,860	100.00%	\$ 792,648,700	100.00%
Tax rate per \$1,000 assessed valuation	\$ 180.13		\$ 179.93	

**Note 8 – Receivables**

Receivables at June 30, 2014, consisted of taxes, interfund, accounts (rent and student fees), accrued interest on investments and intergovernmental grants. 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. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. A summary of the principal items of intergovernmental receivables reported on the balance sheet are as follows:

	Amount
General Fund	\$ 1,122,719
Non-Major Governmental Funds:	
Food Service	37,528
Alternative Schools	11,845
Race to the Top	7,504
Title VI-B	175,843
Limited English Proficiency	495
Class Size Reduction	8,936
	\$ 1,364,870

**Note 9 - 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 the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2014, only the unspent portion of certain workers' compensation refunds continues to be set-aside.

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

	Capital Improvement	Budget Stabilization
Set Aside Restricted Balance June 30, 2013	\$ 0	\$ 353,070
Current Year Set-Aside Requirement	892,807	0
Current Year Qualifying Expenditures	(1,572,532)	0
Total	\$ (679,725)	\$ 353,070
 Balance Carried Forward to Fiscal Year 2015	\$ 0	\$ 353,070
 Set Aside Balance June 30, 2014	\$ 0	\$ 353,070

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement of future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the two set-asides at the end of the fiscal year was \$353,070. This represents workers' compensation refunds that were received prior to April 20, 2001.

**Note 10 – Contingencies**

***Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2014.

***Litigation***

The Shaker Heights City School District is party to various legal proceedings. The School District management is of the opinion that the ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

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**Note 11 - Capital Assets**

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

	Balance 6/30/13	Additions	Reductions	Balance 6/30/14
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 943,600	\$ 0	\$ 0	\$ 943,600
Construction in progress	2,057,834	441,007	(2,498,841)	0
	<u>3,001,434</u>	<u>441,007</u>	<u>(2,498,841)</u>	<u>943,600</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	3,708,728	88,625	0	3,797,353
Buildings and Improvements	39,568,166	2,783,068	0	42,351,234
Equipment	17,922,113	2,064,911	(222,742)	19,764,282
Vehicles	4,613,718	673,000	0	5,286,718
	<u>65,812,725</u>	<u>5,609,604</u>	<u>(222,742)</u>	<u>71,199,587</u>
Total Capital Assets, being depreciated				
Less Accumulated Depreciation:				
Land Improvements	(1,882,910)	(128,087)	0	(2,010,997)
Buildings and Improvements	(13,631,650)	(848,742)	0	(14,480,392)
Equipment	(12,843,433)	(970,704)	186,137	(13,628,000)
Vehicles	(3,288,637)	(404,301)	0	(3,692,938)
	<u>(31,646,630)</u>	<u>(2,351,834)</u>	<u>186,137</u>	<u>(33,812,327)</u>
Total Accumulated Depreciation				
Total Capital Assets being depreciated, net				
	<u>34,166,095</u>	<u>3,257,770</u>	<u>(36,605)</u>	<u>37,387,260</u>
Governmental Activities Capital				
Assets, Net	<u>\$ 37,167,529</u>	<u>\$ 3,698,777</u>	<u>\$(2,535,446)</u>	<u>\$ 38,330,860</u>



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Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 929,423
Special	9,447
Other Instruction	8,693
Support Services:	
Pupil	1,128
Instructional Staff	201,688
Administration	11,811
Fiscal	6,261
Business	66,278
Operation and Maintenance of Plant	494,041
Pupil Transportation	353,844
Central Services	1,296
Food Service Operations	18,732
Non-instructional	114,439
Extracurricular Activities	134,753
Total Depreciation	\$ 2,351,834

## **Note 12 - 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. During fiscal year 2014, the School District contracted with Indiana Insurance Company for property and inland marine insurance. General liability coverage is provided by Indiana Insurance Company with a \$1,000,000 single occurrence limit, a \$2,000,000 aggregate and no deductible. Vehicles, including school buses, are covered by Indiana Insurance Company with a \$1,000 deductible for comprehensive, and a \$1,000 deductible for collision. There is a \$1,000,000 per accident combined single limit of liability. The School District also has a \$10,000,000 umbrella policy with Indiana Insurance Company that covers both general liability and vehicle policies, and foreign travel coverage with the AIG World Source. Settled claims have not exceeded this commercial coverage in any of the past three years and there has not been a significant reduction in coverage from the prior year.

### ***Workers' Compensation***

The School District participates in the State Workers' Compensation retrospective rating and payment system. Once the School District receives notice of the 2014 claims paid by the Bureau of Workers' Compensation, the School District will reimburse the State for claims paid on the School District's behalf. This plan involves the payment of a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for injured employees. The balance of claims payable at June 30, 2014, represents an estimate of the liability for unpaid claims costs provided by Workers' Compensation. The claims liability reported in the internal service funds for the Workers' Compensation retrospective rating and payment system at June 30, 2014, was \$760,229.

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Changes in claims activity for fiscal years 2013 and 2014 are as follows:

		<u>Balance at Beginning</u>	<u>Current Year Provision</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2013	\$	700,000	\$ 218,239	\$ 218,239	\$ 700,000
2014	\$	700,000	\$ 200,740	\$ 140,511	\$ 760,229

***Employee Health Benefits***

The School District is self-insured for prescription drug, medical and dental insurance. Express Scripts, the third party administrator of the program, processes the claims for the School District's prescription drug program. Monthly funding rates for prescription drug insurance are \$276.64 for family coverage and \$104.19 for single coverage. The program utilizes a \$7 retail prescription deductible for generic drugs and a \$25 deductible for non-generic drugs.

Anthem Blue Cross/Blue Shield, the third party administrator, processes the claims for the School District's medical and dental program. Monthly funding rates for medical insurance are \$1,061.23 for family coverage and \$403.51 for single coverage. Monthly funding rates for dental insurance are \$105.47 for family coverage and \$36.75 for single coverage. The School District has stop loss coverage that begins at \$150,000 per family per year and a calculated aggregate maximum stop loss coverage for the 2014 plan year (January through December) that begins at \$6,434,506.

The claims liability of \$780,800 reported in the self insurance fund at June 30, 2014 for employee medical, dental and drug coverage was estimated by an independent health actuary and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in claims activity for fiscal years 2013 and 2014 are as follows:

		<u>Balance at Beginning</u>	<u>Current Year Provision</u>	<u>Premiums and Claim Payments</u>	<u>Balance at End of Year</u>
2013	\$	1,053,500	\$ 7,029,629	\$ 7,194,329	\$ 888,800
2014	\$	888,800	\$ 7,806,300	\$ 7,914,300	\$ 780,800

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**Note 13 - Other Employee Benefits**

***Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn up to twenty-four days of vacation per year, depending upon length of service. Vacation days are credited to classified employees on July 1st and employees can carryover into the next fiscal year five vacation days a year. Accumulated unused vacation time is paid to classified employees upon termination of employment, with some restrictions. Teachers do not earn vacation time. Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month. A percentage of unused sick time is paid at retirement. The number of unused sick days which can accumulate is unrestricted.

***Health Care Benefits***

The School District's primary health insurance carrier is Anthem Blue Cross/Blue Shield. In addition, medical health insurance is also offered to employees through Kaiser Permanente. The plan has a \$20 office visit co-pay. Kaiser health individual coverage is \$532.35 per month while family coverage for a family of two is \$1,064.70 and for a family of three or more is \$1,597.05.

***Life Insurance***

Life insurance is offered to employees through Anthem Life Insurance Company. The Treasurer and Superintendent receive \$150,000 coverage for \$18 per month; administrators, supervisors and certified employees receive \$50,000 coverage for \$6 per month, custodial and clerical employees receive \$40,000 for \$4.80 per month, and other non-bargaining employees receive \$30,000 for \$3.60 per month.

**Note 14 - Pension Plans**

***A. School Employees Retirement System***

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

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Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2014, 13.05% and .05% of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amount of 10% for plan members and 14% for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations and death benefits to SERS for the fiscal years ended June 30, 2014, 2013 and 2012 were \$2,187,957, \$2,144,717 and \$1,961,761, respectively; 77% has been contributed for fiscal year 2014 and 100% for the fiscal years 2013 and 2012.

***B. State Teachers Retirement System***

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

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB Plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

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

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The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2014, 2013 and 2012 were \$4,672,563, \$4,580,944 and \$4,696,142, respectively; 83% has been contributed for fiscal year 2014 and 100% for the fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$311,173 made by the School District and \$244,493 made by the plan members.

***C. Social Security System***

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

**Note 15 - Postemployment Benefits**

***A. School Employees Retirement System***

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2014, 0.14% of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the actuarially determined amount was \$20,250.

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

The School District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2014, 2013, and 2012 were \$276,412, \$240,185, and \$301,258, respectively; 77% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

The Retirement Board, acting with advice of the actuary, allocates a portion of the current employer contribution to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation was 0.76% of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2014, 2013, and 2012 were \$126,935, \$121,152, and \$116,310, respectively; 77% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

***B. State Teachers Retirement System***

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

**Funding Policy** - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2014, STRS Ohio allocated employer contributions equal to 1% of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2014, 2013, and 2012 were \$359,428, \$352,380, and \$361,242, respectively; 83% has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

**Note 16 –Significant Encumbrances**

***Encumbrance Commitments***

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

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Fund	Amount
General	\$ 4,131,493
Building	269,636
Nonmajor Governmental	375,101
	\$ 4,776,230

**Note 17 – Interfund Transfers and Balances**

***Transfers***

Transfers made during fiscal year 2014 were as follows:

	Transfers In	Transfers Out
General	\$ 0	\$ 2,436,264
Building	2,236,264	236,264
Nonmajor Governmental:		
Athletics	200,000	0
Bond Retirement	236,264	0
	\$ 2,672,528	\$ 2,672,528

The general fund transferred unrestricted balances to support programs and projects in the athletics fund and to the building fund to repay a fund liability for outstanding bonds. The building fund transferred bond proceeds to the bond retirement fund, which enabled the bond retirement fund to repay a fund liability for outstanding notes.

***Interfund Balances***

Interfund loans receivable and payable consisted of the following at June 30, 2014, as reported on the fund statement:

	Interfund Receivable	Interfund Payable
General	\$ 12,340	\$ 0
Nonmajor Governmental:		
Alternative Schools	0	11,845
Limited English Proficiency	0	495
	\$ 12,340	\$ 12,340

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances were interfund loans which were not repaid in the current fiscal year, however, expected to be repaid in the next fiscal year.

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**Note 18– Long-Term Obligations**

The original issue date, interest rate, original issue amount and date of maturity of each of the School District’s bonds is as follows:

<u>Debt Issue</u>	<u>Transfer Interest Rate</u>	<u>Original Issue Amount</u>	<u>Fiscal Year of Maturity</u>
<i>General Obligation Bonds:</i>			
School Improvement - 2005	3.00 - 4.50%	\$ 9,999,995	2026
School Improvement Refunding - 2005	3.00 - 4.50%	1,324,999	2014
School Improvement - 2007	4.00 - 24.70%	8,498,960	2026
School Improvement Refunding - 2007	4.00 - 24.70%	3,769,983	2020
School Improvement Refunding - 2007	4.00 - 24.70%	1,931,639	2020
School Improvement - 2008	4.0 - 4.50%	4,999,999	2026
Capital Improvement - 2012	2.0 - 2.50%	4,170,000	2028
Building Improvement Refunding - 2012	2.0 - 21.0%	4,994,310	2026

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Changes in long-term obligations of the School District during fiscal year 2014 were as follows:

	Balance 6/30/13	Additions	Reductions	Balance 6/30/14	Amounts Due in One Year
<b>Governmental Activities:</b>					
<i>General Obligation Bonds:</i>					
School Improvement Bonds - 2005					
Serial Bonds	\$ 910,000	\$ 0	\$ 455,000	\$ 455,000	\$ 455,000
Unamortized Premium	14,207	0	7,104	7,103	0
Total School Improvement Bonds - 2005	<u>924,207</u>	<u>0</u>	<u>462,104</u>	<u>462,103</u>	<u>455,000</u>
School Improvement Refunding Bonds - 2005					
Serial Bonds	190,000	0	190,000	0	0
Unamortized Premium	28,978	0	28,978	0	0
Total School Improvement Refunding Bonds - 2005	<u>218,978</u>	<u>0</u>	<u>218,978</u>	<u>0</u>	<u>0</u>
School Improvement Bonds - 2007					
Serial Bonds	5,825,000	0	370,000	5,455,000	380,000
Capital Appreciation Bonds	23,960	0	0	23,960	0
Accretion on Capital Appreciation Bonds	76,596	26,371	0	102,967	0
Unamortized Premium	78,796	0	6,303	72,493	0
Total School Improvement Bonds - 2007	<u>6,004,352</u>	<u>26,371</u>	<u>376,303</u>	<u>5,654,420</u>	<u>380,000</u>
School Improvement Refunding Bonds - 2007					
Serial Bonds	2,740,000	0	360,000	2,380,000	375,000
Capital Appreciation Bonds	9,983	0	0	9,983	0
Accretion on Capital Appreciation Bonds	31,915	10,988	0	42,903	0
Unamortized Premium	48,099	0	7,400	40,699	0
Total School Improvement Refunding Bonds - 2007	<u>2,829,997</u>	<u>10,988</u>	<u>367,400</u>	<u>2,473,585</u>	<u>375,000</u>
School Improvement Refunding Bonds - 2007					
Serial Bonds	1,480,000	0	210,000	1,270,000	210,000
Capital Appreciation Bonds	16,639	0	0	16,639	0
Accretion on Capital Appreciation Bonds	53,191	18,314	0	71,505	0
Unamortized Premium	49,745	0	7,653	42,092	0
Total School Improvement Refunding Bonds - 2007	<u>1,599,575</u>	<u>18,314</u>	<u>217,653</u>	<u>1,400,236</u>	<u>210,000</u>
School Improvement Bonds - 2008					
Serial Bonds	3,950,000	0	260,000	3,690,000	270,000
Capital Appreciation Bonds	119,999	0	0	119,999	0
Accretion on Capital Appreciation Bonds	71,860	20,817	0	92,677	0
Unamortized Premium	87,886	0	5,614	82,272	0
Total School Improvement Bonds - 2008	<u>4,229,745</u>	<u>20,817</u>	<u>265,614</u>	<u>3,984,948</u>	<u>270,000</u>
Capital Improvement & Equipment Bonds - 2012					
Energy Conservation	2,340,000	0	130,000	2,210,000	140,000
Stadium Improvements	830,000	0	75,000	755,000	80,000
Buses	1,000,000	0	90,000	910,000	95,000
Total Capital Improvement & Equipment Bonds-2012	<u>4,170,000</u>	<u>0</u>	<u>295,000</u>	<u>3,875,000</u>	<u>315,000</u>
School Improvement Refunding Bonds - 2012					
Serial Bonds	4,875,000	0	60,000	4,815,000	70,000
Capital Appreciation Bonds	119,310	0	0	119,310	0
Accretion on Capital Appreciation Bonds	18,065	30,363	0	48,428	0
Unamortized Premium	615,428	0	51,286	564,142	0
Total School Improvement Refunding Bonds - 2012	<u>5,627,803</u>	<u>30,363</u>	<u>111,286</u>	<u>5,546,880</u>	<u>70,000</u>
Total General Obligation Bonds	<u>25,604,657</u>	<u>106,853</u>	<u>2,314,338</u>	<u>23,397,172</u>	<u>2,075,000</u>
<i>Other Long-term Obligations:</i>					
Compensated Absences	6,061,420	372,476	640,604	5,793,292	829,559
Claims Payable	1,588,800	8,007,038	8,054,809	1,541,029	199,286
Total Governmental Activities	<u>\$33,254,877</u>	<u>\$ 8,486,367</u>	<u>\$11,009,751</u>	<u>\$30,731,493</u>	<u>\$ 3,103,845</u>

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On April 5, 2005, the School District issued \$9,999,995 in general obligation bonds for various school facility improvements. The general obligation bonds included serial and capital appreciation bonds in the amount of \$9,795,000 and \$204,995, respectively. The bonds were issued for a ten year period with a final maturity at December 15, 2025. Serial bonds remained outstanding at June 30, 2014. These bonds will be retired with a voted property tax levy from the debt service fund. On October 30, 2012, \$4,995,000 of these bonds were refunded.

On April 5, 2005, the School District issued \$1,324,999 in general obligation bonds to refund the 1993 building addition bonds. The general obligation bonds included serial and capital appreciation bonds in the amount of \$1,230,000 and \$94,999, respectively. The bonds were issued for a twenty-two year period with a final maturity at December 15, 2013. The bond was retired from the debt service fund.

On April 18, 2007, the School District issued \$8,498,960 in general obligation bonds for various school facility improvements. The general obligation bonds included serial and capital appreciation bonds in the amounts of \$8,475,000 and \$23,960, respectively. The bonds were issued for a twenty year period with a final maturity at December 15, 2025. The bonds will be retired from the debt service fund.

The serial and capital appreciation remained outstanding at June 30, 2014. The capital appreciation bonds were originally sold at a discount of \$156,040, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2016.

The maturity amount of the outstanding capital appreciation bonds is \$180,000. The accretion recorded for 2014 was \$26,371, for a total outstanding bond liability of \$126,927 at June 30, 2014.

On April 18, 2007 issued \$3,769,983 in general obligation bonds to refund a portion of the 1999 school improvement bonds. The general obligation bonds included serial and capital appreciation bonds in the amount of \$3,760,000 and \$9,983, respectively. The bonds were issued for a fourteen year period with a final maturity at December 15, 2019. The bonds will be retired from the debt service fund.

The serial and capital appreciation bonds remained outstanding at June 30, 2014. The capital appreciation bonds were originally sold at a discount of \$65,017, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2016.

The maturity amount of the outstanding capital appreciation bonds is \$75,000. The accretion recorded for 2014 was \$10,988, for a total outstanding bond liability of \$52,886 at June 30, 2014.

On April 18, 2007 issued \$1,931,639 in general obligation bonds to refund a portion of the 2000 school improvement bonds. The general obligation bonds included serial and capital appreciation bonds in the amount of \$1,915,000 and \$16,639, respectively. The bonds were issued for a fourteen year period with a final maturity at December 15, 2019. The bonds will be retired from the debt service fund.

The serial and capital appreciation remained outstanding at June 30, 2014. The capital appreciation bonds were originally sold at a discount of \$108,361, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2016.

The maturity amount of the outstanding capital appreciation bonds is \$125,000. The accretion recorded for 2014 was \$18,314, for a total outstanding bond liability of \$88,144 at June 30, 2014.

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On November 25, 2008, the School District issued \$4,999,999 in school improvement bonds with interest rates varying from 4.00 to 4.50%. These bonds were issued to defease bond anticipation notes of \$5,000,000 maturing on December 2, 2008. The bond issue included serial and capital appreciation bonds in the amounts \$4,880,000, and \$119,999, respectively. The bonds will be retired with a voted property tax levy from the debt service fund with serial portion maturing in fiscal year 2026.

The serial and capital appreciation remained outstanding at June 30, 2014. The capital appreciation bonds were originally sold at a discount of \$185,001, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2018.

The maturity amount of the outstanding capital appreciation bonds at June 30, 2014 is \$305,000. The accretion recorded for 2014 was \$20,817, for a total outstanding bond liability of \$212,676 at June 30, 2014.

On October 30, 2012, the School District issued \$2,340,000 for energy efficiency improvements, \$830,000 for stadium improvements, and \$1,000,000 for buses in general obligation. The bonds were issued for a ten year period with a final maturity at December 15, 2027. The energy efficiency improvements and the stadium improvements will be paid from the general fund while the buses will be paid from the building fund.

On October 30, 2012 issued \$4,994,310 in general obligation bonds to refund a portion of the 2005 school improvement bonds. The general obligation bonds included serial and capital appreciation bonds in the amount of \$4,875,000 and \$119,310, respectively. The bonds were issued for a thirteen year period with a final maturity at December 15, 2025. As of June 30, 2014, \$4,085,000 of the defeased debt is outstanding. The bonds will be retired from the debt service fund.

The serial and capital appreciation bonds remained outstanding at June 30, 2014. The capital appreciation bonds were originally sold at a discount of \$375,690, which is being accreted annually until the point of maturity of the capital appreciation bonds, which is 2020.

The issuance resulted in an economic gain of \$543,228. The issuance resulted in a difference (savings) between the cash flow requirements to service the old debt and the cash flows required to service the new debt of \$227,729.

The maturity amount of the outstanding capital appreciation bonds is \$495,000. The accretion recorded for 2014 was \$30,363, for a total outstanding bond liability of \$167,738 at June 30, 2014.

Compensated absences will be paid from the general fund.

The School District's overall debt margin was \$49,897,637 with an unvoted debt margin of \$778,902 at June 30, 2014.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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

Fiscal Year Ending June 30,	Serial Bonds		Capital Appreciation Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 2,075,000	\$ 900,078	\$ 0	\$ 0	\$ 2,075,000	\$ 900,078
2016	1,740,000	622,968	50,582	329,418	1,790,582	952,386
2017	2,175,000	561,469	0	0	2,175,000	561,469
2018	1,900,000	496,718	119,999	185,001	2,019,999	681,719
2019	2,260,000	429,419	0	0	2,260,000	429,419
2020 - 2024	8,310,000	1,243,259	119,310	375,690	8,429,310	1,618,949
2024 - 2028	3,480,000	136,844	0	0	3,480,000	136,844
Total	<u>\$ 21,940,000</u>	<u>\$ 4,390,755</u>	<u>\$ 289,891</u>	<u>\$ 890,109</u>	<u>\$ 22,229,891</u>	<u>\$ 5,280,864</u>

**Note 19 - Related Organization**

The Shaker Heights Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Shaker Heights City School District Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District does serve as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate and the purpose are discretionary decisions made solely by the Board of Trustees. Financial information can be obtained from the Shaker Heights Public Library, Luren Dickinson, Director, at 16500 Van Aken Boulevard, Shaker Heights, Ohio 44120.

**Note 20 - Jointly Governed Organizations**

***Ohio Schools' Council Association***

The Ohio Schools' Council Association (Council) is a jointly governed organization among 199 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2014, the School District paid \$1,182 to the Council. Financial information can be obtained by contacting Dr. William Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2014*

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The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy is the supplier and program manager for the period from April 1, 2013 through March 31, 2016. There are currently 151 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's electricity group purchase program. The Council's last program, which began in September 2009 and ran through May 2011, provided as much as 25% in generation cost savings to 250 school districts in the First Energy territory. The Council's current program, Power 4 Schools, a partnership between the Council, the Ohio Association of School Business Officials (OASBO), the Ohio School Board's Association (OSBA) and the Buckeye Association of School Administrators (BASA), provides for a fixed per kilowatt-hour for electricity generation until May 2014, converting to a new fixed price or percent off the Price to Compare (PTC), whichever provides the greatest savings until December 2019.

***North Coast Council***

The North Coast Council (NCC) is a jointly governed computer service bureau that was formed for the purpose of providing data services to the eleven member districts. Major areas of service provided by NCC include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the NCC Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Educational Service Center serves as the fiscal agent of NCC. Each school district supports NCC based upon a per pupil charge dependent upon the software packages used. In fiscal year 2014, the School District paid \$149,076 to NCC. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

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**Combining Statements and Individual Fund Schedules**

## *Combining Statements - Nonmajor Governmental Funds*

### *Nonmajor Special Revenue Funds:*

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

***Food Service*** - This fund accounts for and reports the charges and services and operating grants restricted to the food service operations of the School District.

***Local Grants*** - This fund accounts for and reports restricted local grants received from private foundations and individuals for various purposes such as math workshops, math enrichment or enhanced technology instruction.

***Athletics*** – This fund accounts for and reports receipts and other revenues from student activity programs which have student participation in the activity, but do not have students involved in the management of the program restricted for the costs (except supplemental coaching contracts) of the School District's student activity programs.

***Auxiliary Services*** – This fund accounts for and reports restricted State monies used to provide services and materials to pupils attending non-public schools within the School District.

***Data Communications*** – This fund accounts for and reports restricted State monies to install and provide for wiring to all classrooms in the State and provide a computer workstation and related technology for every classroom in Ohio's low-wealth school districts.

***Alternative Schools*** – This fund accounts for monies used for alternative education for new and existing at risk and delinquent youths.

***Parent Mentor Grant*** – This fund accounts for and reports restricted State monies for Mercer Elementary School for a parent involvement program.

***Race to the Top*** – This fund accounts for and reports restricted Federal monies used for education innovation and reform, achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

***Title VI-B*** – This fund accounts for and reports restricted 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 level.

***Title I School Improvement*** - This fund accounts for State monies used to improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

***Limited English Proficiency*** - This fund accounts for and reports restricted Federal monies used to assist the School District in providing programs for children learning English as a second language.



*Combining Statements - Nonmajor Governmental Funds*

**Nonmajor Special Revenue Funds (continued)**

***Title I*** - This fund accounts for and reports Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

***Preschool Disability*** - This fund accounts for and reports restricted State monies received for the improvement and expansion of services for handicapped children ages three through five years.

***Class Size Reduction*** - This fund accounts for and reports restricted Federal monies to hire additional classroom teachers grades 1 through 3, so that the number of students per teacher will be reduced.

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

**Nonmajor Debt Service Fund**

The Debt Service fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

***Bond Retirement*** - This fund is used to account for and report the accumulation of property tax revenues restricted for the retirement of principal and interest on outstanding general obligation bonds.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2014*

	Nonmajor Special Revenue Funds	Bond Retirement Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 1,218,132	\$ 2,730,257	\$ 3,948,389
Receivables:			
Accounts	4,018	0	4,018
Intergovernmental	242,151	0	242,151
Property Taxes	0	2,479,154	2,479,154
<i>Total Assets</i>	<u>\$ 1,464,301</u>	<u>\$ 5,209,411</u>	<u>\$ 6,673,712</u>
<b>Liabilities</b>			
Accounts Payable	\$ 234,487	\$ 0	\$ 234,487
Accrued Wages and Benefits	407,560	0	407,560
Intergovernmental Payable	106,681	0	106,681
Matured Compensated Absences Payable	30,529	0	30,529
Interfund Payable	12,340	0	12,340
<i>Total Liabilities</i>	<u>791,597</u>	<u>0</u>	<u>791,597</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Year	0	1,732,887	1,732,887
Unavailable Revenue	84,226	282,916	367,142
<i>Total Deferred Inflows of Resources</i>	<u>84,226</u>	<u>2,015,803</u>	<u>2,100,029</u>
<b>Fund Balances</b>			
Restricted	663,566	3,193,608	3,857,174
Unassigned	(75,088)	0	(75,088)
<i>Total Fund Balances</i>	<u>588,478</u>	<u>3,193,608</u>	<u>3,782,086</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 1,464,301</u>	<u>\$ 5,209,411</u>	<u>\$ 6,673,712</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2014*

	Nonmajor Special Revenue Funds	Bond Retirement Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property and Other Local Taxes	\$ 0	\$ 2,453,319	\$ 2,453,319
Intergovernmental	5,303,341	355,976	5,659,317
Investment Income	229	0	229
Extracurricular Activities	142,844	0	142,844
Charges for Services	891,992	0	891,992
Contributions and Donations	2,110	0	2,110
Miscellaneous	51,411	0	51,411
<i>Total Revenues</i>	<u>6,391,927</u>	<u>2,809,295</u>	<u>9,201,222</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	183,471	0	183,471
Special	1,780,536	0	1,780,536
Student Intervention Services	187,160	0	187,160
Other	49,636	0	49,636
Support Services:			
Pupils	81,593	0	81,593
Instructional Staff	370,520	0	370,520
Administration	29,274	0	29,274
Fiscal	14,400	49,112	63,512
Operation and Maintenance of Plant	12,159	0	12,159
Pupil Transportation	3,304	0	3,304
Central	33,611	0	33,611
Extracurricular Activities	322,847	0	322,847
Operation of Non-Instructional Services:			
Food Service Operations	1,800,930	0	1,800,930
Community Services	1,650,023	0	1,650,023
Debt Service:			
Principal Retirement	0	1,905,000	1,905,000
Interest and Fiscal Charges	0	705,457	705,457
<i>Total Expenditures</i>	<u>6,519,464</u>	<u>2,659,569</u>	<u>9,179,033</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(127,537)</u>	<u>149,726</u>	<u>22,189</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	200,000	236,264	436,264
<i>Net Change in Fund Balance</i>	72,463	385,990	458,453
<i>Fund Balances Beginning of Year</i>	<u>516,015</u>	<u>2,807,618</u>	<u>3,323,633</u>
<i>Fund Balances End of Year</i>	<u>\$ 588,478</u>	<u>\$ 3,193,608</u>	<u>\$ 3,782,086</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2014*

	Food Service	Local Grants	Athletics	Auxiliary Services	Data Communications	Alternative Schools
<b>Assets</b>						
Equity in Pooled Cash and Investments	\$ 364,998	\$ 46,282	\$ 92,447	\$ 473,309	\$ 0	\$ 0
Receivables:						
Accounts	3,878	0	140	0	0	0
Intergovernmental	37,528	0	0	0	0	11,845
<i>Total Assets</i>	<u>\$ 406,404</u>	<u>\$ 46,282</u>	<u>\$ 92,587</u>	<u>\$ 473,309</u>	<u>\$ 0</u>	<u>\$ 11,845</u>
<b>Liabilities</b>						
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 226,369	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	0	97,141	0	0
Intergovernmental Payable	24,120	0	509	14,477	0	0
Matured Compensated Absences Payable	0	0	0	30,529	0	0
Interfund Payable	0	0	0	0	0	11,845
<i>Total Liabilities</i>	<u>24,120</u>	<u>0</u>	<u>509</u>	<u>368,516</u>	<u>0</u>	<u>11,845</u>
<b>Deferred Inflows of Resources</b>						
Unavailable Revenue	0	0	0	0	0	0
<b>Fund Balances</b>						
Restricted	382,284	46,282	92,078	104,793	0	0
Unassigned	0	0	0	0	0	0
<i>Total Fund Balances</i>	<u>382,284</u>	<u>46,282</u>	<u>92,078</u>	<u>104,793</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 406,404</u>	<u>\$ 46,282</u>	<u>\$ 92,587</u>	<u>\$ 473,309</u>	<u>\$ 0</u>	<u>\$ 11,845</u>

Parent Mentor Grant	Race to the Top	Title VI-B	Title I School Improvement	Limited English Proficiency	Title I	Preschool Disability	Class Size Reduction	Total Nonmajor Special Revenue Funds
\$ 438	\$ 23,916	\$ 93,810	\$ 480	\$ 0	\$ 109,636	\$ 0	\$ 12,816	\$ 1,218,132
0	0	0	0	0	0	0	0	4,018
0	7,504	175,843	0	495	0	0	8,936	242,151
<u>\$ 438</u>	<u>\$ 31,420</u>	<u>\$ 269,653</u>	<u>\$ 480</u>	<u>\$ 495</u>	<u>\$ 109,636</u>	<u>\$ 0</u>	<u>\$ 21,752</u>	<u>\$ 1,464,301</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 8,118	\$ 234,487
1,045	2,540	161,479	0	8,457	136,898	0	0	407,560
851	195	55,558	0	288	9,470	433	780	106,681
0	0	0	0	0	0	0	0	30,529
0	0	0	0	495	0	0	0	12,340
<u>1,896</u>	<u>2,735</u>	<u>217,037</u>	<u>0</u>	<u>9,240</u>	<u>146,368</u>	<u>433</u>	<u>8,898</u>	<u>791,597</u>
0	2,954	80,336	0	0	0	0	936	84,226
0	25,731	0	480	0	0	0	11,918	663,566
(1,458)	0	(27,720)	0	(8,745)	(36,732)	(433)	0	(75,088)
<u>(1,458)</u>	<u>25,731</u>	<u>(27,720)</u>	<u>480</u>	<u>(8,745)</u>	<u>(36,732)</u>	<u>(433)</u>	<u>11,918</u>	<u>588,478</u>
<u>\$ 438</u>	<u>\$ 31,420</u>	<u>\$ 269,653</u>	<u>\$ 480</u>	<u>\$ 495</u>	<u>\$ 109,636</u>	<u>\$ 0</u>	<u>\$ 21,752</u>	<u>\$ 1,464,301</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2014*

	Food Service	Local Grants	Athletics	Auxiliary Services	Data Communications	Alternative Schools
<b>Revenues</b>						
Intergovernmental	\$ 978,765	\$ 67,920	\$ 0	\$ 1,438,579	\$ 14,400	\$ 43,832
Investment Income	105	21	0	103	0	0
Extracurricular Activities	0	0	142,844	0	0	0
Charges for Services	891,992	0	0	0	0	0
Contributions and Donations	0	2,110	0	0	0	0
Miscellaneous	49,669	0	1,742	0	0	0
<i>Total Revenues</i>	<u>1,920,531</u>	<u>70,051</u>	<u>144,586</u>	<u>1,438,682</u>	<u>14,400</u>	<u>43,832</u>
<b>Expenditures</b>						
Current:						
Instruction:						
Regular	0	42,725	0	0	0	44,901
Special	0	0	0	0	0	0
Student Intervention Services	0	0	0	0	0	0
Other	0	0	0	0	0	0
Support Services:						
Pupils	0	0	0	0	0	0
Instructional Staff	0	22,382	0	0	0	0
Administration	0	0	0	0	0	0
Fiscal	0	0	0	0	14,400	0
Operation and Maintenance of Plant	0	0	12,159	0	0	0
Pupil Transportation	0	3,304	0	0	0	0
Central	0	93	0	0	0	0
Extracurricular Activities	0	1,343	321,504	0	0	0
Operation of Non-Instructional Services:						
Food Service Operations	1,800,930	0	0	0	0	0
Community Services	0	0	0	1,606,773	0	0
<i>Total Expenditures</i>	<u>1,800,930</u>	<u>69,847</u>	<u>333,663</u>	<u>1,606,773</u>	<u>14,400</u>	<u>44,901</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>119,601</u>	<u>204</u>	<u>(189,077)</u>	<u>(168,091)</u>	<u>0</u>	<u>(1,069)</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	0	0	200,000	0	0	0
<i>Net Change in Fund Balance</i>	<u>119,601</u>	<u>204</u>	<u>10,923</u>	<u>(168,091)</u>	<u>0</u>	<u>(1,069)</u>
<i>Fund Balances Beginning of Year</i>	<u>262,683</u>	<u>46,078</u>	<u>81,155</u>	<u>272,884</u>	<u>0</u>	<u>1,069</u>
<i>Fund Balances End of Year</i>	<u>\$ 382,284</u>	<u>\$ 46,282</u>	<u>\$ 92,078</u>	<u>\$ 104,793</u>	<u>\$ 0</u>	<u>\$ 0</u>

Parent Mentor Grant	Race to the Top	Title VI-B	Title I School Improvement	Limited English Proficiency	Title I	Preschool Disability	Classroom Size Reduction	Total Nonmajor Special Revenue Funds
\$ 25,163	\$ 160,735	\$ 1,265,630	\$ 59,675	\$ 30,305	\$ 1,046,286	\$ 17,692	\$ 154,359	\$ 5,303,341
0	0	0	0	0	0	0	0	229
0	0	0	0	0	0	0	0	142,844
0	0	0	0	0	0	0	0	891,992
0	0	0	0	0	0	0	0	2,110
0	0	0	0	0	0	0	0	51,411
<u>25,163</u>	<u>160,735</u>	<u>1,265,630</u>	<u>59,675</u>	<u>30,305</u>	<u>1,046,286</u>	<u>17,692</u>	<u>154,359</u>	<u>6,391,927</u>
0	0	8,711	0	0	87,134	0	0	183,471
0	0	977,035	0	38,775	747,596	17,130	0	1,780,536
0	0	133,097	54,063	0	0	0	0	187,160
0	0	49,636	0	0	0	0	0	49,636
0	0	0	0	0	81,593	0	0	81,593
26,443	92,697	11,203	9,696	275	70,208	433	137,183	370,520
0	28,619	0	0	0	0	0	655	29,274
0	0	0	0	0	0	0	0	14,400
0	0	0	0	0	0	0	0	12,159
0	0	0	0	0	0	0	0	3,304
0	33,518	0	0	0	0	0	0	33,611
0	0	0	0	0	0	0	0	322,847
0	0	0	0	0	0	0	0	1,800,930
0	0	3,853	0	0	21,280	0	18,117	1,650,023
<u>26,443</u>	<u>154,834</u>	<u>1,183,535</u>	<u>63,759</u>	<u>39,050</u>	<u>1,007,811</u>	<u>17,563</u>	<u>155,955</u>	<u>6,519,464</u>
<u>(1,280)</u>	<u>5,901</u>	<u>82,095</u>	<u>(4,084)</u>	<u>(8,745)</u>	<u>38,475</u>	<u>129</u>	<u>(1,596)</u>	<u>(127,537)</u>
0	0	0	0	0	0	0	0	200,000
(1,280)	5,901	82,095	(4,084)	(8,745)	38,475	129	(1,596)	72,463
(178)	19,830	(109,815)	4,564	0	(75,207)	(562)	13,514	516,015
<u>\$ (1,458)</u>	<u>\$ 25,731</u>	<u>\$ (27,720)</u>	<u>\$ 480</u>	<u>\$ (8,745)</u>	<u>\$ (36,732)</u>	<u>\$ (433)</u>	<u>\$ 11,918</u>	<u>\$ 588,478</u>

***Combining Statements – Internal Service Funds***

Internal Service Funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis.

***Self Insurance*** – This fund accounts for all health insurance payments, administrative costs and reserves for the self-insured prescription drug coverage, and the potential obligation under the contingent premium health and dental insurance plan.

***Workers' Compensation Reserve*** – This fund accounts for all claims cost payments and the reserve for the State's retrospective rating workers' compensation plan for the years in which the School District elects the retrospective rating plan option.



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Statement of Fund Net Position*  
*Internal Service Funds*  
June 30, 2014

	Self Insurance	Workers' Compensation Reserve	Total Internal Service
<b>Assets</b>			
<i>Current Assets</i>			
Equity in Pooled Cash and Investments	\$ 6,847,630	\$ 760,229	\$ 7,607,859
<i>Total Assets</i>	<u>6,847,630</u>	<u>760,229</u>	<u>7,607,859</u>
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts Payable	66,700	0	66,700
Claims Payable	0	199,286	199,286
<i>Total Current Liabilities</i>	<u>66,700</u>	<u>199,286</u>	<u>265,986</u>
<i>Long-Term Liabilities</i>			
Claims Payable - net of Current Portion	780,800	560,943	1,341,743
<i>Total Liabilities</i>	<u>847,500</u>	<u>760,229</u>	<u>1,607,729</u>
<b>Net Position</b>			
Unrestricted	6,000,130	0	6,000,130
<i>Total Net Position</i>	<u>\$ 6,000,130</u>	<u>\$ 0</u>	<u>\$ 6,000,130</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Statement of Revenues, Expenses, and Changes in Fund Net Position*  
*Internal Service Funds*  
*For the Fiscal Year Ended June 30, 2014*

	Self Insurance	Workers' Compensation Reserve	Total Internal Service
<b>Operating Revenues</b>			
Charges for Services	\$ 9,671,622	\$ 2	\$ 9,671,624
<b>Operating Expenses</b>			
Purchased Services	1,155,746	0	1,155,746
Claims	7,806,298	200,742	8,007,040
<i>Total Operating Expenses</i>	<u>8,962,044</u>	<u>200,742</u>	<u>9,162,786</u>
<i>Operating Income (Loss)</i>	709,578	(200,740)	508,838
<i>Net Position Beginning of Year</i>	<u>5,290,552</u>	<u>200,740</u>	<u>5,491,292</u>
<i>Net Position End of Year</i>	<u><u>\$ 6,000,130</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 6,000,130</u></u>

**Shaker Heights City School District**  
*Combining Statement of Cash Flows*  
*Internal Service Funds*  
For the Fiscal Year Ended June 30, 2014

	Self Insurance	Workers' Compensation Reserve	Total Internal Service
<b>Cash Flows From Operating Activities</b>			
Cash Received from Interfund Services Provided	\$ 9,671,622	\$ 200,742	\$ 9,872,364
Cash Paid for Goods and Services	(1,165,746)	0	(1,165,746)
Cash Paid for Claims	(7,914,298)	(140,513)	(8,054,811)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>591,578</u>	<u>60,229</u>	<u>651,807</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	591,578	60,229	651,807
<i>Cash and Investments Beginning of Year</i>	<u>6,256,052</u>	<u>700,000</u>	<u>6,956,052</u>
<i>Cash and Investments End of Year</i>	<u>\$ 6,847,630</u>	<u>\$ 760,229</u>	<u>\$ 7,607,859</u>
<b>Reconciliation of Operating Income to Net Cash Provided By Operating Activities</b>			
Operating Income (Loss)	\$ 709,578	\$ (200,740)	\$ 508,838
Adjustments:			
(Increase) Decrease Assets:			
Intergovernmental Receivable	0	200,740	200,740
Increase (Decrease) in Liabilities:			
Accounts Payable	(10,000)	0	(10,000)
Claims Payable	(108,000)	60,229	(47,771)
<i>Total Adjustments</i>	<u>(118,000)</u>	<u>260,969</u>	<u>142,969</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ 591,578</u>	<u>\$ 60,229</u>	<u>\$ 651,807</u>

### *Combining Statements - Fiduciary Funds*

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental, and/or other funds. The following are the School District's fiduciary fund types:

#### **Agency Funds**

***Rotary*** – This fund reflects resources that belong to the student bodies of the various schools and are used for field trips and college entrance exam testing.

***Student Managed Activities*** – This fund reflects resources that belong to the student bodies of the various schools.

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2014*

	Balance 6/30/2013	Additions	Deletions	Balance 6/30/2014
<b><u>Rotary</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 223,903	\$ 202,818	\$ 210,894	\$ 215,827
Accounts Receivable	115	460	115	460
Total Assets	<u>\$ 224,018</u>	<u>\$ 203,278</u>	<u>\$ 211,009</u>	<u>\$ 216,287</u>
<b>Liabilities</b>				
Intergovernmental Payable	\$ 0	\$ 157	\$ 0	\$ 157
Undistributed Monies	224,018	0	7,888	216,130
Total Liabilities	<u>\$ 224,018</u>	<u>\$ 157</u>	<u>\$ 7,888</u>	<u>\$ 216,287</u>
<b><u>Student Managed Activities</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 141,656	\$ 239,839	\$ 237,960	\$ 143,535
Accounts Receivable	179	2,103	179	2,103
Total Assets	<u>\$ 141,835</u>	<u>\$ 241,942</u>	<u>\$ 238,139</u>	<u>\$ 145,638</u>
<b>Liabilities</b>				
Accounts Payable	\$ 1,500	\$ 0	\$ 1,500	\$ 0
Due to Students	140,335	5,303	0	145,638
Total Liabilities	<u>\$ 141,835</u>	<u>\$ 5,303</u>	<u>\$ 1,500</u>	<u>\$ 145,638</u>
<b><u>Totals</u></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 365,559	\$ 442,657	\$ 448,854	\$ 359,362
Accounts Receivable	294	2,563	294	2,563
Total Assets	<u>\$ 365,853</u>	<u>\$ 445,220</u>	<u>\$ 449,148</u>	<u>\$ 361,925</u>
<b>Liabilities</b>				
Accounts Payable	\$ 1,500	\$ 0	\$ 1,500	\$ 0
Intergovernmental Payable	0	157	0	157
Undistributed Monies	224,018	0	7,888	216,130
Due to Students	140,335	5,303	0	145,638
Total Liabilities	<u>\$ 365,853</u>	<u>\$ 5,460</u>	<u>\$ 9,388</u>	<u>\$ 361,925</u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses and  
Changes in Fund Balance/Net Position – Budget (Non-GAAP Basis)  
and Actual Governmental/Proprietary Funds – Major and  
Nonmajor**

**SHAKER HEIGHTS CITY SCHOOL DISTRICT**  
**Cuyahoga County, Ohio**

**Funds being reported as part of the General Fund**

***Uniform School Supplies*** - This fund accounts for and reports the purchase and sale of school supplies assigned for school purposes or activities connected with the school.

***Public School Support*** - This fund accounts for and reports school site sales revenue and expenditures assigned for field trips, assemblies, and other activity costs.

***Shaker Merchandise*** - This fund accounts for and reports funds received from the sale of merchandise to students, faculty, staff and the community which is assigned to purchase additional merchandise.

***Fringe Benefits*** – This fund accumulates and pays employer share of non-health care fringe benefits.

**Major Building Fund**

***Building Fund*** - This fund accounts for revenues restricted for various capital improvements within the School District.

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Tuition and Fees	\$ 114,500	\$ 92,931	\$ (21,569)
Miscellaneous	15,500	0	(15,500)
<i>Total Revenues</i>	<u>130,000</u>	<u>92,931</u>	<u>(37,069)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	<u>130,000</u>	<u>91,449</u>	<u>38,551</u>
<i>Net Change in Fund Balance</i>	0	1,482	1,482
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 1,482</u>	<u>\$ 1,482</u>



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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Investment Income	\$ 80	\$ 22	\$ (58)
Tuition and Fees	51,200	62,337	11,137
Extracurricular Activities	118,080	90,922	(27,158)
Contributions and Donations	21,760	16,827	(4,933)
Miscellaneous	8,880	10,512	1,632
<i>Total Revenues</i>	<u>200,000</u>	<u>180,620</u>	<u>(19,380)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	189,925	121,396	68,529
Support Services:			
Instructional Staff	450	0	450
Administration	32,262	22,485	9,777
Operation and Maintenance of Plant	600	0	600
Pupil Transportation	0	7,866	(7,866)
Extracurricular Activities	36,600	14,182	22,418
<i>Total Expenditures</i>	<u>259,837</u>	<u>165,929</u>	<u>93,908</u>
<i>Net Change in Fund Balance</i>	(59,837)	14,691	74,528
<i>Fund Balance Beginning of Year</i>	84,457	84,457	0
Prior Year Encumbrances Appropriated	9,837	9,837	0
<i>Fund Balance End of Year</i>	<u>\$ 34,457</u>	<u>\$ 108,985</u>	<u>\$ 74,528</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Shaker Merchandise*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Miscellaneous	\$ 20,000	\$ 14,522	\$ (5,478)
<b>Expenditures</b>			
Current:			
Support Services:			
Business	20,000	14,125	5,875
<i>Net Change in Fund Balance</i>	0	397	397
<i>Fund Balance Beginning of Year</i>	2,664	2,664	0
<i>Fund Balance End of Year</i>	\$ 2,664	\$ 3,061	\$ 397

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Fringe Benefits*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Charges for Services	\$ 0	\$ 38,187	\$ 38,187
Miscellaneous	152,942	36,586	(116,356)
<i>Total Revenues</i>	<u>152,942</u>	<u>74,773</u>	<u>(78,169)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal	<u>223,565</u>	<u>99,867</u>	<u>123,698</u>
<i>Net Change in Fund Balance</i>	(70,623)	(25,094)	45,529
<i>Fund Balance Beginning of Year</i>	1,490,539	1,490,539	0
Prior Year Encumbrances Appropriated	<u>120,623</u>	<u>120,623</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,540,539</u>	<u>\$ 1,586,068</u>	<u>\$ 45,529</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Building*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Investment Income	\$ 0	\$ 327	\$ 327
Contributions and Donations	100,000	185,313	85,313
Miscellaneous	50,000	109,425	59,425
<i>Total Revenues</i>	<u>150,000</u>	<u>295,065</u>	<u>145,065</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	427,657	182,260	245,397
Support Services:			
Business	20,274	20,274	0
Pupil Transportation	690,370	690,370	0
Capital Outlay	378,578	378,578	0
Debt Service:			
Principal Retirement	90,000	90,000	0
Interest and Fiscal Charges	19,100	19,100	0
<i>Total Expenditures</i>	<u>1,625,979</u>	<u>1,380,582</u>	<u>245,397</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,475,979)</u>	<u>(1,085,517)</u>	<u>390,462</u>
<b>Other Financing Sources (Uses)</b>			
Insurance Recoveries	0	2,363	2,363
Transfers In	0	2,236,264	2,236,264
Transfers Out	(236,264)	(236,264)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(236,264)</u>	<u>2,002,363</u>	<u>2,238,627</u>
<i>Net Change in Fund Balance</i>	(1,712,243)	916,846	2,629,089
<i>Fund Balance Beginning of Year</i>	925,627	925,627	0
Prior Year Encumbrances Appropriated	862,244	862,244	0
<i>Fund Balance End of Year</i>	<u>\$ 75,628</u>	<u>\$ 2,704,717</u>	<u>\$ 2,629,089</u>

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 1,076,700	\$ 882,675	\$ (194,025)
Investment Income	500	105	(395)
Charges for Services	977,800	891,992	(85,808)
Miscellaneous	45,000	50,441	5,441
<i>Total Revenues</i>	<u>2,100,000</u>	<u>1,825,213</u>	<u>(274,787)</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations	<u>2,320,335</u>	<u>1,938,872</u>	<u>381,463</u>
<i>Net Change in Fund Balance</i>	(220,335)	(113,659)	106,676
<i>Fund Balance Beginning of Year</i>	36,103	36,103	0
Prior Year Encumbrances Appropriated	<u>220,335</u>	<u>220,335</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 36,103</u>	<u>\$ 142,779</u>	<u>\$ 106,676</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Local Grants*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 72,717	\$ 67,920	\$ (4,797)
Tuition and Fees	22	21	(1)
Contributions and Donations	2,259	2,110	(149)
<i>Total Revenues</i>	<u>74,998</u>	<u>70,051</u>	<u>(4,947)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	71,422	49,424	21,998
Support Services:			
Instructional Staff	51,507	22,705	28,802
Pupil Transportation	4,585	3,304	1,281
Central	129	93	36
Extracurricular Activities	1,837	1,343	494
Capital Outlay	521	0	521
<i>Total Expenditures</i>	<u>130,001</u>	<u>76,869</u>	<u>53,132</u>
<i>Net Change in Fund Balance</i>	(55,003)	(6,818)	48,185
<i>Fund Balance Beginning of Year</i>	<u>48,522</u>	<u>48,522</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ (6,481)</u>	<u>\$ 41,704</u>	<u>\$ 48,185</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Athletics*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Extracurricular Activities	\$ 116,900	\$ 144,379	\$ 27,479
Miscellaneous	97,300	1,747	(95,553)
<i>Total Revenues</i>	<u>214,200</u>	<u>146,126</u>	<u>(68,074)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant	26,970	12,231	14,739
Extracurricular Activities	336,711	330,128	6,583
<i>Total Expenditures</i>	<u>363,681</u>	<u>342,359</u>	<u>21,322</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(149,481)</u>	<u>(196,233)</u>	<u>(46,752)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	135,800	200,000	64,200
<i>Net Change in Fund Balance</i>	(13,681)	3,767	17,448
<i>Fund Balance Beginning of Year</i>	67,746	67,746	0
Prior Year Encumbrances Appropriated	13,681	13,681	0
<i>Fund Balance End of Year</i>	<u>\$ 67,746</u>	<u>\$ 85,194</u>	<u>\$ 17,448</u>

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 1,450,597	\$ 1,438,579	\$ (12,018)
Investment Income	104	103	(1)
<i>Total Revenues</i>	<u>1,450,701</u>	<u>1,438,682</u>	<u>(12,019)</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services	<u>1,997,706</u>	<u>1,791,668</u>	<u>206,038</u>
<i>Net Change in Fund Balance</i>	(547,005)	(352,986)	194,019
<i>Fund Balance Beginning of Year</i>	136,800	136,800	0
Prior Year Encumbrances Appropriated	<u>410,207</u>	<u>410,207</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 2</u>	<u>\$ 194,021</u>	<u>\$ 194,019</u>



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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 14,400	\$ 14,400	\$ 0
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal	14,400	14,400	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 0	\$ 0

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Alternative Schools*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 45,000	\$ 33,056	\$ (11,944)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	45,000	44,901	99
<i>Net Change in Fund Balance</i>	0	(11,845)	(11,845)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ (11,845)	\$ (11,845)

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Parent Mentor Grant*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 50,163	\$ 25,163	\$ (25,000)
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff	25,758	25,321	437
<i>Net Change in Fund Balance</i>	24,405	(158)	(24,563)
<i>Fund Balance Beginning of Year</i>	597	597	0
<i>Fund Balance End of Year</i>	\$ 25,002	\$ 439	\$ (24,563)

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 242,329	\$ 179,916	\$ (62,413)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	21,834	2,000	19,834
Support Services:			
Instructional Staff	157,731	97,053	60,678
Administration	30,449	29,370	1,079
Central	34,624	33,532	1,092
<i>Total Expenditures</i>	<u>244,638</u>	<u>161,955</u>	<u>82,683</u>
<i>Net Change in Fund Balance</i>	(2,309)	17,961	20,270
<i>Fund Balance Beginning of Year</i>	(7,333)	(7,333)	0
Prior Year Encumbrances Appropriated	<u>6,017</u>	<u>6,017</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ (3,625)</u>	<u>\$ 16,645</u>	<u>\$ 20,270</u>

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

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Revenues</b>			
Intergovernmental	\$ 1,489,165	\$ 1,297,876	\$ (191,289)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	8,946	8,711	235
Special	1,403,696	1,038,652	365,044
Student Intervention Services	34,917	166,481	(131,564)
Operation of Non-Instructional Services:			
Community Services	19,637	18,852	785
<i>Total Expenditures</i>	<u>1,467,196</u>	<u>1,232,696</u>	<u>234,500</u>
<i>Net Change in Fund Balance</i>	21,969	65,180	43,211
<i>Fund Balance Beginning of Year</i>	(69,162)	(69,162)	0
Prior Year Encumbrances Appropriated	<u>49,410</u>	<u>49,410</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,217</u>	<u>\$ 45,428</u>	<u>\$ 43,211</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title I School Improvement*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 78,851	\$ 78,851	\$ 0
<b>Expenditures</b>			
Current:			
Instruction:			
Student Intervention Services	52,901	55,000	(2,099)
Support Services:			
Instructional Staff	12,275	9,696	2,579
<i>Total Expenditures</i>	<u>65,176</u>	<u>64,696</u>	<u>480</u>
<i>Net Change in Fund Balance</i>	<u>13,675</u>	<u>14,155</u>	<u>480</u>
<i>Fund Balance Beginning of Year</i>	(19,175)	(19,175)	0
Prior Year Encumbrances Appropriated	<u>5,500</u>	<u>5,500</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ 480</u>	<u>\$ 480</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Limited English Proficiency*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 35,000	\$ 29,810	\$ (5,190)
<b>Expenditures</b>			
Current:			
Instruction:			
Special	33,507	30,030	3,477
Support Services:			
Instructional Staff	494	275	219
Operation of Non-Instructional Services:			
Community Services	1,000	0	1,000
<i>Total Expenditures</i>	<u>35,001</u>	<u>30,305</u>	<u>4,696</u>
<i>Net Change in Fund Balance</i>	(1)	(495)	(494)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ (1)</u>	<u>\$ (495)</u>	<u>\$ (494)</u>

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 1,216,484	\$ 1,146,286	\$ (70,198)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	109,550	100,328	9,222
Special	806,129	782,351	23,778
Support Services:			
Pupils	110,225	64,489	45,736
Instructional Staff	100,790	82,948	17,842
Operation of Non-Instructional Services:			
Community Services	62,106	21,280	40,826
<i>Total Expenditures</i>	<u>1,188,800</u>	<u>1,051,396</u>	<u>137,404</u>
<i>Net Change in Fund Balance</i>	27,684	94,890	67,206
<i>Fund Balance Beginning of Year</i>	(15,716)	(15,716)	0
Prior Year Encumbrances Appropriated	18,030	18,030	0
<i>Fund Balance End of Year</i>	<u>\$ 29,998</u>	<u>\$ 97,204</u>	<u>\$ 67,206</u>



**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Preschool Disability*  
*For the Fiscal Year Ended June 30, 2014*

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Revenues</b>			
Intergovernmental	\$ 19,000	\$ 17,692	\$ (1,308)
<b>Expenditures</b>			
Current:			
Instruction:			
Special	18,002	17,692	310
<i>Net Change in Fund Balance</i>	998	0	(998)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	<u>\$ 998</u>	<u>\$ 0</u>	<u>\$ (998)</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Class Size Reduction*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 201,210	\$ 155,709	\$ (45,501)
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff	176,040	149,834	26,206
Administration	30	655	(625)
Operation of Non-Instructional Services:			
Community Services	30,368	19,751	10,617
<i>Total Expenditures</i>	<u>206,438</u>	<u>170,240</u>	<u>36,198</u>
<i>Net Change in Fund Balance</i>	(5,228)	(14,531)	(9,303)
<i>Fund Balance Beginning of Year</i>	(7,883)	(7,883)	0
Prior Year Encumbrances Appropriated	<u>13,111</u>	<u>13,111</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 0</u>	<u>\$ (9,303)</u>	<u>\$ (9,303)</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Intergovernmental	\$ 50,000	\$ 0	\$ (50,000)
<i>Net Change in Fund Balance</i>	50,000	0	(50,000)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 50,000	\$ 0	\$ (50,000)

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

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Revenues</b>			
Property and Other Local Taxes	\$ 2,304,248	\$ 2,363,133	\$ 58,885
Intergovernmental	340,000	355,976	15,976
<i>Total Revenues</i>	<u>2,644,248</u>	<u>2,719,109</u>	<u>74,861</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal	89,544	55,162	34,382
Debt Service:			
Principal Retirement	1,905,000	1,905,000	0
Interest and Fiscal Charges	705,457	705,457	0
<i>Total Expenditures</i>	<u>2,700,001</u>	<u>2,665,619</u>	<u>34,382</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(55,753)</u>	<u>53,490</u>	<u>109,243</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>0</u>	<u>236,264</u>	<u>236,264</u>
<i>Net Change in Fund Balance</i>	(55,753)	289,754	345,507
<i>Fund Balance Beginning of Year</i>	<u>2,434,453</u>	<u>2,434,453</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,378,700</u>	<u>\$ 2,724,207</u>	<u>\$ 345,507</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenses, and Changes in Fund Net Position -*  
*Self Insurance*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Operating Revenues</b>			
Charges for Services	\$ 11,500,000	\$ 9,671,622	\$ (1,828,378)
<b>Operating Expenses</b>			
Fringe Benefits	97,736	0	97,736
Purchased Services	1,059,200	1,165,746	(106,546)
Claims	9,843,064	7,914,298	1,928,766
<i>Total Operating Expenses</i>	<u>11,000,000</u>	<u>9,080,044</u>	<u>1,919,956</u>
<i>Change in Net Position</i>	500,000	591,578	91,578
<i>Net Position Beginning of Year</i>	<u>6,256,052</u>	<u>6,256,052</u>	<u>0</u>
<i>Net Position End of Year</i>	<u>\$ 6,756,052</u>	<u>\$ 6,847,630</u>	<u>\$ 91,578</u>

**Shaker Heights City School District**  
**Cuyahoga County, Ohio**  
*Schedule of Revenues, Expenses, and Changes in Fund Net Position -*  
*Workers' Compensation Reserve*  
*For the Fiscal Year Ended June 30, 2014*

	Final Budget	Actual	Variance with Final Budget Over (Under)
<b>Operating Revenues</b>			
Charges for Services	\$ 99,260	\$ 2	\$ (99,258)
Other	200,740	200,740	0
<i>Total Operating Revenues</i>	<u>300,000</u>	<u>200,742</u>	<u>(99,258)</u>
<b>Operating Expenses</b>			
Fringe Benefits	300,000	140,513	159,487
<i>Change in Net Position</i>	0	60,229	60,229
<i>Net Position Beginning of Year</i>	<u>700,000</u>	<u>700,000</u>	<u>0</u>
<i>Net Position End of Year</i>	<u>\$ 700,000</u>	<u>\$ 760,229</u>	<u>\$ 60,229</u>

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STATISTICAL SECTION





## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> 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
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.	S-14 - S-26
<b>Debt Capacity</b> 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-27 - S-31
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S-32 - S-34
<b>Operating Information</b> These schedules contain service and infrastructure 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-36 - S-48

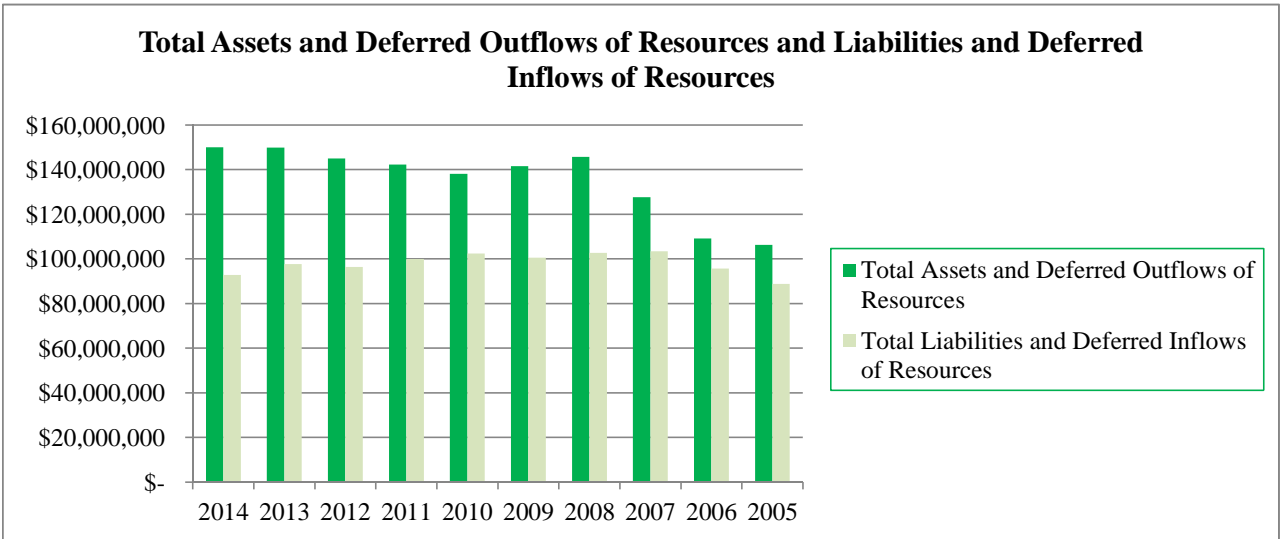
**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year.

**NOTE:** With the implementation of GASB No. 54 for fiscal year 2011, there were minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Amounts are not deemed significant to impact the users of this Section. Prior year amounts also have not been adjusted to reflect this change.

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)*

	2014	2013	2012	2011
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 15,783,429	\$ 13,553,310	\$ 11,315,889	\$ 11,398,071
Restricted for:				
Capital Outlay	2,970,535	833,627	1,439,495	1,098,470
Debt Service	3,447,258	3,258,334	2,991,077	2,354,956
Set Asides	353,070	353,070	353,070	353,070
Other Purposes	719,875	887,667	766,769	871,703
Unrestricted	33,954,897	33,317,054	31,719,973	26,197,012
Total Governmental Activities Net Position	<u>\$ 57,229,064</u>	<u>\$ 52,203,062</u>	<u>\$ 48,586,273</u>	<u>\$ 42,273,282</u>



**Source:** School District financial records.

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 10,070,839	\$ 8,401,734	\$ 8,694,425	\$ 4,632,987	\$ 2,204,521	\$ 4,100,033
1,531,066	1,525,468	99,381	400,300	1,655,509	678,855
2,359,850	2,644,458	2,853,551	2,455,559	2,263,055	1,400,799
353,070	353,070	353,070	353,070	353,070	353,070
830,467	792,242	390,160	797,215	544,543	608,066
<u>20,608,691</u>	<u>27,407,164</u>	<u>30,568,922</u>	<u>15,628,893</u>	<u>6,438,744</u>	<u>10,355,170</u>
<u>\$ 35,753,983</u>	<u>\$ 41,124,136</u>	<u>\$ 42,959,509</u>	<u>\$ 24,268,024</u>	<u>\$ 13,459,442</u>	<u>\$ 17,495,993</u>

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Changes in Net Position of Governmental Activities*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2014	2013	2012	2011
<b>Expenses</b>				
Instruction:				
Regular	\$ 34,580,662	\$ 34,461,051	\$ 34,798,586	\$ 35,281,264
Special	15,645,258	12,397,536	12,002,923	11,964,327
Vocational	114,533	73,704	150,353	228,758
Student Intervention Services	187,160	94	58,630	67,198
Other	217,011	42,270	8,693	0
Support Services:				
Pupils	5,812,143	5,556,492	5,594,025	5,552,562
Instructional Staff	3,775,660	7,540,608	7,880,942	7,168,686
Board of Education	35,491	65,876	18,470	17,368
Administration	5,904,079	5,815,470	5,911,138	6,106,215
Fiscal	2,581,225	2,443,694	2,645,931	2,086,303
Business	780,306	1,085,086	1,043,044	952,606
Operation and Maintenance of Plant	11,269,156	13,142,708	12,347,748	13,466,665
Pupil Transportation	5,044,428	4,674,160	4,456,181	4,602,302
Central	1,497,140	1,683,000	1,754,818	1,917,495
Operation of Non-Instructional Services:				
Community Services	1,463,402	1,598,259	1,428,394	1,220,198
Food Service Operations	1,800,930	1,855,816	1,820,200	1,945,696
Extracurricular Activities	2,064,830	1,331,012	1,268,779	1,249,690
Interest and Fiscal Charges	1,027,810	937,911	1,000,513	1,106,286
Issuance Costs	0	185,218	0	0
<i>Total Expenses</i>	<u>93,801,224</u>	<u>94,889,965</u>	<u>94,189,368</u>	<u>94,933,619</u>

**Program Revenues**

Charges for Services and Sales

Instruction:				
Regular	1,188,561	1,222,949	1,226,867	754,595
Special	637,025	626,206	414,873	171,178
Vocational	0	0	0	3,471
Other	5,175	5,700	0	0
Support Services:				
Pupils	0	0	0	85,442
Instructional Staff	0	0	0	88,670
Board of Education	0	0	0	0
Administration	18,201	0	0	0
Fiscal	38,187	15,492	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	15,359	10,493	10,708	285,446
Pupil Transportation	18,496	14,711	17,560	67,464
Central	0	0	0	28,892
Operation of Non-Instruction Services:				
Community Services	0	0	0	797
Food Service Operations	942,432	873,289	888,162	912,327
Extracurricular Activities	143,509	143,031	112,812	139,488

Operating Grants, Contributions and Interest

Instruction:				
Regular	180,152	68,749	1,175,777	1,463,608
Special	1,737,086	1,029,673	1,094,487	805,930
Vocational	0	0	0	0
Student Intervention Services	304,165	111	57,840	162,215
Other	0	23,851	0	0
Support Service:				
Pupils	58,871	0	0	50,739
Instructional Staff	271,907	1,449,321	1,469,327	1,741,042
Board of Education	0	0	0	0
Administration	3,968	30,074	20,000	0

2010*	2009	2008	2007	2006	2005
\$ 37,085,280	\$ 35,379,158	\$ 34,107,481	\$ 33,772,290	\$ 35,310,361	\$ 32,924,168
13,428,305	11,824,756	11,332,475	10,931,104	10,607,843	10,647,502
139,800	242,656	225,025	249,179	261,197	365,419
19,489	0	0	0	0	0
0	0	0	0	0	0
6,109,276	5,442,866	5,495,125	5,183,166	5,375,507	5,238,920
7,847,850	6,661,050	5,714,875	5,011,630	5,578,777	5,352,258
22,044	18,690	29,232	16,097	19,423	12,936
6,143,839	6,002,432	5,995,614	5,413,913	6,436,016	6,251,458
1,815,190	2,195,814	1,959,745	2,502,091	1,851,290	1,957,648
933,149	931,242	995,011	831,094	923,004	899,420
14,220,532	13,059,730	12,623,322	11,044,168	11,863,117	10,369,547
4,795,694	4,169,665	3,989,689	3,732,632	4,243,701	4,429,933
1,990,523	1,444,784	1,670,621	1,665,801	1,548,776	1,537,060
1,327,646	1,207,237	1,140,592	1,374,292	1,425,671	1,057,019
1,951,783	1,726,334	1,518,386	1,236,661	1,311,946	1,029,189
1,296,624	1,170,726	1,230,898	1,213,896	1,241,147	1,294,801
1,227,205	1,277,952	1,282,207	1,002,654	1,015,691	781,322
0	0	0	0	0	0
100,354,229	92,755,092	89,310,298	85,180,668	89,013,467	84,148,600
1,559,258	789,813	855,900	638,404	692,997	971,608
187,379	202,415	224,936	158,673	178,796	148,714
2,101	4,247	4,720	3,799	4,193	0
0	0	0	0	0	0
91,479	102,981	114,444	78,661	88,616	9,913
91,968	80,033	88,939	55,156	63,556	0
336	551	613	236	355	0
93,031	129,968	127,938	82,913	97,895	0
26,440	29,030	32,260	36,415	31,050	0
12,975	16,925	18,990	11,474	15,372	19
303,580	300,135	258,411	160,269	275,039	146,592
66,566	78,983	87,773	60,331	74,288	905
30,003	29,493	32,775	24,249	24,904	0
755	98,902	103,118	100,717	893	0
815,170	800,042	710,786	738,586	750,790	793,978
196,635	110,980	123,035	175,780	172,196	227,586
502,626	754,782	1,000,038	860,207	901,271	528,306
1,037,972	925,126	817,586	601,971	62,697	808,425
0	3,037	2,011	0	0	0
31,087	0	0	0	0	0
0	0	0	0	0	0
43,226	88,617	79,562	26,600	36,837	24,560
1,774,381	1,450,387	1,321,093	1,418,048	1,743,256	1,438,595
0	0	261	0	0	0
0	0	63,392	2,458	15,781	0

(continued)

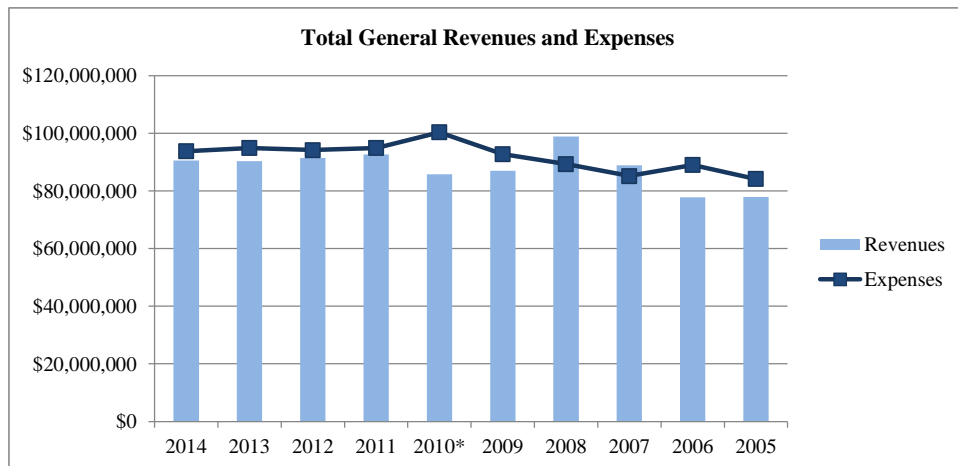
**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Changes in Net Position of Governmental Activities*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2014	2013	2012	2011
Fiscal	14,400	14,400	14,400	0
Business	0	0	38	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	10,281	0	15,906	72
Central	0	19,717	33,000	5,000
Operation of Non-Instruction Services				
Food Service Operations	978,098	979,654	931,912	754,440
Community Services	1,471,119	1,469,438	1,446,234	1,189,003
Extracurricular Activities	2,717	2,497	6,051	3,290
Capital Grants and Contributions				
Instruction:				
Regular	110,313	50,535	0	0
Support Service:				
Instructional Staff	0	0	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	32,972	79,489
Pupil Transportation	75,000	102,085	41,965	0
<b>Total Program Revenues</b>	<b>8,225,022</b>	<b>8,151,976</b>	<b>9,010,891</b>	<b>8,792,598</b>
Net Expense	<u>(85,576,202)</u>	<u>(86,737,989)</u>	<u>(85,178,477)</u>	<u>(86,141,021)</u>
<b>General Revenues</b>				
Property Taxes Levied for:				
General Purposes	61,323,747	63,408,623	64,805,875	63,904,018
Debt Service	2,253,696	2,524,431	2,658,043	2,755,119
Capital Outlay	0	0	0	0
Grants and Entitlements not Restricted to Specific Programs	26,539,426	23,839,415	23,319,363	25,301,197
Investment Earnings	141,545	124,229	193,986	291,878
Unrestricted Contributions and Donations	0	0	0	1,090
Gain on Sale of Capital Assets	0	0	0	18,750
Miscellaneous	343,790	458,080	514,201	388,268
<b>Total General Revenues</b>	<b>90,602,204</b>	<b>90,354,778</b>	<b>91,491,468</b>	<b>92,660,320</b>
<b>Extraordinary Item</b>				
Decrease in Delinquent Property Taxes	0	0	0	0
<b>Total General Revenues and</b>				
<b>Extraordinary Item</b>	<u>90,602,204</u>	<u>90,354,778</u>	<u>91,491,468</u>	<u>92,660,320</u>
<b>Change in Net Position</b>	<u><u>\$ 5,026,002</u></u>	<u><u>\$ 3,616,789</u></u>	<u><u>\$ 6,312,991</u></u>	<u><u>\$ 6,519,299</u></u>

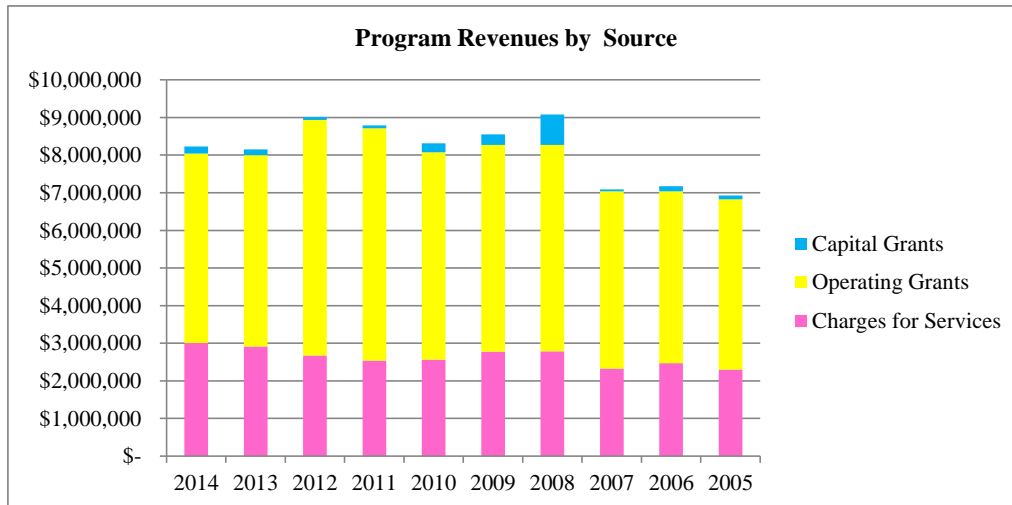


\*Includes immaterial amounts reclassified for comparison purposes.

2010*	2009	2008	2007	2006	2005
16,000	24,000	41,381	30,618	3,657	5,737
0	0	8,015	0	0	0
0	164,634	134,036	58,973	65,717	79,378
45,507	56,487	37,404	0	0	0
11,409	22,315	41,050	26,758	15,973	15,154
751,596	687,159	609,352	454,616	426,452	391,333
1,294,234	1,304,659	1,311,538	1,224,791	1,272,795	1,196,573
3,020	19,027	22,008	6,848	20,874	39,074
30,040	0	0	0	0	47,670
49,911	0	0	0	0	0
3,829	0	0	0	0	0
33,878	276,391	802,694	49,102	142,150	34,282
124,521	0	0	0	0	20,997
<u>9,230,913</u>	<u>8,551,119</u>	<u>9,076,059</u>	<u>7,086,653</u>	<u>7,178,400</u>	<u>6,929,399</u>
<u>(91,123,316)</u>	<u>(84,203,973)</u>	<u>(80,234,239)</u>	<u>(78,094,015)</u>	<u>(81,835,067)</u>	<u>(77,219,201)</u>
56,751,088	56,984,545	69,184,729	60,456,905	51,230,820	51,902,593
2,960,050	3,154,120	3,494,170	3,211,409	2,475,501	1,604,046
0	0	0	0	206,688	519,804
25,155,226	25,102,989	24,004,932	23,496,372	22,583,373	22,989,562
532,965	1,303,054	1,831,239	1,625,920	1,147,810	622,591
0	0	0	0	0	1,225
21,600	0	0	0	5,250	0
332,234	423,892	410,654	111,991	149,074	288,250
<u>85,753,163</u>	<u>86,968,600</u>	<u>98,925,724</u>	<u>88,902,597</u>	<u>77,798,516</u>	<u>77,928,071</u>
0	(4,600,000)	0	0	0	0
<u>85,753,163</u>	<u>82,368,600</u>	<u>98,925,724</u>	<u>88,902,597</u>	<u>77,798,516</u>	<u>77,928,071</u>
<u>\$ (5,370,153)</u>	<u>\$ (1,835,373)</u>	<u>\$ 18,691,485</u>	<u>\$ 10,808,582</u>	<u>\$ (4,036,551)</u>	<u>\$ 708,870</u>

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Program Revenues of Governmental Activities by Function*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2014	2013	2012	2011
<b>Governmental Activities</b>				
Instruction:				
Regular	\$ 1,479,026	\$ 1,342,233	\$ 2,402,644	\$ 2,218,203
Special	2,374,111	1,655,879	1,509,360	977,108
Vocational	0	0	0	3,471
Student Intervention	304,165	111	57,840	162,215
Other	5,175	29,551	0	0
Support Services:				
Pupils	58,871	0	0	136,181
Instructional Staff	271,907	1,449,321	1,469,327	1,829,712
Board of Education	0	0	0	0
Administration	22,169	30,074	20,000	0
Fiscal	52,587	29,892	14,400	0
Business	0	0	38	0
Operation and Maintenance of Plant	15,359	10,493	43,680	364,935
Pupil Transportation	103,777	116,796	75,431	67,536
Central	0	19,717	33,000	33,892
Operation of Non-Instructional Services				
Food Services	1,920,530	1,852,943	1,820,074	1,666,767
Community Services	1,471,119	1,469,438	1,446,234	1,189,800
Extracurricular Activities	146,226	145,528	118,863	142,778
<b>Total Program Revenues</b>	<b>\$ 8,225,022</b>	<b>\$ 8,151,976</b>	<b>\$ 9,010,891</b>	<b>\$ 8,792,598</b>



Source: School District financial records.



2010	2009	2008	2007	2006	2005
\$ 1,177,111	\$ 1,544,595	\$ 1,855,938	\$ 1,498,611	\$ 1,594,268	\$ 1,547,584
1,225,351	1,127,541	1,042,522	760,644	241,493	957,139
2,101	7,284	6,731	3,799	4,193	0
31,087	0	0	0	0	0
0	0	0	0	0	0
134,705	191,598	194,006	105,261	125,453	34,473
1,916,260	1,530,420	1,410,032	1,473,204	1,806,812	1,438,595
336	551	874	236	355	0
93,031	129,968	191,330	85,371	113,676	0
42,440	53,030	73,641	67,033	34,707	5,737
16,804	16,925	27,005	11,474	15,372	19
337,458	741,160	1,195,141	268,344	482,906	260,252
236,594	135,470	125,177	60,331	74,288	21,902
41,412	51,808	73,825	51,007	40,877	15,154
1,566,766	1,487,201	1,320,138	1,193,202	1,177,242	1,185,311
1,294,989	1,403,561	1,414,656	1,325,508	1,273,688	1,196,573
199,655	130,007	145,043	182,628	193,070	266,660
<u>\$ 8,316,100</u>	<u>\$ 8,551,119</u>	<u>\$ 9,076,059</u>	<u>\$ 7,086,653</u>	<u>\$ 7,178,400</u>	<u>\$ 6,929,399</u>

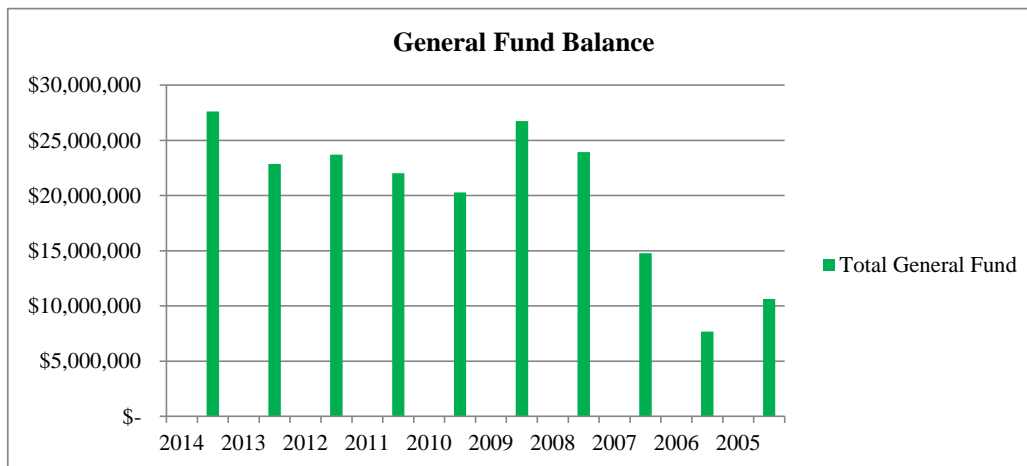
**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Fund Balances, Governmental Funds*

*Last Ten Fiscal Years*

*(Modified Accrual Basis of Accounting)*

	2014	2013	2012	2011
<b>General Fund</b>				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Nonspendable	\$ 36,928	\$ 31,267	\$ 268,580	\$ 382,367
Restricted	353,070	353,070	353,070	353,070
Assigned	4,248,345	7,186,555	8,801,392	4,455,388
Unassigned	22,990,573	15,305,379	14,278,025	16,822,882
<b>Total General Fund</b>	<b>27,628,916</b>	<b>22,876,271</b>	<b>23,701,067</b>	<b>22,013,707</b>
<b>All Other Governmental Funds</b>				
Reserved	N/A	N/A	N/A	N/A
Unreserved, Undesignated, 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
Nonspendable	0	0	15,688	14,913
Restricted	6,827,709	5,256,580	4,694,602	5,611,699
Unassigned	(75,088)	(185,762)	(177,597)	(59,717)
<b>Total All Other Governmental Funds</b>	<b>6,752,621</b>	<b>5,070,818</b>	<b>4,532,693</b>	<b>5,566,895</b>
<b>Total Governmental Funds</b>	<b>\$ 34,381,537</b>	<b>\$ 27,947,089</b>	<b>\$ 28,233,760</b>	<b>\$ 27,580,602</b>



**Source:** School District financial records.

**Note:** The School District implemented GASB 54 during 2011, causing restatement of 2010

2010	2009	2008	2007	2006	2005
N/A	\$ 14,483,565	\$ 10,969,494	\$ 9,753,040	\$ 8,511,681	\$ 8,725,818
N/A	12,263,251	12,978,966	5,023,594	(828,306)	1,917,235
\$ 231,117	N/A	N/A	N/A	N/A	N/A
353,070	N/A	N/A	N/A	N/A	N/A
3,988,294	N/A	N/A	N/A	N/A	N/A
15,721,703	N/A	N/A	N/A	N/A	N/A
<u>20,294,184</u>	<u>26,746,816</u>	<u>23,948,460</u>	<u>14,776,634</u>	<u>7,683,375</u>	<u>10,643,053</u>
N/A	1,967,505	2,500,917	3,676,195	2,796,510	2,335,692
N/A	204,836	125,845	248,532	439,345	264,879
N/A	2,050,073	1,996,267	2,045,247	1,904,007	1,171,864
N/A	4,905,551	6,057,373	6,035,783	2,964,790	8,910,495
26,884	N/A	N/A	N/A	N/A	N/A
7,407,491	N/A	N/A	N/A	N/A	N/A
(12,179)	N/A	N/A	N/A	N/A	N/A
<u>7,422,196</u>	<u>9,127,965</u>	<u>10,680,402</u>	<u>12,005,757</u>	<u>8,104,652</u>	<u>12,682,930</u>
<u>\$ 27,716,380</u>	<u>\$ 35,874,781</u>	<u>\$ 34,628,862</u>	<u>\$ 26,782,391</u>	<u>\$ 15,788,027</u>	<u>\$ 23,325,983</u>

**Shaker Heights City School District (Cuyahoga County, Ohio)**

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2014	2013	2012	2011
<b>Revenues:</b>				
Property and Other Local Taxes	\$ 68,568,000	\$ 65,713,209	\$ 65,451,694	\$ 64,583,285
Intergovernmental	31,842,442	28,700,726	30,069,477	31,223,034
Investment Income	142,123	127,601	201,222	292,491
Tuition and Fees	1,575,618	1,546,677	1,463,358	1,280,795
Extracurricular Activities	230,233	240,541	208,345	187,388
Contributions and Donations	204,250	231,664	149,103	144,487
Charges for Services	1,066,505	1,068,914	954,513	975,774
Rentals	82,619	49,338	44,805	93,813
Miscellaneous	391,056	447,119	424,503	388,268
<i>Total Revenues</i>	<u>104,102,846</u>	<u>98,125,789</u>	<u>98,967,020</u>	<u>99,169,335</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	36,387,066	35,880,612	35,959,722	35,974,858
Special	15,649,050	12,717,540	12,300,518	12,238,846
Vocational	114,533	73,704	150,353	256,888
Student Intervention	187,160	94	58,630	135,860
Other	205,434	33,577	0	0
<b>Support Services:</b>				
Pupils	5,834,027	5,755,271	5,819,423	5,662,710
Instructional Staff	3,793,805	8,451,594	7,934,389	7,425,293
Board of Education	35,491	65,876	18,470	17,368
Administration	5,887,217	5,911,936	5,931,338	6,095,570
Fiscal	2,597,966	2,425,772	2,636,142	2,076,537
Business	771,414	1,060,924	1,015,279	892,163
Operation and Maintenance of Plant	11,069,951	12,308,686	12,190,201	12,653,515
Pupil Transportation	5,375,679	4,780,780	4,553,453	4,366,501
Central	1,512,182	1,684,587	1,738,851	1,909,388
<b>Operation of Non-Instructional Services</b>				
Food Service Operations	1,800,930	1,855,816	1,821,836	1,970,089
Community Services	1,698,692	1,553,250	1,309,863	1,274,679
Extracurricular Activities	1,266,029	1,333,436	1,284,671	1,263,758
Capital Outlay	519,015	4,094,660	1,023,865	1,329,425
<b>Debt Service:</b>				
Principal Retirement	2,200,000	1,780,000	1,639,999	2,484,995
Interest and Fiscal Charges	765,120	796,253	1,016,556	1,276,670
Bond Issuance Costs	0	185,218	0	0
<i>Total Expenditures</i>	<u>97,670,761</u>	<u>102,749,586</u>	<u>98,403,559</u>	<u>99,305,113</u>
Excess of Revenues Over (Under)				
Expenditures	6,432,085	(4,623,797)	563,461	(135,778)
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	0	0
Insurance Recoveries	2,363	9,343	89,697	0
General Obligation Bonds Issued	0	4,170,000	0	0
General Obligation Bond Premium	0	0	0	0
General Obligation Notes Issued	0	0	0	0
Refunding Notes Issued	0	0	0	0
Refunding Bonds Issued	0	4,994,310	0	0
Premium on Debt Issuance	0	666,714	0	0
Current Refunding	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	(5,503,241)	0	0
Transfers In	2,672,528	3,420,000	380,000	400,000
Transfers Out	(2,672,528)	(3,420,000)	(380,000)	(400,000)
<i>Total Other Financing Sources (Uses)</i>	<u>2,363</u>	<u>4,337,126</u>	<u>89,697</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>\$ 6,434,448</u>	<u>\$ (286,671)</u>	<u>\$ 653,158</u>	<u>\$ (135,778)</u>
Debt Service as a Percentage of				
Noncapital Expenditures	3.15%	2.86%	2.77%	3.87%

Source: School District financial records.

	2010	2009	2008	2007	2006	2005
\$	59,520,754	\$ 61,957,201	\$ 65,224,344	\$ 62,405,545	\$ 54,190,185	\$ 53,655,836
	31,186,078	30,598,762	29,558,547	27,980,088	27,216,734	27,269,185
	533,281	1,308,766	1,844,670	1,625,920	1,147,810	622,591
	1,309,955	1,531,239	1,661,400	1,142,301	1,275,721	1,061,636
	180,539	169,428	171,779	211,365	216,236	225,611
	258,879	293,449	822,575	74,405	193,730	104,820
	919,843	908,080	801,769	825,197	834,854	865,476
	152,526	165,751	149,690	146,800	144,129	146,592
	332,234	423,892	410,654	111,991	149,074	288,250
	94,394,089	97,356,568	100,645,428	94,523,612	85,368,473	84,239,997
	36,986,263	34,473,074	33,666,620	33,917,868	34,957,392	33,016,459
	13,431,681	11,725,813	11,338,941	10,986,330	10,567,581	10,740,864
	148,774	238,210	222,870	247,794	256,939	365,264
	27,498	0	0	0	0	0
	0	0	0	0	0	0
	6,022,897	5,467,430	5,424,438	5,185,243	5,351,841	5,335,372
	7,658,963	6,606,883	5,643,430	4,944,882	5,521,803	5,503,732
	22,044	18,690	29,232	16,097	19,423	12,969
	6,176,169	5,920,108	5,901,551	5,358,212	5,827,818	6,409,117
	1,798,079	2,181,027	1,630,945	2,453,694	1,838,791	2,009,811
	866,581	903,256	906,739	767,079	911,179	932,775
	13,334,421	12,124,552	12,186,506	10,347,581	11,247,987	10,247,849
	4,405,761	4,191,598	4,191,485	3,951,396	4,453,502	4,372,503
	1,975,604	1,357,533	1,620,601	1,628,239	1,485,332	1,538,769
	1,952,226	1,725,336	1,512,621	1,234,851	1,310,623	1,053,939
	1,422,655	1,090,029	1,418,516	1,174,103	1,296,494	1,144,380
	1,294,898	1,156,763	1,217,636	1,202,682	1,230,648	1,331,621
	1,455,100	3,463,331	7,388,359	5,313,843	4,503,634	1,575,538
	2,979,017	7,185,976	2,300,000	2,200,000	1,154,230	1,205,000
	1,215,459	1,281,044	1,198,467	909,172	971,212	760,280
	0	107,962	0	188,041	0	154,830
	103,174,090	101,218,615	97,798,957	92,027,107	92,906,429	87,711,072
	(8,780,001)	(3,862,047)	2,846,471	2,496,505	(7,537,956)	(3,471,075)
	21,600	0	0	0	0	0
	0	0	0	0	0	0
	0	4,999,999	0	14,200,582	0	11,324,994
	0	107,967	0	310,117	0	191,387
	600,000	0	5,000,000	0	0	570,000
	0	500,000	500,000	500,000	570,000	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	(500,000)	(500,000)	(570,000)	(570,000)	0
	0	0	0	(5,942,840)	0	(1,354,975)
	475,000	475,000	175,000	125,000	287,192	281,912
	(475,000)	(475,000)	(175,000)	(125,000)	(287,192)	(281,912)
	621,600	5,107,966	5,000,000	8,497,859	0	10,731,406
\$	(8,158,401)	\$ 1,245,919	\$ 7,846,471	\$ 10,994,364	\$ (7,537,956)	\$ 7,260,331
	4.15%	8.81%	3.92%	3.80%	2.40%	2.28%

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*History of School Operating Levies*

*For the Years 1933 - 2013*

Date	Number of Mills	Number of Years	Votes For	Votes Against	Percentage For	Total Votes Cast	Difference
11/33	3.0	1934	2,975	2,176	57.76%	5,151	799
11/34	5.0	1935	3,358	3,633	48.03%	6,991	(275)
03/35	3.0	1935	1,791	1,042	63.22%	2,833	749
11/35	4.0	1936	4,616	1,852	71.37%	6,468	2,764
11/36	5.0	1937-39	5,479	5,323	50.72%	10,802	156
11/38	5.0	1940-43	5,459	2,303	70.33%	7,762	3,156
11/42	5.0	1944-47	5,763	2,309	71.39%	8,072	3,454
11/44	0.05	1945	11,668	3,350	77.69%	15,018	8,318
11/45	1.0	1946-47	4,736	1,196	79.84%	5,932	3,540
11/46	6.0 Renewal	1948-51	11,445	2,000	85.12%	13,445	9,445
11/47	3.0	1948-51	7,739	2,076	78.85%	9,815	5,663
11/50	10.0 Renewal	1952-55	12,633	3,589	77.88%	16,222	9,044
11/52	2.0	1953-55	15,874	4,145	79.29%	20,019	11,729
11/54	12.0	1956-59	8,659	7,365	54.04%	16,024	1,294
	9.8 Renewal						
	2.2 Additional						
11/57	5.3	1958-59	8,365	4,480	65.12%	12,845	3,885
11/58	17.2 Renewal	1960-64	13,802	4,346	76.05%	18,148	9,456
11/59	3.0	1960-64	7,996	6,040	56.97%	14,036	1,956
11/62	3.43	1963-64	12,845	5,616	69.58%	18,461	7,229
05/64	23.63 Renewal	1965-69	9,692	1,872	83.81%	11,564	7,820
05/65	3.8 Renewal	1966-69	7,970	2,293	77.66%	10,263	5,677
05/67	3.9 Additional	1968-69	7,740	2,552	75.20%	10,292	5,188
05/69	39.23	Continuing	3,831	2,366	61.82%	6,197	1,465
	31.33 Renewal						
	7.9 Additional						
05/71	8.9 Additional	Continuing	6,016	4,270	58.49%	10,286	1,746
05/74	4.9 Additional	Continuing	5,814	2,524	69.73%	8,338	3,290
06/76	5.5 Additional	Continuing	6,230	3,266	65.61%	9,496	2,964
06/77	12.0 Additional	Continuing	4,644	2,683	63.38%	7,327	1,961
06/79	6.0 Additional	Continuing	3,433	1,795	65.67%	5,228	1,638
06/81	6.5 Additional	Continuing	3,805	2,398	61.34%	6,203	1,407
06/82	6.0 Additional	Continuing	7,190	5,127	58.37%	12,317	2,063
06/83	8.8 Additional	Continuing	4,301	4,572	48.47%	8,873	(271)
08/83	8.8 Additional	Continuing	5,373	4,546	54.17%	9,919	827
11/86	7.5 Additional	Continuing	6,950	6,908	50.15%	13,858	42
05/89	9.8 Additional	Continuing	3,613	3,145	53.46%	6,758	468
05/92	9.8 Additional	Continuing	6,554	5,106	56.21%	11,660	1,448
11/94	8.7 Additional	Continuing	6,733	7,160	48.46%	13,893	(427)
02/95	8.7 Additional	Continuing	5,464	2,641	67.42%	8,105	2,823
03/00	9.4 Additional	Continuing	6,280	4,216	59.83%	10,496	2,064
05/03	9.6 Additional	Continuing	5,657	2,987	65.44%	8,644	2,670
05/06	9.9 Additional	Continuing	5,579	3,697	60.14%	9,276	1,882
05/10	9.9 Additional	Continuing	5,244	3,749	58.31%	8,993	1,495
05/14	6.9 Additional	Continuing	4,621	2,913	61.34%	7,534	1,708

Source: Shaker Heights City School District Records.

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**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Assessed and Estimated Actual Value of Taxable Property*

*Last Ten Collection Years*

Collection Year	Real Property			Tangible Personal Property	
	Residential/ Agricultural	Commercial/ Industrial/PU	Estimated Actual Value	Assessed Value	Estimated Actual Value
2014	\$ 701,293,730	\$ 77,608,500	\$ 2,225,434,943	\$ 0	\$ 0
2013	702,161,380	78,177,030	2,229,538,314	0	0
2012	765,520,980	80,615,370	2,417,532,429	0	0
2011	775,613,180	81,686,000	2,449,426,229	756,680	12,106,880
2010	776,507,350	85,280,280	2,462,250,371	1,533,160	24,530,560
2009	837,960,590	87,981,190	2,645,547,943	2,081,828	33,309,248
2008	839,801,250	86,307,100	2,646,023,857	3,243,846	51,901,536
2007	843,012,950	90,658,920	2,667,633,914	8,670,762	69,366,096
2006	758,082,460	89,889,340	2,422,776,571	10,227,037	54,544,197
2005	760,446,580	92,028,820	2,435,644,000	10,874,112	47,278,748

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

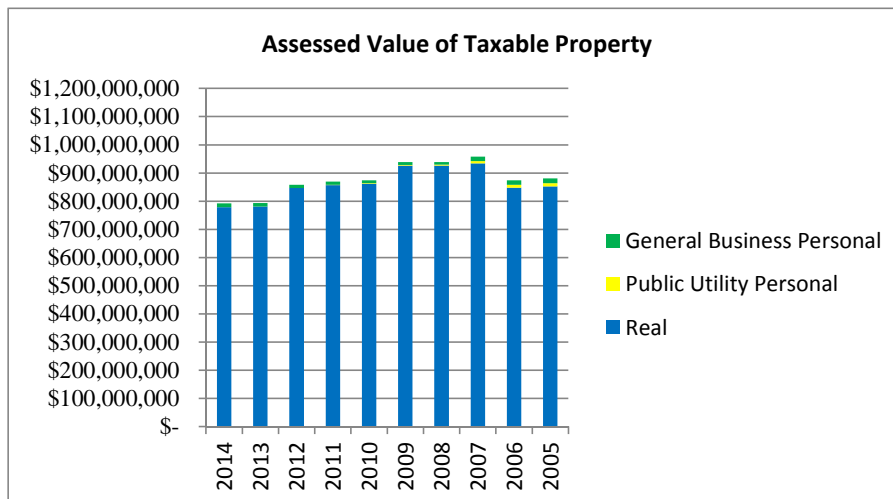
The assessed value of real property (including public utility real property) is 35% of estimated true value. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. General business tangible personal property tax was phased out beginning in 2006. The listing percentages are 18.75% for 2006, 12.5% for 2007, 6.25% for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generate the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10% and 2 1/2% State rollbacks and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

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



Tangible Personal Property		Total			
Public Utility					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Full Tax Rate Per \$1,000 of Assessed Value	Weighted Average Tax Rate
\$ 13,746,470	\$ 15,620,989	\$ 792,648,700	\$ 2,241,055,931	\$ 179.93	95.74
12,585,450	14,301,648	792,923,860	2,243,839,962	180.13	95.61
11,663,830	13,254,352	857,800,180	2,430,786,781	180.13	95.61
11,271,270	12,808,261	869,327,130	2,474,341,370	180.13	89.61
11,018,560	12,521,091	874,339,350	2,499,302,022	170.60	79.86
10,337,780	11,747,477	938,361,388	2,690,604,668	170.60	74.92
9,871,720	11,217,864	939,223,916	2,709,143,257	170.30	74.27
15,113,730	17,174,693	957,456,362	2,754,174,703	170.30	75.27
15,778,790	17,930,443	873,977,627	2,495,251,212	160.50	72.51
17,529,940	19,920,386	880,879,452	2,502,843,134	159.20	71.05



**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Property Tax Rates - Direct and Overlapping Governments*

*(per \$1,000 of assessed value)*

*Last Ten Years*

	2014	2013	2012	2011
<b>Unvoted Millage</b>				
Operating	\$ 4.100000	\$ 4.100000	\$ 4.100000	\$ 4.100000
<b>Voted Millage - by levy</b>				
All Prior to 1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	11.356927	11.334686	10.405171	10.296773
Commercial/Industrial	22.956754	22.637648	22.029873	21.735116
Tangible/Public Utility Personal	58.530000	58.530000	58.530000	58.530000
1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.963556	2.957748	2.715192	2.686908
Commercial/Industrial	5.071416	5.000916	4.866648	4.801536
Tangible/Public Utility Personal	12.000000	12.000000	12.000000	12.000000
1979 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	1.481778	1.478874	1.357596	1.343454
Commercial/Industrial	2.535708	2.500458	2.433324	2.400768
Tangible/Public Utility Personal	6.000000	6.000000	6.000000	6.000000
1981 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.454270	2.449467	2.248591	2.225165
Commercial/Industrial	3.259822	3.215147	3.128827	3.086967
Tangible/Public Utility Personal	6.500000	6.500000	6.500000	6.500000
1982 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	2.269194	2.264754	2.079030	2.057370
Commercial/Industrial	3.009750	2.967912	2.888226	2.849580
Tangible/Public Utility Personal	6.000000	6.000000	6.000000	6.000000
1983 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	3.788382	3.780964	3.470896	3.434737
Commercial/Industrial	5.080266	5.009646	4.875147	4.809922
Tangible/Public Utility Personal	8.800000	8.800000	8.800000	8.800000
1986 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	3.430515	3.423803	3.143025	3.110280
Commercial/Industrial	4.798058	4.731360	4.604333	4.542728
Tangible/Public Utility Personal	7.500000	7.500000	7.500000	7.500000

	2010	2009	2008	2007	2006	2005
	\$ 4.100000	\$ 4.100000	\$ 4.100000	\$ 4.100000	\$ 4.100000	\$ 4.100000
	10.281400	9.510423	9.474953	9.458097	10.483601	10.463467
	20.939300	20.472975	20.074093	19.841787	20.940688	20.105874
	58.530000	58.530000	58.530000	58.530000	58.530000	58.530000
	2.682900	2.481732	2.472480	2.468076	2.735676	2.730420
	4.625700	4.522704	4.434588	4.383276	4.626036	4.441620
	12.000000	12.000000	12.000000	12.000000	12.000000	12.000000
	1.341500	1.240866	1.236240	1.234038	1.367838	1.365210
	2.312900	2.261352	2.217294	2.191638	2.313018	2.220810
	6.000000	6.000000	6.000000	6.000000	6.000000	6.000000
	2.221800	2.055242	2.047585	2.043938	2.265556	2.261207
	2.973900	2.907710	2.851063	2.818075	2.974153	2.855593
	6.500000	6.500000	6.500000	6.500000	6.500000	6.500000
	2.054300	1.900260	1.893180	1.889814	2.094720	2.090694
	2.745300	2.684106	2.631816	2.601366	2.745438	2.635992
	6.000000	6.000000	6.000000	6.000000	6.000000	6.000000
	3.429600	3.172453	3.160634	3.155011	3.497094	3.490379
	4.633800	4.530610	4.442346	4.390945	4.634133	4.449394
	8.800000	8.800000	8.800000	8.800000	8.800000	8.800000
	3.105600	2.872770	2.862068	2.856975	3.166748	3.160665
	4.376400	4.278938	4.195575	4.147028	4.376708	4.202235
	7.500000	7.500000	7.500000	7.500000	7.500000	7.500000

(continued)

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Property Tax Rates - Direct and Overlapping Governments*

*(per \$1,000 of assessed value)*

*Last Ten Years*

	2014	2013	2012	2011
1989 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	5.667389	5.656295	5.192442	5.138346
Commercial/Industrial	7.624782	7.518795	7.316935	7.219043
Tangible/Public Utility Personal	9.800000	9.800000	9.800000	9.800000
1990 School Improvement Bonds (\$10,000,000)	0.000000	0.269789	0.246694	0.253336
1992 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	7.078677	7.064830	6.485464	6.417902
Commercial/Industrial	8.567336	8.448247	8.221426	8.111431
Tangible/Public Utility Personal	9.800000	9.800000	9.800000	9.800000
1995 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	6.838304	6.824924	6.265235	6.199968
Commercial/Industrial	8.214192	8.100013	7.882548	7.777087
Tangible/Public Utility Personal	8.700000	8.700000	8.700000	8.700000
1996 School Improvement Bonds (\$12,700,000)	1.036074	1.011067	0.988696	0.982822
2000 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	7.939889	7.924350	7.274500	7.198717
Commercial/Industrial	9.103731	8.977188	8.736172	8.619292
Tangible/Public Utility Personal	9.400000	9.400000	9.400000	9.400000
2003 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	9.158170	9.140246	8.390688	8.303280
Commercial/Industrial	9.600000	9.600000	9.600000	9.600000
Tangible/Public Utility Personal	9.600000	9.600000	9.600000	9.600000
2004 School Improvement Bonds (\$23,500,000)	2.363926	2.319144	2.364610	2.363842
2006 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	9.900000	9.900000	9.825780	9.723424
Commercial/Industrial	9.900000	9.900000	9.900000	9.900000
Tangible/Public Utility Personal	9.900000	9.900000	9.900000	9.900000
2010 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural	9.900000	9.900000	9.900000	9.900000
Commercial/Industrial	9.900000	9.900000	9.900000	9.900000
Tangible/Public Utility Personal	9.900000	9.900000	9.900000	9.900000
<b>Total Voted Millage by type of property</b>				
Residential/Agricultural	87.627051	87.700941	82.353610	81.636324
Commercial/Industrial	113.021815	112.107330	109.983459	108.953470
Tangible/Public Utility Personal	175.830000	176.030000	176.030000	176.030000

2010	2009	2008	2007	2006	2005
5.130700	4.745973	4.728294	4.719886	5.231642	5.221597
6.954700	6.799838	6.667361	6.590216	6.955217	6.677955
9.800000	9.800000	9.800000	9.800000	9.800000	9.800000
0.855177	0.713425	0.747118	0.779070	0.840387	0.874516
6.408300	5.927824	5.905745	5.895239	6.534444	6.521900
7.814500	7.640403	7.491561	7.404880	7.815000	7.503468
9.800000	9.800000	9.800000	9.800000	9.800000	9.800000
6.190700	5.726531	5.705199	5.695055	6.312546	6.300427
7.492400	7.325478	7.182764	7.099661	7.492875	7.194187
8.700000	8.700000	8.700000	8.700000	8.700000	8.700000
0.913267	0.777312	0.808272	1.052726	1.248007	1.274561
7.188000	6.649015	6.624246	6.612468	7.329434	7.315362
8.303700	8.118780	7.960616	7.868514	8.304308	7.973268
9.400000	9.400000	9.400000	9.400000	9.400000	9.400000
8.290900	7.669229	7.640659	7.626701	8.454058	8.437824
9.599300	9.385517	9.202675	9.096202	9.600000	9.289114
9.600000	9.600000	9.600000	9.600000	9.600000	9.600000
2.201556	2.479263	2.114610	1.838204	1.681606	0.320923
9.708900	8.980934	8.947481	8.931572	0.000000	0.000000
9.899300	9.678814	9.490259	9.380458	0.000000	0.000000
9.900000	9.900000	9.900000	9.900000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
72.004600	66.903252	66.368764	66.256870	63.243357	61.829152
96.641200	94.577225	92.512011	91.484046	86.547574	82.019510
166.500000	166.500000	166.200000	166.200000	156.400000	155.100000

(continued)

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Property Tax Rates - Direct and Overlapping Governments*

*(per \$1,000 of assessed value)*

*Last Ten Years*

	2014	2013	2012	2011
<b>Total Millage by type of property</b>				
Residential/Agricultural	91.727051	91.800941	86.453610	85.736324
Commercial/Industrial	117.121815	116.207330	114.083459	113.053470
Tangible/Public Utility Personal	179.930000	180.130000	180.130000	180.130000
<b>Total Weighted Average Tax Rate</b>	<u>95.743116</u>	<u>95.609226</u>	<u>90.323994</u>	<u>89.609195</u>
<b>Overlapping Rates by Taxing District</b>				
City of Shaker Heights Charter & Inside Millage	9.900000	9.900000	9.900000	9.900000
City of Cleveland Charter & Inside Millage	12.700000	12.700000	12.700000	12.700000
Shaker Heights Public Library Voted Millage				
Effective Millage Rates				
Residential/Agricultural	4.000000	4.000000	4.000000	4.000000
Commercial/Industrial	4.000000	4.000000	4.000000	4.000000
Tangible/Public Utility Personal	4.000000	4.000000	4.000000	4.000000
Cuyahoga County Voted Millage				
Effective Millage Rates				
Residential/Agricultural	17.263900	16.433492	16.303602	16.363076
Commercial/Industrial	17.129160	16.167194	15.913978	15.962230
Tangible/Public Utility Personal	17.280000	16.450000	16.450000	16.550000
Cleveland Metro Parks				
Effective Millage Rates				
Residential/Agricultural	2.750000	1.850000	1.818768	1.810600
Commercial/Industrial	2.704560	1.791705	1.735404	1.724300
Tangible/Public Utility Personal	2.750000	1.850000	1.850000	1.850000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented on S - 16 and S - 17 generated the property tax revenue received in that year.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

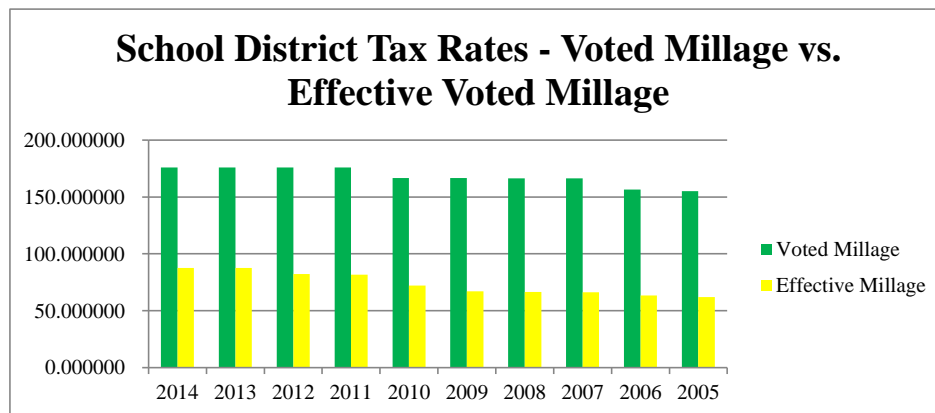
The City School District's basic property tax may be increased only by a majority vote of the City School District's residents.

Overlapping rates are those of local and county governments that apply to property owners within the School District.

Source: Ohio Department of Taxation.

**Note:** Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

2010	2009	2008	2007	2006	2005
76.104600	71.003252	70.468764	70.356870	67.343357	65.929152
100.741200	98.677225	96.612011	95.584046	90.647574	86.119510
170.600000	170.600000	170.300000	170.300000	160.500000	159.200000
79.864120	74.920000	74.270000	75.270000	72.510000	71.050000
9.900000	9.900000	9.900000	9.900000	9.900000	9.900000
12.700000	12.700000	12.700000	12.700000	12.700000	12.700000
4.000000	4.000000	3.183608	3.177948	3.522524	3.515760
4.000000	4.000000	3.834448	3.790084	4.000000	3.870464
4.000000	4.000000	4.000000	4.000000	4.000000	4.000000
15.878600	16.150600	14.355800	14.351600	14.172700	13.424600
15.533900	15.489300	15.121000	15.171600	15.281400	14.662400
16.250000	16.250000	16.350000	16.350000	16.450000	16.450000
1.806800	1.669800	1.672000	1.671500	1.846500	1.845700
1.724900	1.717100	1.712500	1.718700	1.850000	1.839700
1.850000	1.850000	1.850000	1.850000	1.850000	1.850000



**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Property Tax Levies and Collections*  
*Last Ten Collection Years*

<b>Collection Year (1)</b>	<b>Current Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Current Tax Collections to Current Tax Levy</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collection</b>	<b>Percent of Total Tax Collections to Current Tax Levy (2)</b>	<b>Outstanding Delinquent Taxes</b>	<b>Ratio of Delinquent Taxes to Current Tax Levy</b>
2014	\$ 75,793,048	\$ 71,269,220	94.03%	\$ 3,227,679	\$ 74,496,899	98.29%	\$ 7,072,895	9.33%
2013	76,227,182	71,419,872	93.69%	2,890,214	74,310,086	97.49%	10,798,880	14.17%
2012	77,587,212	72,488,048	93.43%	3,203,044	75,691,092	97.56%	9,675,933	12.47%
2011	77,995,834	72,449,988	92.89%	2,838,906	75,288,894	96.53%	9,500,248	12.18%
2010	70,060,762	65,437,178	93.40%	3,141,184	68,578,362	97.88%	9,976,749	14.24%
2009	70,182,682	65,751,724	93.69%	3,168,086	68,919,810	98.20%	8,703,272	12.40%
2008	70,633,574	66,607,428	94.30%	5,596,275	72,203,703	102.22%	5,949,390	8.42%
2007	71,622,535	66,645,731	93.05%	3,687,456	70,333,187	98.20%	13,982,682	19.52%
2006	70,402,802	59,713,108	84.82%	2,763,300	62,476,408	88.74%	6,529,128	9.27%
2005	68,357,014	58,502,023	85.58%	2,924,281	61,426,304	89.86%	6,005,534	8.79%

**Source:** Office of the Fiscal Officer, Cuyahoga County - Data is presented on a calendar year basis because that is the manner in which the information is provided

(1)Represents collection year.

(2)The County information does not provide the applicable year when a delinquency is collected. Thus the "total collections" represent the total collections for the year instead of total collections of a particular year. As a result "total collections as a percent of a total levy can exceed 100% in any particular year.



**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Principal Taxpayers - Real Property Taxes*  
2014 and 2005 (1)

<b>Name of Taxpayer</b>	<b>2014</b>	
	<b>Assessed Valuation</b>	<b>Percent of Real Assessed Value</b>
Shaker MZL LLC	\$ 3,411,460	0.44%
Tower East Operating Association	2,428,870	0.31%
Oliver Family Limited	2,348,290	0.30%
The Residences at Avalon Station	1,997,200	0.26%
Kirt Montlack, LTD	1,976,450	0.25%
Coral Shaker Square LLC	1,768,080	0.23%
Salzberg, Deborah SUC TR	1,309,810	0.17%
Shaker Plaza LTD	1,304,630	0.17%
Shaker Heights Country Club	1,225,010	0.16%
Gator Shaker Heights, LLC	1,102,500	0.14%
Total	<u>\$ 18,872,300</u>	<u>2.43%</u>

*Total Assessed Valuation*

\$ 778,902,230

<b>Name of Taxpayer</b>	<b>2005</b>	
	<b>Assessed Valuation</b>	<b>Percent of Real Assessed Value</b>
Coral Shaker Square LLC	\$ 4,975,340	0.58%
Tower Esat Operating Association	4,375,030	0.51%
Shaker Towne Center LLC	3,687,780	0.43%
OfficeMax Incorporated	2,295,480	0.27%
Oliver Family Limited	2,275,000	0.27%
Deborah Salzberg	1,913,800	0.22%
Cleveland Skating Club	1,356,270	0.16%
Kirt Montlack, LTD	1,287,090	0.15%
Ablon, Loretta Jeanne	1,252,880	0.15%
Sunrise Shaker Heights	1,239,320	0.15%
	<u>\$ 24,657,990</u>	<u>2.89%</u>

*Total Assessed Valuation*

\$ 852,475,400

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

(1) The amounts presented represent the assessed values upon which 2014 and 2005 collections were based.

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Principal Taxpayers - Public Utilities Tax*  
 2014 and 2005 (1)

<b>Name of Taxpayer</b>	<b>2014</b>	
	<b>Assessed Valuation</b>	<b>Percent of Real Assessed Value</b>
Cleveland Electric Illuminating Company	\$ 11,089,360	80.67%
East Ohio Gas Company	1,885,410	13.72%
American Transmission Systems, Inc.	771,700	5.61%
<b>Total</b>	<b>\$ 13,746,470</b>	<b>100.00%</b>
<i>Total Assessed Valuation</i>	<i>\$ 13,746,470</i>	
<b>Name of Taxpayer</b>	<b>2005</b>	
	<b>Assessed Valuation</b>	<b>Percent of Real Assessed Value</b>
Cleveland Electric Illuminating Company	\$ 6,952,810	39.66%
Ohio Bell Telephone Company	5,589,560	31.89%
East Ohio Gas Company	1,580,560	9.02%
American Transmission Systems, Inc.	691,250	3.94%
<b>Total</b>	<b>\$ 14,814,180</b>	<b>84.51%</b>
<i>Total Assessed Valuation</i>	<i>\$ 17,529,940</i>	

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

(1) The amounts presented represent the assessed values upon which 2014 and 2005 collections were based.

*Shaker Height City School District (Cuyahoga County, Ohio)*  
 Ratio of Net Bonded Debt to Personal Income and Debt per Capita  
 Last Ten Fiscal Years

<b>Net General Bonded Debt</b>									
Collection Year	Population (1)	Estimated Actual Value	Net General Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita	Notes	Total Debt	Personal Income (2)	Total Debt Per Capita
2014	27,935	\$ 2,241,055,931	\$ 20,203,564	0.90%	\$ 723	\$ 0	\$ 20,203,564	\$ 1,374,821,025	\$ 723
2013	28,039	2,243,839,962	22,797,039	1.02%	813	0	22,797,039	\$ 1,359,359,232	813
2012	28,366	2,430,786,781	19,911,521	0.82%	702	0	19,911,521	\$ 1,359,359,232	702
2011	28,448	2,474,341,370	22,010,774	0.89%	774	0	22,010,774	1,359,359,232	774
2010	29,405	2,499,302,022	23,256,208	0.93%	791	600,000	23,856,208	1,216,014,370	811
2009	29,405	2,690,604,668	25,439,703	0.95%	865	500,000	25,939,703	1,216,014,370	882
2008	29,405	2,709,143,257	22,800,324	0.84%	775	5,500,000	28,300,324	1,216,014,370	962
2007	29,405	2,754,174,702	25,568,925	0.93%	870	570,000	26,138,925	1,216,014,370	889
2006	29,405	2,495,251,212	19,333,502	0.77%	657	570,000	19,903,502	1,216,014,370	677
2005	29,405	2,502,843,134	21,246,073	0.85%	723	570,000	21,816,073	1,216,014,370	742

**Source:**

- (1) Estimate obtained from the United States Census Bureau website.  
 (2) Personal income can be found on S - 34.

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2014	2013	2012
Total Assessed Valuation (3)	\$ 778,902,230	\$ 780,338,410	\$ 846,136,350
Less Railroad and Telephone Property Valuation	0	0	0
Less General Business Tangible Personal Valuation	0	0	0
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	<u>\$ 778,902,230</u>	<u>\$ 780,338,410</u>	<u>\$ 846,136,350</u>
Debt Limit - 9% of Assessed Value (2)	<u>\$ 70,101,201</u>	<u>\$ 70,230,457</u>	<u>\$ 76,152,272</u>
Amount of Debt Outstanding			
General Obligation Bonds	23,397,172	25,604,657	22,465,533
Energy Conservation Improvement Bonds	0	0	0
Bus Acquisition Bond Anticipation Note	0	0	0
Bond Anticipation Note	0	0	0
Less: Amount Available in Debt Service	(3,193,608)	(2,807,618)	(2,554,012)
Total	<u>20,203,564</u>	<u>22,797,039</u>	<u>19,911,521</u>
Exemptions:			
Energy Conservation Improvement Bonds	0	0	0
Bus Acquisition Bond Anticipation Note	0	0	0
Amount of Debt Subject to Limit	<u>20,203,564</u>	<u>22,797,039</u>	<u>19,911,521</u>
Overall Debt Margin	<u>\$ 49,897,637</u>	<u>\$ 47,433,418</u>	<u>\$ 56,240,751</u>
Legal Debt Margin as a Percentage of Debt Limit	71.18%	67.54%	73.85%
Unvoted Legal Debt Limit - .10% of Assessed Value (1)	\$ 778,902	\$ 780,338	\$ 846,136
Amount of Debt Subject to Limit	0	0	0
Unvoted Debt Margin	<u>\$ 778,902</u>	<u>\$ 780,338</u>	<u>\$ 846,136</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Improvement Bonds:			
Debt Limit - 1% of Assessed Valuation	\$ 7,789,022	\$ 7,803,384	\$ 8,461,364
Energy Conservation Improvement Bonds	0	0	0
Additional Unvoted Debt Margin	<u>\$ 7,789,022</u>	<u>\$ 7,803,384</u>	<u>\$ 8,461,364</u>

**Source:** Cuyahoga County Fiscal Officer and School District Financial Records

- (1) The definition of tax valuation for the purpose of calculating the debt margin was modified by HB530, effective 3/30/06, to exclude tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.
- (2) Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.
- (3) Effective fiscal year 2012, the change due to HB 530 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.

2011	2010	2009	2008	2007	2006 (1)	2005
\$ 869,327,130	\$ 874,339,350	\$ 938,361,388	\$ 939,223,916	\$ 957,456,362	\$ 873,977,627	\$ 880,879,452
0	0	(2,390,110)	(3,206,440)	0	0	0
(756,680)	(1,533,160)	(2,081,828)	(3,243,846)	(5,428,020)	0	0
<u>\$ 868,570,450</u>	<u>\$ 872,806,190</u>	<u>\$ 933,889,450</u>	<u>\$ 932,773,630</u>	<u>\$ 952,028,342</u>	<u>\$ 873,977,627</u>	<u>\$ 880,879,452</u>
<u>\$ 78,171,341</u>	<u>\$ 78,552,557</u>	<u>\$ 84,050,051</u>	<u>\$ 83,949,627</u>	<u>\$ 85,682,551</u>	<u>\$ 78,657,986</u>	<u>\$ 79,279,151</u>
23,680,580	25,565,575	28,044,592	25,230,569	28,008,859	21,586,229	22,533,616
0	0	0	0	0	0	159,230
600,000	600,000	500,000	500,000	570,000	570,000	570,000
0	0	0	5,000,000	0	0	0
(2,269,806)	(2,309,367)	(2,604,889)	(2,430,245)	(2,439,934)	(2,252,727)	(1,446,773)
<u>22,010,774</u>	<u>23,856,208</u>	<u>25,939,703</u>	<u>28,300,324</u>	<u>26,138,925</u>	<u>19,903,502</u>	<u>21,816,073</u>
0	0	0	0	0	0	(159,230)
(600,000)	(600,000)	(500,000)	(500,000)	(570,000)	(570,000)	(570,000)
<u>21,410,774</u>	<u>23,256,208</u>	<u>25,439,703</u>	<u>27,800,324</u>	<u>25,568,925</u>	<u>19,333,502</u>	<u>21,086,843</u>
<u>\$ 56,760,567</u>	<u>\$ 55,296,349</u>	<u>\$ 58,610,348</u>	<u>\$ 56,149,303</u>	<u>\$ 60,113,626</u>	<u>\$ 59,324,484</u>	<u>\$ 58,192,308</u>
72.61%	70.39%	69.73%	66.88%	70.16%	75.42%	73.40%
\$ 868,570	\$ 872,806	\$ 933,889	\$ 932,774	\$ 952,028	\$ 873,978	\$ 880,879
0	0	0	0	0	0	(159,230)
<u>\$ 868,570</u>	<u>\$ 872,806</u>	<u>\$ 933,889</u>	<u>\$ 932,774</u>	<u>\$ 952,028</u>	<u>\$ 873,978</u>	<u>\$ 721,649</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	81.92%
\$ 8,693,271	\$ 8,743,394	\$ 9,383,614	\$ 9,392,239	\$ 9,574,564	\$ 8,739,776	\$ 8,808,795
0	0	0	0	0	0	(159,230)
<u>\$ 8,693,271</u>	<u>\$ 8,743,394</u>	<u>\$ 9,383,614</u>	<u>\$ 9,392,239</u>	<u>\$ 9,574,564</u>	<u>\$ 8,739,776</u>	<u>\$ 8,649,565</u>

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Computation of Direct & Overlapping General Obligation Bonded Debt*  
 June 30, 2014

	<u>Debt Outstanding</u>	<u>Percent Overlapping (1)</u>	<u>Amount Applicable to Shaker Heights City School District</u>
<b>Direct:</b>			
Shaker Heights City School District	\$ 20,203,564	100.00%	\$ 20,203,564
<b>Overlapping:</b>			
City of Shaker Heights	18,655,000	100.00%	18,655,000
City of Cleveland	282,550,000	0.88%	2,486,440
Regional Transit Authority	148,938,217	2.86%	4,259,633
Cuyahoga County	222,519,000	2.86%	6,364,043
Total Overlapping	<u>672,662,217</u>		<u>31,765,116</u>
Total Direct and Overlapping	<u>\$ 692,865,781</u>		<u>\$ 51,968,680</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 District by the total assessed valuation of the subdivision.

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*History of Bond Issues  
For the Years 1912 - 2014*

<u>Purpose of Issue</u>	<u>Election Date</u>	<u>Issue Date</u>	<u>Amount of Issue</u>
Erecting and furnishing school house	July 2, 1912	August 12, 1912	\$ 60,000
Purchasing site and erecting and furnishing school house thereon	N/A	May 17, 1917	100,000
Purchasing site and erecting and furnishing school house thereon and purchased real estate for playground	N/A	November 16, 1917	250,000
Completing building and purchasing site and erecting building	January 21, 1920	November 3, 1920	250,000
Erecting two schools	November 8, 1921	March 1, 1922	600,000
Moreland School and Shaker Boulevard addition	November 4, 1924	January 1, 1925	650,000
Fernway, Ludlow and High School addition	November 3, 1925	July 1, 1926	1,165,587
High School Site and Addition to Malvern	November 2, 1926	January 1, 1927	550,000
Lomond Boulevard and Furniture	November 8, 1927	April 1, 1929	500,000
Land for Lomond Junior High	November 6, 1928	January 1, 1929	78,375
Land and Furniture	November 6, 1928	July 15, 1929	75,183
High School Building	November 6, 1928	November 1, 1930	1,040,500
Furnishings High School	Unvoted	May 1, 1931	50,000
First Library Issue	November 6, 1945	April 1, 1950	150,000
Sussex Addition	November 5, 1946	January 1, 1947	200,000
Complete Sussex and Other Improvements	November 2, 1948	December 1, 1948	300,000
Second Library Issue	November 2, 1948	February 1, 1951	200,000
School Furnishings	November 2, 1948	February 1, 1951	25,000
Mercer, Senior High Music Wings, etc.	November 6, 1951	March 1, 1951	1,750,000
New Junior High, Additions to Lomond and Senior H	November 3, 1953	October 1, 1954	4,100,000
Byron Auditorium and Woodbury Gym	November 3, 1953	October 1, 1958	2,100,000
School Improvement	November 3, 1960	October 1, 1964	1,775,000
School Improvement	May 7, 1968	March 1, 1972	4,500,000
School Improvement	June 7, 1977	September 1, 1977	4,650,000
School Improvement	May 8, 1990	August 29, 1990	5,000,000
School Improvement	May 8, 1990	April 1, 1993	5,000,000
School Improvement	November 5, 1996	March 11, 1999	9,500,000
School Improvement	November 5, 1996	September 28, 2000	3,199,993
School Improvement	November 2, 2004	April 5, 2005	9,999,995
School Improvement	November 2, 2004	April 18, 2007	8,498,960
School Improvement	November 2, 2004	November 25, 2008	4,999,999
Stadium Improvements	Unvoted	October 30, 2012	830,000
Buses	Unvoted	October 30, 2012	1,000,000
Energy Conservation	Unvoted	October 30, 2012	2,340,000

**Source:** Shaker Heights City School District.

N/A - Not Available

**Note:** Excludes refunding bonds issued.

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Property Value, Financial Institution Deposits,  
and Value of Building Permits Issued  
Last Ten Years*

Year	Property Value (1) (Real Estate Only)	Financial Institution Deposits (000's) Banks	Value of Building Permits Issued (2)
2014	\$ 778,902,230	\$ 81,141,520	\$ 23,356,174
2013	780,338,410	78,170,736	18,209,737
2012	846,136,350	74,277,632	17,546,910
2011	857,299,180	57,887,646	18,513,543
2010	861,787,630	65,192,480	12,832,253
2009	925,941,780	168,829,043	13,570,377
2008	926,108,350	159,000,767	22,193,823
2007	933,671,870	161,139,482	12,992,828
2006	847,971,800	110,547,665	23,288,638
2005	852,475,400	105,769,931	26,855,317

**Source:** Ohio Bureau of Employment Service and Federal Reserve Bank of Cleveland.

- (1) Represents assessed value.
- (2) The decrease from fiscal year 2006 to fiscal year 2007 in the value of building permits was due to the fact that Sussex Courts and Shaker Towne Centre were completed in fiscal year 2006. In fiscal year 2008, the point-of-sale escrow program run by the City of Shaker Heights resulted in several millions of dollars of private investment in housing and also the Neighborhood Revitalization Department assisted 180 property owners with housing improvement projects through financial assistance and landlord programs. The decreases in the fiscal years 2009 and 2010 were the result of the downturn in the economy.



**Shaker Heights City School District (Cuyhoga County, Ohio)**

*Principal Employers*

2013 and 2005

<b>2013</b>			
Employer	Nature of Business or Activity	Number of FTE's	Number of W-2's
University Hospitals	Hospital administration	915	1,250
Shaker Heights City School District	Government entity	802	1,450
City of Shaker Heights	Government entity	397	502
Hathaway Brown School	School	193	427
Laurel School	School	190	376
University School (Shaker campus)	School	102	213
Center for Dialysis Care	Health care	81	143
Heinens	Supermarket	62	206
Equity Engineering Group	Engineering	60	85
Total		<u>2,802</u>	<u>4,652</u>
Total Employment within the School District		<u>n/a</u>	<u>n/a</u>

<b>2005</b>			
Employer	Nature of Business or Activity	Number of FTE's	Number of W-2's
Shaker Heights City School District	Government entity	818	n/a
City of Shaker Heights	Government entity	450	n/a
Hathaway Brown School	School	200	n/a
Laurel School	School	150	n/a
University School (Shaker campus)	School	98	n/a
Heinens	Supermarket	92	n/a
Total		<u>1,808</u>	<u>n/a</u>
Total Employment within the School District		<u>n/a</u>	<u>n/a</u>

**Source:** Employer survey

(n/a) Information not available.

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Demographic Statistics*

*Last Ten Years*

<u>Year</u>	<u>Cuyahoga County Population (1)</u>	<u>Shaker Heights City Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (1)</u>	<u>School Enrollment</u>	<u>Cuyahoga County Unemployment Rate (2)</u>
2014	1,263,154	27,935	\$ 1,374,821,025	\$ 49,215	5,343	7.9%
2013	1,280,122	28,448	1,359,359,232	47,784	5,423	8.0%
2012	1,280,122	28,448	1,359,359,232	47,784	5,446	8.0%
2011	1,280,122	28,448	1,359,359,232	47,784	5,490	8.6%
2010	1,363,888	29,405	1,216,014,370	41,354	5,484	9.7%
2009	1,363,888	29,405	1,216,014,370	41,354	5,542	10.2%
2008	1,363,888	29,405	1,216,014,370	41,354	5,482	7.4%
2007	1,363,888	29,405	1,216,014,370	41,354	5,577	6.3%
2006	1,363,888	29,405	1,216,014,370	41,354	5,628	9.6%
2005	1,363,888	29,405	1,216,014,370	41,354	5,734	6.6%

**Sources:**

Years 2011 - 2013 The 2010 Federal Census

Years 2005 - 2010 The 2000 Federal Census

(1) 2014 data from U. S. Census Bureau

(2) 2014 data from U. S. Department of Labor for June 2014

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**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Building Statistics by Function/Program*

*Last Ten Fiscal Years*

	2014	2013	2012	2011
<b>Boulevard Elementary School</b>				
Constructed in 1914				
Total Building Square Footage	48,000	48,000	48,000	48,000
Enrollment Grades K - 4	355	360	360	358
Student Capacity	544	544	544	544
Regular Instruction Classrooms	22	22	22	22
Special Instruction Classrooms	2	2	2	2
<b>Fernway Elementary School</b>				
Constructed in 1927				
Total Building Square Footage	29,925	29,925	29,925	29,925
Enrollment Grades K - 4	339	344	356	357
Student Capacity	366	366	366	366
Regular Instruction Classrooms	15	15	15	15
Special Instruction Classrooms	2	2	2	2
<b>Lomond Elementary School</b>				
Constructed in 1928				
Total Building Square Footage	65,075	65,075	65,075	65,075
Enrollment Grades K - 4	449	457	490	473
Student Capacity	620	620	620	620
Regular Instruction Classrooms	25	25	25	26
Special Instruction Classrooms	3	3	3	2
<b>Mercer Elementary School</b>				
Constructed in 1952				
Total Building Square Footage	70,640	70,640	70,640	70,640
Enrollment Grades K - 4	341	381	362	411
Student Capacity	590	590	590	590
Regular Instruction Classrooms	24	24	24	24
Special Instruction Classrooms	4	4	4	4
<b>Onaway Elementary School</b>				
Constructed in 1923				
Total Building Square Footage	63,700	63,700	63,700	63,700
Enrollment Grades K - 4	423	412	433	411
Student Capacity	606	606	606	606
Regular Instruction Classrooms	23	23	23	23
Special Instruction Classrooms	5	5	5	5
<b>Woodbury Elementary School</b>				
Constructed in 1918				
Total Building Square Footage	138,350	138,350	138,350	138,350
Enrollment Grades 5 - 6	821	823	850	855
Student Capacity	900	900	900	900
Regular Instruction Classrooms	41	41	41	41
Special Instruction Classrooms	8	8	8	8

2010	2009	2008	2007	2006	2005
48,000	48,000	48,000	48,000	48,000	48,000
352	339	340	360	393	424
544	544	544	544	544	544
22	22	22	22	21	21
2	2	2	2	3	3
29,925	29,925	29,925	29,925	29,925	29,925
357	342	333	324	313	312
366	366	366	366	366	366
15	15	15	15	16	17
2	2	2	2	1	0
65,075	65,075	65,075	65,075	65,075	65,075
502	497	512	526	518	538
620	620	620	620	620	620
26	26	26	26	25	25
2	2	2	2	3	3
70,640	70,640	70,640	70,640	70,640	70,640
424	425	432	411	411	432
590	590	590	590	590	590
24	24	24	24	25	25
4	4	4	4	3	3
63,700	63,700	63,700	63,700	63,700	63,700
427	424	414	418	360	370
606	606	606	606	606	606
23	23	23	23	24	24
5	5	5	5	4	4
138,350	138,350	138,350	138,350	138,350	138,350
827	843	785	816	833	834
900	900	900	900	900	900
41	42	42	42	43	43
8	7	7	7	6	6

(continued)

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Building Statistics by Function/Program*

*Last Ten Fiscal Years*

	2014	2013	2012	2011
<b>Shaker Heights Middle School</b>				
Constructed in 1957				
Total Building Square Footage	133,400	133,400	133,400	133,400
Enrollment - Grades 7 - 8	860	868	850	873
Student Capacity	1,000	1,000	1,000	1,000
Regular Instruction Classrooms	26	26	26	26
Special Instruction Classrooms	7	7	7	7
<b>Shaker Heights High School</b>				
Constructed in 1930				
Total Building Square Footage	314,400	314,400	314,400	314,400
Enrollment - Grades 9 - 12	1,755	1,778	1,745	1,752
Student Capacity	2,000	2,000	2,000	2,000
Regular Instruction Classrooms	49	51	50	52
Special Instruction Classrooms	11	9	10	8
<b>Sussex Pre-School (1)</b>				
Constructed in 1922				
Total Building Square Footage	0	0	0	0
Enrollment - Grades Pre - K	0	0	0	0
Student Capacity	0	0	0	0

(1) School District leased only one classroom from Shaker Family Center, the lease was terminated 6/30/06.

**Source:** School District Records.

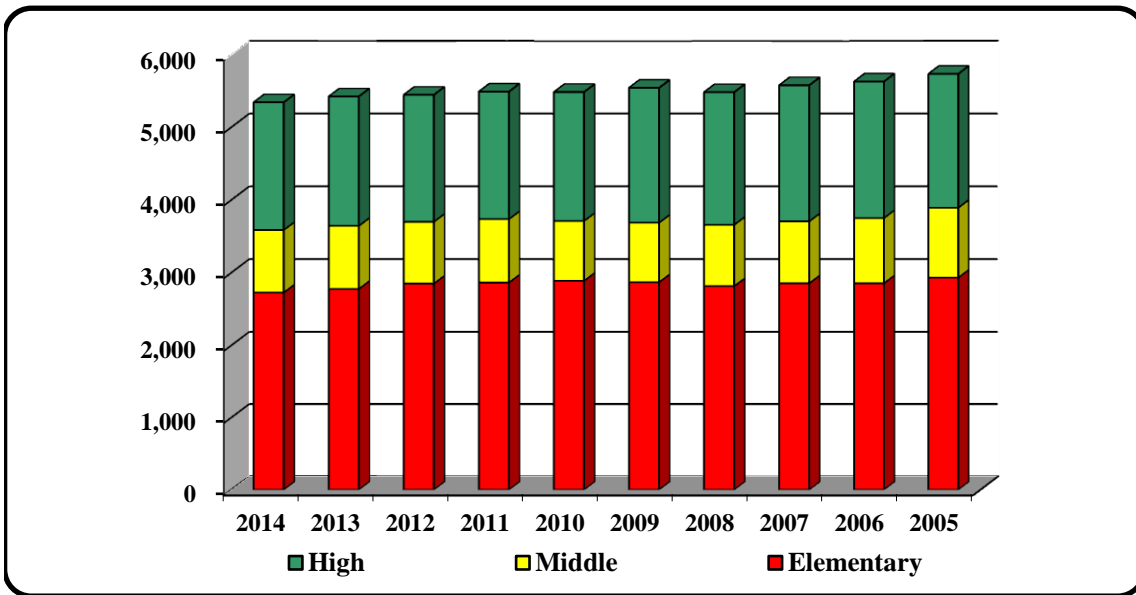
2010	2009	2008	2007	2006	2005
133,400	133,400	133,400	133,400	133,400	133,400
823	818	843	852	900	964
1,000	1,000	1,000	1,000	1,000	1,000
26	27	27	27	27	27
7	6	6	6	6	6
314,400	314,400	314,400	304,400	304,400	304,400
1,772	1,854	1,823	1,870	1,876	1,838
2,000	2,000	2,000	2,000	2,000	2,000
52	52	52	52	52	52
8	8	8	8	8	8
0	0	0	0	33,000	33,000
0	0	0	0	24	22
0	0	0	0	30	30

**Shaker Heights City School District (Cuyahoga County, Ohio)**

*Enrollment Statistics*

*Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle School	High School	Total
2014	2,728	860	1,755	5,343
2013	2,777	868	1,778	5,423
2012	2,851	850	1,745	5,446
2011	2,865	873	1,752	5,490
2010	2,889	823	1,772	5,484
2009	2,870	818	1,854	5,542
2008	2,816	843	1,823	5,482
2007	2,855	852	1,870	5,577
2006	2,855	897	1,876	5,628
2005	2,932	962	1,840	5,734



**Source:** School District Records.

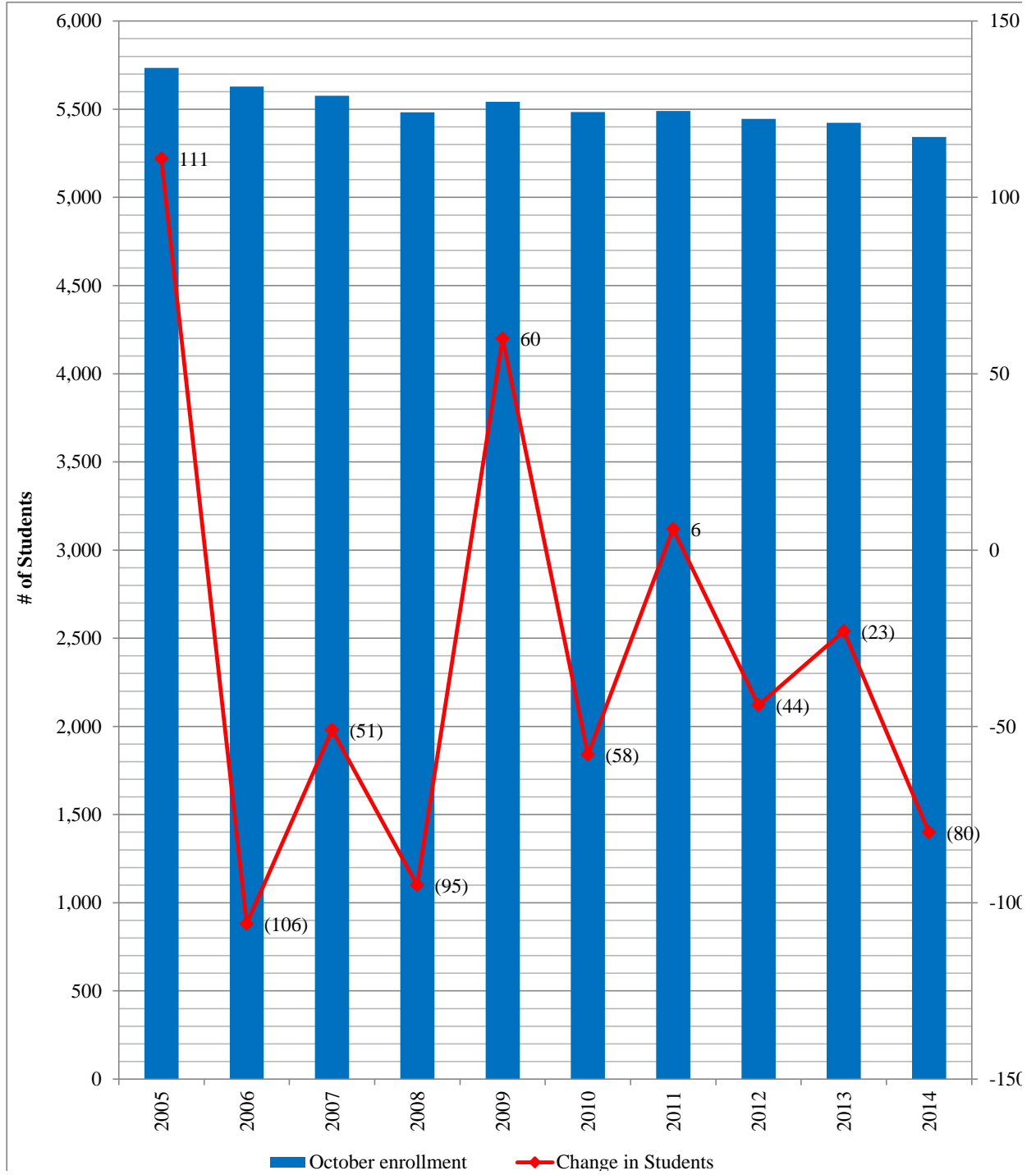


Shaker Heights City School District (Cuyahoga County, Ohio)

Enrollment Summary  
Last Ten Fiscal Years

October Enrollment

Change in Students



**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Public, Community School, Private and Total School Enrollment by School Year*  
*Fiscal Years 1979 to 2014*

Fiscal Year	Total Public Enrollment (1)	Total Community School Enrollment (2)	Total Private Enrollment (3)	Total Enrollment	Private and Community School as a Percent of Total
2014	5,343	103	951	6,397	16.5%
2013	5,423	94	997	6,514	16.7%
2012	5,446	102	992	6,540	16.7%
2011	5,490	78	989	6,557	16.3%
2010	5,484	60	1,100	6,644	17.5%
2009	5,542	41	1,159	6,742	17.8%
2008	5,482	46	1,180	6,708	18.3%
2007	5,577	56	1,174	6,807	18.1%
2006	5,628	55	1,130	6,813	17.4%
2005	5,734	76	1,123	6,933	17.3%
2004	5,623	46	956	6,625	15.1%
2003	5,608	21	897	6,526	14.1%
2002	5,619	9	1,104	6,732	16.5%
2001	5,625	n/a	1,088	6,713	16.2%
2000	5,714	n/a	1,079	6,793	15.9%
1999	5,640	n/a	1,017	6,657	15.3%
1998	5,592	n/a	983	6,575	15.0%
1997	5,634	n/a	1,071	6,705	16.0%
1996	5,485	n/a	1,065	6,550	16.3%
1995	5,371	n/a	964	6,335	15.2%
1994	5,081	n/a	911	5,992	15.2%
1993	4,959	n/a	869	5,828	14.9%
1992	4,933	n/a	873	5,806	15.0%
1991	4,874	n/a	846	5,720	14.8%
1990	4,887	n/a	916	5,803	15.8%
1989	4,830	n/a	964	5,794	16.6%
1988	4,869	n/a	1,009	5,878	17.2%
1987	5,013	n/a	996	6,009	16.6%
1986	5,125	n/a	1,047	6,172	17.0%
1985	5,187	n/a	1,160	6,347	18.3%
1984	5,294	n/a	1,200	6,494	18.5%
1983	5,490	n/a	1,216	6,706	18.1%
1982	5,759	n/a	1,249	7,008	17.8%
1981	5,951	n/a	1,236	7,187	17.2%
1980	6,049	n/a	1,355	7,404	18.3%
1979	6,156	n/a	1,375	7,531	18.3%

**Source:** Shaker Heights City School District Records

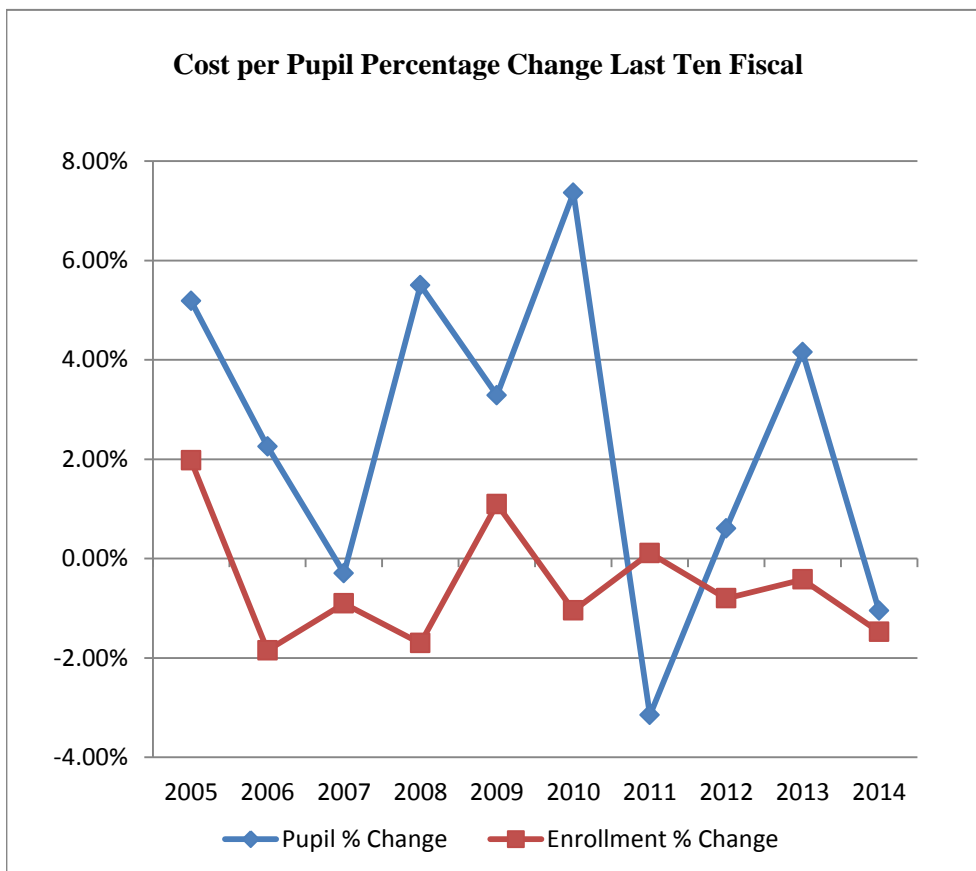
- (1) Figures for fiscal year 1979 through 1982 are based on Shaker Heights City School District Racial Ethnic Reports. Figures for 1983 through 2014 are based on first full week of Shaker Heights City School District October enrollment report.
- (2) FTE pupils attending Community Schools from State of Ohio Community School Deduction Summary report for respective year, with 2002 as the first year of record.
- (3) Estimated from State of Ohio District Enrollment by Nonpublic Schools Report and/or telephone and mail survey of private and parochial schools.

n/a - Information not available

**Shaker Heights City School District**

*Per Pupil Cost  
Last Ten Fiscal Years*

Year	General Fund Expenditures	Average Daily Student Enrollment	Per Pupil Cost
2014	\$ 87,416,531	5,343	\$ 16,361
2013	89,667,713	5,423	16,535
2012	86,457,215	5,446	15,875
2011	86,633,665	5,490	15,780
2010	89,355,922	5,484	16,294
2009	84,112,470	5,542	15,177
2008	80,555,178	5,482	14,694
2007	77,679,215	5,577	13,928
2006	78,621,894	5,628	13,970
2005	78,336,642	5,734	13,662



**Source:** School District Records.

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

<b>Function/Program</b>	2014	2013	2012
<b>Regular Instruction</b>			
Elementary Classroom Teachers	148.7	148.0	151.2
Middle School Classroom Teachers	58.7	61.5	60.5
High School Classroom Teachers	115.4	113.2	110.8
<b>Special Instruction</b>			
Preschool Teachers	3.0	3.0	3.0
Elementary Classroom Teachers	21.5	23.5	22.8
Gifted Education Teachers	8.0	8.0	8.0
Middle School Classroom Teachers	7.6	7.6	6.9
High School Classroom Teachers	16.6	11.3	9.8
Special Ed Teachers - Stimulus	0.0	0.0	0.0
<b>Vocational Instruction</b>			
High School Classroom Teachers	0.0	0.0	0.0
<b>Pupil Support Services</b>			
Teacher Aides	100.8	94.1	86.8
Tutors	33.2	31.7	33.0
Tutors - Stimulus	0.0	0.0	0.0
Guidance Counselors	11.0	11.4	10.8
Librarians and Library Technicians	8.0	8.0	7.6
Psychologists	9.4	9.4	9.4
Psychologists - Stimulus	0.0	0.0	0.0
Speech & Language Pathologists	5.6	5.6	5.6
Speech & Language Pathologists - Stimulus	0.0	0.0	0.0
Nurse	8.4	8.3	8.2
Other Professional	0.8	0.8	0.8
<b>Administrators</b>			
Elementary	9.0	9.0	9.0
Middle School	3.0	3.0	3.0
High School	5.0	5.0	5.0
Districtwide (Certificated & Classified)	15.0	16.0	16.0
<b>Operation of Plant</b>			
Custodians	55.0	58.0	58.0
Maintenance and Groundskeeping	14.0	14.0	14.0
<b>Pupil Transportation</b>			
Bus Drivers	29.8	29.8	28.3
Mechanics	3.0	3.0	3.0
<b>Food Service Program (1)</b>			
Elementary Cooks	0.0	0.0	0.0
Middle School Cooks	0.0	0.0	0.0
High School Cooks	0.0	0.0	0.0
<b>Other</b>			
Supervisor/Administrator classification	33.6	33.8	31.0
OAPSE	54.0	54.0	53.8
Security	19.8	20.4	20.4
Data Processing	4.0	4.0	4.0
Total Employees	801.9	795.4	780.7

**Method:** Using 1.0 for each full-time employee and 0.1 for each part time and seasonal employee.  
The count is performed on September 1 of each year.

(1) Effective July 1, 2010, the School District outsourced their Food Service Department.

\* Increase due to reclassification of employee status effective in Fiscal 2008.

**Source:** School District Records.

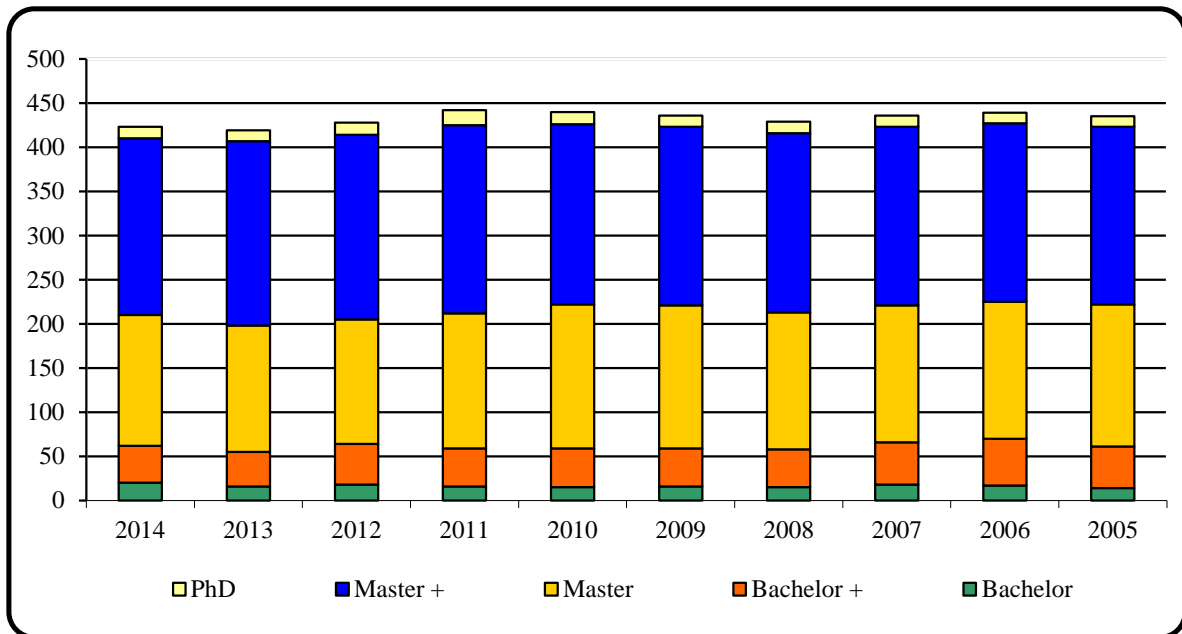
2011	2010	2009	2008	2007	2006	2005
158.1	158.4	158.0	159.4	152.0	156.0	162.1
60.5	61.4	61.1	58.0	58.8	62.7	62.7
114.5	124.3	124.4	122.3	116.5	128.4	128.4
3.0	3.0	3.0	3.0	3.0	2.0	2.0
21.2	21.5	22.0	21.2	22.2	21.0	18.0
8.0	8.0	8.0	8.0	8.0	8.0	8.0
6.7	6.6	7.3	10.1	9.6	8.2	6.2
9.8	9.4	9.0	8.8	9.4	6.4	6.4
1.7	1.7	0.0	0.0	0.0	0.0	0.0
0.0	1.0	1.0	1.0	1.0	1.0	1.0
83.8	86.9	79.4	71.6	66.0	61.5	58.2
25.9	30.5	30.9	33.9	37.7	47.6	51.6
6.9	6.1	0.0	0.0	0.0	0.0	0.0
10.8	10.5	10.5	11.0	11.0	10.0	11.0
8.0	9.4	10.4	9.4	9.0	9.0	9.4
8.8	8.8	9.0	8.0	8.8	6.4	6.4
1.0	1.0	0.0	0.0	0.0	0.0	0.0
5.0	6.0	6.0	6.0	6.0	6.4	6.4
0.6	0.6	0.0	0.0	0.0	0.0	0.0
8.4	8.4	8.4	8.4	8.4	7.2	7.2
1.8	1.8	1.4	1.4	5.0	3.5	3.0
9.0	9.0	9.0	9.0	9.0	9.0	9.0
3.0	3.0	3.0	3.0	3.0	4.0	4.0
5.0	5.0	5.0	6.0	6.0	6.0	6.0
15.0	15.0	15.0	15.0	16.0	16.0	16.0
58.0	59.0	59.0	58.6	59.6	68.0	65.0
14.0	15.0	15.0	14.0	14.0	19.0	19.0
28.3	28.9	28.6	28.9	27.5	28.5	36.0
3.0	3.0	3.0	4.0	4.0	4.0	5.0
0.0	12.3	10.3	12.3	9.9	8.1	4.7
0.0	4.9	4.2	5.2	4.9	5.0	4.0
0.0	6.7	7.1	4.8	4.8	6.1	4.4
32.0	33.0	32.4	30.4	29.4	30.4	30.4
53.8	53.1	54.5	53.9	53.9	52.9	53.8
20.4	19.6	19.4	17.4	8.0	8.0	8.0
4.0	4.0	4.0	3.0	4.0	5.0	5.0
<u>790.0</u>	<u>836.8</u>	<u>819.3</u>	<u>807.0</u>	<u>786.4</u>	<u>815.3</u>	<u>818.3</u>

**Shaker Heights City School District (Cuyahoga County, Ohio)**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Ten Fiscal Years*

Degree	2014	2013	2012	2011
Bachelor	20	16	15	18
Bachelor +15	42	39	40	46
Master	148	143	137	141
Master +15	96	99	99	98
Master +30	36	41	36	36
Master +45	68	69	75	75
PhD	13	12	13	14
<b>Total</b>	<b>423</b>	<b>419</b>	<b>415</b>	<b>428</b>

Years of Experience	2014	2013	2012	2011
0 - 5	63	55	53	54
6 - 10	68	72	72	75
11 and Over	292	292	290	299
<b>Total</b>	<b>423</b>	<b>419</b>	<b>415</b>	<b>428</b>



**Source:** School District Records.

2010	2009	2008	2007	2006	2005
16	15	16	15	18	17
43	44	43	43	48	53
153	163	162	155	155	155
95	89	87	88	88	91
40	43	48	48	48	46
78	72	67	67	66	65
17	14	13	13	13	12
<u>442</u>	<u>440</u>	<u>436</u>	<u>429</u>	<u>436</u>	<u>439</u>
100	90	86	84	106	123
94	92	100	96	90	80
248	258	250	249	240	236
<u>442</u>	<u>440</u>	<u>436</u>	<u>429</u>	<u>436</u>	<u>439</u>

**Shaker Heights City School (Cuyahoga County, Ohio)**

*College Admissions for All Students*

*Last Ten School Years*

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<u>Class</u>	<u>Percent of Four - Year</u>	<u>Percent of Two - Year</u>	<u>Total Percent</u>
2014	68	11	79
2013	65	15	80
2012	65	26	91
2011	78	14	92
2010	65	15	80
2009	73	14	87
2008	75	10	85
2007	88	2	90
2006	87	2	89
2005	88	2	90

**Source:** School District Records

**Note:** In 2008, the data collection procedure for college admission was modified which affects the validity of comparisons of new data with past years. The percentage of seniors admitted to a four-year college was 75 percent and the percentage of those admitted to two-year colleges was 10 percent. This set of numbers deviates from past years, possibly because of data collection changes and/or because of changes in the economy that affect students' decisions whether to apply and, if so, where.



**Shaker Heights City School (Cuyahoga County, Ohio)**

*National Merit and National Achievement Recognition*

*Last Ten School Years*

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<u>Class</u>	<u>National Merit (all students)</u>	<u>National Achievement (African-American students only)</u>	<u>National Hispanic Scholars</u>	<u>Percent of Shaker Seniors Honored</u>	<u>Percent of United States Seniors Honored</u>
2014	26	4	2	8 %	1 %
2013	31	2	3	8 %	1 %
2012	36	3	3	10 %	1 %
2011	24	4	2	8 %	2 %
2010	36	6	0	11 %	2 %
2009	33	6	2	11 %	2 %
2008	36	5	1	11 %	2 %
2007	37	5	1	11 %	2 %
2006	37	4	1	11 %	2 %
2005	34	6	2	11 %	2 %

**Source:** School District Records