

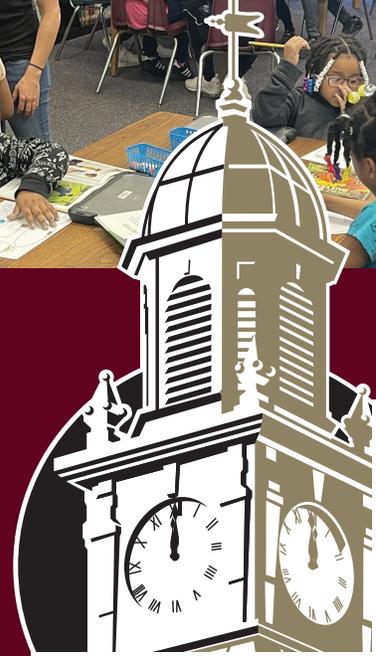


ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



CLEVELAND UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT
UNIVERSITY HEIGHTS, OHIO



Cleveland Heights-University Heights City School District

Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

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**Cleveland Heights-University Heights
City School District, University Heights, Ohio**

**Annual Comprehensive
Financial Report for the
Year Ended June 30, 2022**

**Issued by: Finance Department
A. Scott Gainer, Chief Financial Officer**

Cleveland Heights-University Heights City School District

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For the Fiscal Year Ended June 30, 2022

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Cleveland Heights-University Heights City School District

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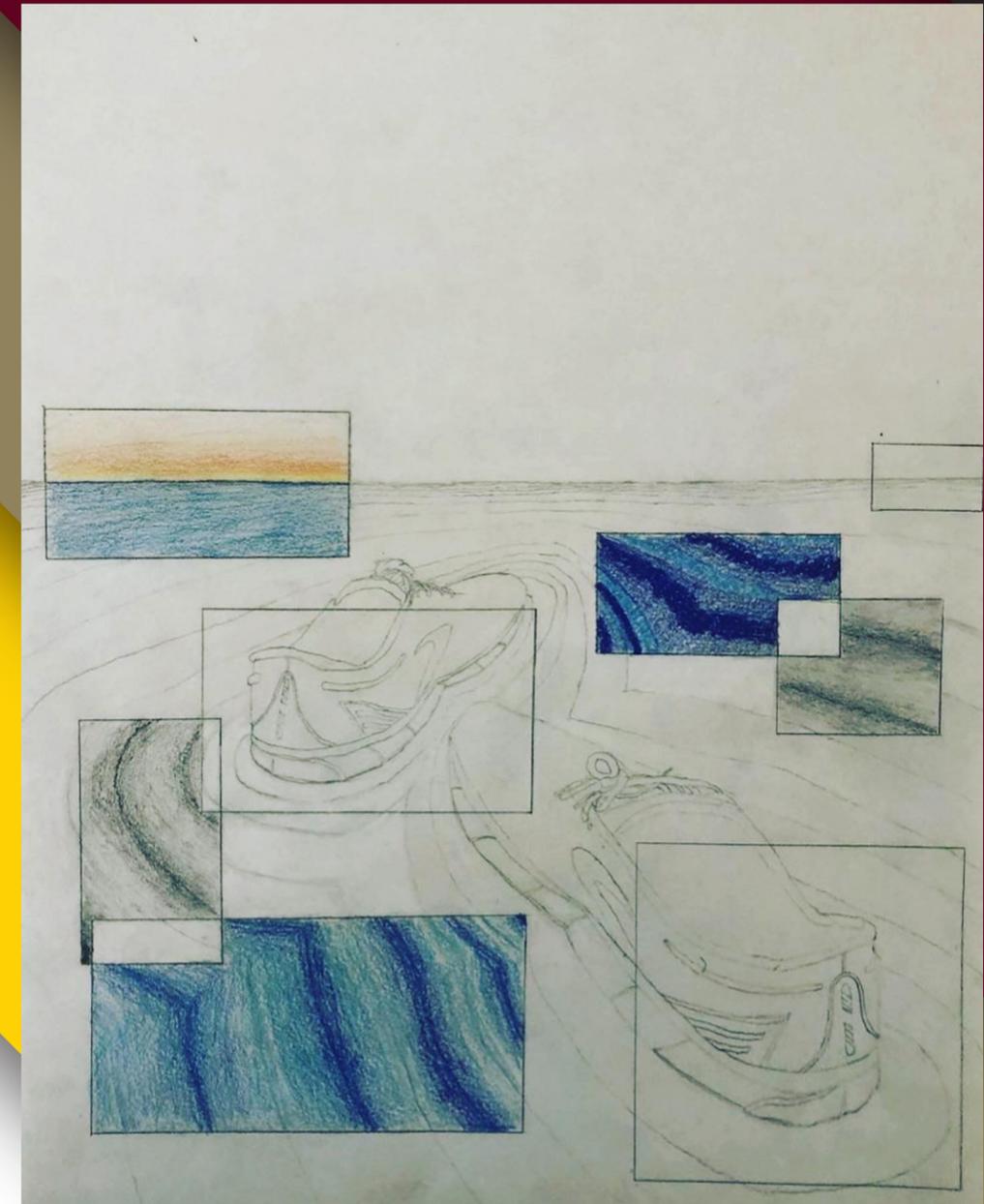
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Cleveland Heights-University Heights City School District

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INTRODUCTORY SECTION



Gabe Manela
 Gr 11 Cleveland Heights High



A. Scott Gainer
Chief Financial Officer

December 23, 2022

Members of the Board of Education and Residents of the
Cleveland Heights-University Heights City School District

Dear Board Members and Residents:

Ohio law (Ohio Administrative Code Section 117-2-03(B)) requires that all school districts file annual unaudited financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within 150 days of the close of each fiscal year unless an extension is received. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

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 the District 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.

The Auditor of State of Ohio, Keith Faber, has issued an unmodified (“clean”) opinion on the Cleveland Heights-University Heights City School District’s financial statements for the year ended June 30, 2022. The Independent Auditor’s Report is located at the front of 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.

Profile of the School District

The Cleveland Heights-University Heights City School District is one of 613 school districts in the State of Ohio and one of 31 school districts in Cuyahoga County. The District provides education to 4,841 students in grades kindergarten through twelve. Additionally, the District provides preschool and adult education services. The District covers approximately 9.6 square miles, serving the cities of Cleveland Heights, University Heights and a small portion of South Euclid, and is located approximately ten miles southeast of downtown Cleveland.

Highlights of the history of the Cleveland Heights-University Heights City School District are as follows:

- 1901 East Cleveland Township School Board formed (included the hamlet of Cleveland Heights)
- 1902 Passed issue to build Lee Road School
- 1903 Cleveland Heights became a village
- 1904 District renamed Cleveland Heights School District
- 1905 Expansion of Lee Road School
- 1906 Roxboro Elementary School built
- 1907 First graduation at Heights High
- 1916 Fairfax Elementary School built
- 1916 New high school built on Lee Road site
- 1919 Coventry Elementary School built
- 1922 Noble Elementary School built
- 1923 Taylor Elementary School built
- 1924 Boulevard Elementary School built
- 1925 Oxford Elementary School built
- 1926 New high school at Cedar and Lee Roads built
- 1926 Roosevelt Junior High School built
- 1926 Roxboro Junior High School built
- 1927 Canterbury Elementary School built
- 1929 Superior Opportunity School built
- 1930 Monticello Junior High School built
- 1942 District became Cleveland Heights-University Heights City School District
- 1948 Northwood Elementary School built
- 1949 Belvoir Elementary School built
- 1953 Millikin Elementary School built
- 1954 Wiley Junior High School built

- 1964 Board Administration Building opened
- 1972 Bond issue to construct new Coventry, Boulevard, Fairfax, and Taylor school buildings
- 1987 Northwood Elementary School sold
- 1993 Belvoir School renamed Lauree P. Gearity Elementary School
- 2008 Coventry Elementary School closed
- 2013 Wiley Middle School closed
- 2017 High School reopened after renovation

Local Economy

The District serves approximately 45,000 residents of the City of Cleveland Heights and approximately 14,000 residents of the City of University Heights, both inner-ring suburbs of the City of Cleveland. Both communities are primarily residential in nature, with a diverse base of residents. The proximity and easy access of the cities to major cultural, educational, and medical facilities in northeast Ohio typically contributes to climbing property values, a key indicator of a community’s economic health and stability where the primary “industry” is housing, although both communities have experienced a significant number of home foreclosures.

State funding of schools continues to change with each biennial budget. In the current biennial budget, the state implemented a new school funding model to be phased in over 6 years. The District successfully passed a 6.9 mill operating levy in November, 2011 and a 5.5 mill operating levy in November, 2016, and a 4.8 mill operating levy in November, 2020.

Economic Condition and Outlook

The cities of Cleveland Heights and University Heights are primarily residential. It is expected that tax collections will remain relatively constant for the foreseeable future. Student enrollment for the 2013 school year was 4,923. Enrollment for the 2022 school year was 4,767. Student enrollment is expected to be relatively constant over the next five years. As noted previously, the state implemented a new school funding model to be phased in over 6 years that will result in additional funding to the district assuming it is maintained in the subsequent two biennial state budgets. Additionally, vouchers that were previously deducted from school district funding are now paid directly by the state to private schools.

Long-Term Financial Planning

Financial Highlights - Internal Service Fund - The only internal service fund carried on the financial records of the District is related to the self-insurance fund. This fund accounts for the revenues and expenses related to the provision of medical programs. The internal service funds had a net position of \$6,048,774 at June 30, 2022 compared with a net position of \$6,101,431 at June 30, 2021. The District is meeting its claim liability.

The District has 23 governmental funds with an approved budget.

The most recent District five-year forecast indicates a positive cash balance through June 30, 2026. The District is continuing to pursue various cost-containment and cost-savings strategies. The District entered into the Expedited Local Partnership Program with the Ohio School Facilities Commission to have a complete evaluation of facilities done in an effort to streamline operations and enhance delivery of instruction and successfully passed a bond issue in November of 2013.

As indicated previously, the District also successfully passed a 6.9 mill operating levy in November 2011 a 5.5 mill operating levy in November 2016, and a 4.8 mill operating levy in November 2020.

Relevant Financial Policies

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services prescribed by State and/or 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 Chief Financial Officer. A complete organizational chart is included in this Introductory Section.

In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. Excluded from the reporting entity, because they are fiscally independent of the District, are the City of Cleveland Heights, the City of University Heights, the Parent-teacher Organization, and the parochial and private schools operating within the boundaries of the District.

The District is associated with two organizations, the Ohio Schools’ Council and the Cleveland Heights-University Heights Public Library. The Ohio Schools’ Council is a jointly governed organization whose relationship to the District is described in Note 16 to the accompanying financial statements. The Cleveland Heights-University Heights Public Library is a related organization and is described in Note 20 to the accompanying financial statements.

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

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

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

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By statute, permanent appropriations must be adopted upon receipt from the County Fiscal Officer of an amended certificate of estimated resources based on final assessed values and tax rates. The District adopts the permanent appropriation measure in September.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Fiscal Officer must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates. All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the site administrator or central office administrator and be certified by the Treasurer; necessary funds are then encumbered and purchase orders released to the vendors. Those requests, which exceed the available appropriations, are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. On-line inquiry of account balances is available to all budget managers. As an additional safeguard, all employees are covered by a blanket bond and certain individuals in policy making roles are covered by a separate higher limit bond.

The District has a comprehensive cash management program, which consists of expediting receipt of revenues and prudently depositing and investing available cash balances. The available cash of the District's individual funds is combined into a single cash pool and invested according to cash flow projections. The District invests in Money Markets, Negotiable Certificates of Deposit, Government Securities, and STAR Ohio, an investment pool operated by the Treasurer of the State of Ohio. Interest earned on investments is distributed in accordance with Board of Education authorization.

The basis of accounting and the various funds utilized by the District are fully described in Note 1 to the financial statements. Additional information on the District's budgetary accounting can also be found in Notes 1 and 3.

Major Initiatives

The District continues progress on the master facilities plan. The high school was reopened for the 2017-2018 school year. The two middle schools were renovated and reopened for the 2019-2020 school year. The District also recently began a five-year strategic plan refresh, with five goals in the areas of 1) student outcomes, 2) educational approach, 3) parent & community engagement/partnerships/communication, 4) valued professionals & culture of excellence, and 5) operational resources – finances/technology/facilities.

The Board and administration continue to be committed to ongoing fiscal responsibility and accountability, continuing to pursue various cost-containment and cost-savings strategies.

Awards and Acknowledgements

Awards

The District was awarded the Government Finance Officers Association in the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its annual financial report for the fiscal year ended June 30, 2021.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The District has determined that it will apply for the Certificate of Achievement for Excellence in Financial Reporting for its annual financial report for the fiscal year June 30, 2022.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Association of School Business Officials International also awarded a Certificate of Excellence in Financial Reporting to the District for its Annual Financial Report for the year ended June 30, 2021. The Association's Panel of Review judged that the District's report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program. This certificate is awarded upon recommendation of the Association's Panel of Review and is valid for a period of one year only.

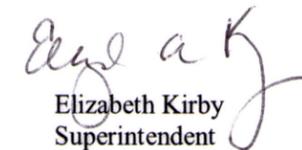
Acknowledgements

The publication of the Annual Comprehensive Financial Report enhances the District's accountability to the citizens of the 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 District staff members. Our appreciation is also expressed to the firm of Ciuni & Panichi, Inc. for their assistance in preparing this financial report.

Respectfully submitted,



A. Scott Gainer
Chief Financial Officer



Elizabeth Kirby
Superintendent



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

**Cleveland Heights-University Heights
City School District**

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



William A. Sutter
President

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Cleveland Heights-University Heights
City School District, Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO

PRINCIPAL OFFICIALS

As of June 30, 2022

CHIEF FINANCIAL OFFICER

Mr. A. Scott Gainer

SUPERINTENDENT

Ms. Elizabeth Kirby

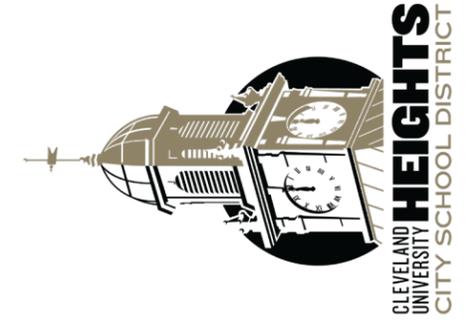
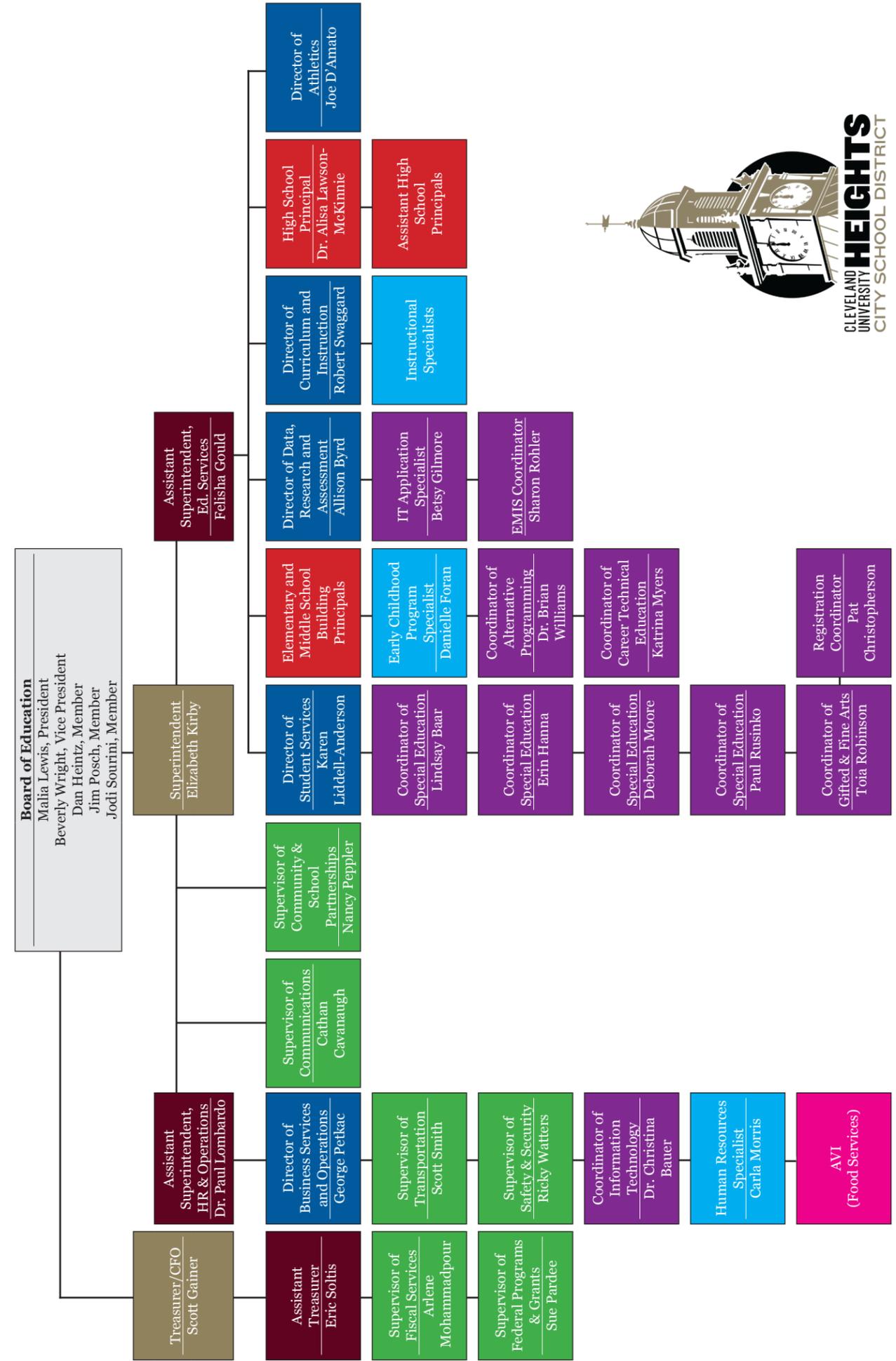
BOARD OF EDUCATION

- Ms. Malia Lewis, President
- Ms. Beverly Wright, Vice President
- Mr. Dan Heintz, Member
- Mr. James Posch, Member
- Ms. Jodi Sourini, Member



Cesar Appling
Gr 1 Gearity Profession Development School

Cleveland Heights-University Heights City School District Central Office Organizational Chart • 2021-2022





INDEPENDENT AUDITOR'S REPORT

Cleveland Heights-University Heights City School District
Cuyahoga County
2155 Miramar Boulevard
University Heights, Ohio 44118

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the major fund, and the aggregate remaining fund information of the Cleveland Heights-University Heights City School District, Cuyahoga County, Ohio as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 23 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.



CLEVELAND UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary information

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

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

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will also issue our report dated December 23, 2022, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.



Keith Faber
Auditor of State
Columbus, Ohio

December 23, 2022

FINANCIAL SECTION



Ian Messig
Gr 10 Cleveland Heights High

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited)

For the Fiscal Year Ended June 30, 2022

Our discussion and analysis of the Cleveland Heights-University Heights City School District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the transmittal letter, notes to the basic financial statements and the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2022 are as follows:

- The District implemented Governmental Accounting Standards Board (GASB) Statement No. 87 *Leases*. GASB Statement 87 establishes new requirements for lease accounting. See Note 2 for additional information.
- In total, net position increased \$32,381,783. Net position of governmental activities increased \$30,220,238 from 2021. Net position of business-type activities increased \$2,161,545 from 2021.
- For governmental activities, general revenues accounted for \$132,425,912, or 93% of all revenues. Program specific revenues in the form of charges for services and grants accounted for \$9,963,080 of total revenues of \$142,388,992.
- The District had \$112,167,563 in expenses related to governmental activities; only \$9,963,080 of these expenses was offset by program specific charges for services and grants. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$132,425,912 were able to provide for these programs resulting in an increase of net position from \$(61,175,915) to \$(30,955,677).
- The District had \$1,732,935 in expenses related to business-type activities; a total of \$3,893,289 was offset by program specific charges for services and grants, which were able to provide for these programs, resulting in an increase of net position from \$929,631 to \$3,091,176.
- The District's major governmental funds is the General Fund. The General Fund had \$111,852,277 in revenues and other financing sources and \$94,085,237 in expenditures and other financing uses. The General Fund balance increased \$17,767,040, from \$14,319,510 to \$32,086,550.

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Using this Annual Financial Report

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

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

Reporting the School District as a Whole

The Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors. In the Statement of Net Position and the Statement of Activities, the District reports governmental activities. Governmental activities are the activities where most of the District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page 13. The governmental fund financial statements begin on page 24 and provide detailed information about the major governmental funds and nonmajor governmental funds – not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the financial statements. The District's major governmental fund is the General Fund.

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Governmental Funds

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

Proprietary Funds

Proprietary funds use the accrual basis of accounting, the same as on the government-wide statements; therefore, the statements will essentially match the business-type activities portion of the government-wide statements.

Fiduciary Funds

The District's fiduciary activities are reported in separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The District's fiduciary activities account for collections and disbursements for the Ohio High School Athletic Association, which is reported in a custodial fund. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations. Statements are not presented, as the fund had no activity in the current fiscal year.

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for 2022 and 2021, as previously reported.

	Net Position			
	Governmental Activities 2022	Business-Type Activities 2022	Governmental Activities 2021	Business-Type Activities 2021
Assets:				
Current and other assets	\$ 168,411,703	\$ 3,019,826	\$ 145,810,523	\$ 1,813,079
Capital assets, net	<u>174,819,694</u>	<u>356,706</u>	<u>175,695,403</u>	<u>301,416</u>
Total assets	<u>343,231,397</u>	<u>3,376,532</u>	<u>321,505,926</u>	<u>2,114,495</u>
Deferred outflows of resources:				
Loss on refunding	13,031,917	-	7,797,343	-
Asset retirement obligation	24,116	-	24,000	-
Pension	24,114,166	-	20,910,483	8,529
OPEB	<u>2,444,338</u>	<u>-</u>	<u>3,075,413</u>	<u>4,332</u>
Total deferred outflows of resources	<u>39,614,537</u>	<u>-</u>	<u>31,807,239</u>	<u>12,861</u>
Liabilities:				
Current liabilities	16,242,764	285,356	14,441,156	317,889
Long-term liabilities:				
Due within one year	4,282,375	-	2,765,614	551
Due in more than one year	172,600,260	-	169,405,489	-
Net pension liability	63,621,498	-	125,430,946	62,920
Net OPEB liability	<u>7,663,925</u>	<u>-</u>	<u>9,222,471</u>	<u>20,334</u>
Total liabilities	<u>264,410,822</u>	<u>285,356</u>	<u>321,265,676</u>	<u>401,694</u>
Deferred inflows of resources:				
Property taxes	77,640,283	-	74,873,654	-
Payments in lieu of taxes	215,478	-	328,347	-
Pension	55,874,092	-	3,653,164	403,913
OPEB	15,303,467	-	14,368,239	392,118
Leases	<u>357,469</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>149,390,789</u>	<u>-</u>	<u>93,223,404</u>	<u>796,031</u>
Net position:				
Net investment in capital assets	22,072,438	319,470	23,947,703	279,381
Restricted	10,486,696	-	11,140,457	-
Unrestricted (deficit)	<u>(63,514,811)</u>	<u>2,771,706</u>	<u>(96,264,075)</u>	<u>650,250</u>
Total net position (deficit)	\$ <u>(30,955,677)</u>	\$ <u>3,091,176</u>	\$ <u>(61,175,915)</u>	\$ <u>929,631</u>

The District follows Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27* and GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to pensions and other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and State law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2022, the District's liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources by \$27,864,501. During fiscal year 2022, the District's net position increased \$32,381,783. The main reason for the deficit net position is a result of the District recording the activity related to GASB 68 and GASB 75. As of June 30, 2022, there is no expectation that the District will be required to increase pension or OPEB funding to cover the net pension or OPEB liabilities.

Total assets increased primarily due to an increase in cash and cash equivalents as revenues outpaced expenditures. Total deferred outflows increased primarily due to an increase in loss on refunding as a result of the refunding of School Improvement Bonds, Series 2014 in the current year. Total liabilities decreased due to a decrease in STRS net pension liability. Total deferred inflows increased primarily due to an increase in deferred inflows related to STRS pension.

Fluctuations in net pension/OPEB liability/asset for the District are due to changes in the retirement systems unfunded liabilities that are passed through to the District's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and net pension/OPEB liability/asset and are described in more detail in their respective notes.

Net investment in capital assets for governmental activities reported on the government-wide statements was \$22,072,438 for fiscal year 2022. Capital assets include land, construction in progress, buildings and improvements, furniture, fixtures and equipment and vehicles, and are used to provide services to students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's governmental activities net position, \$10,486,696, represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted governmental activities net position, \$10,048,724 is restricted for capital projects, and \$437,972 is restricted for other purposes. The remaining balance of governmental activities net position \$(63,514,811) is an unrestricted amount available to meet the District's ongoing obligations to students and staff. The negative net position is the result of the net pension/OPEB liabilities.

Cleveland Heights-University Heights City School District

Management’s Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

	Changes in Net Position			
	Governmental	Business-Type	Governmental	Business-Type
	Activities 2022	Activities 2022	Activities 2021	Activities 2021
Revenues:				
Program revenues:				
Charges for services	\$ 3,749,187	\$ 131,698	\$ 1,746,060	\$ 100,275
Operating grants	6,213,893	3,761,591	9,943,030	3,279,321
Total program revenues	<u>9,963,080</u>	<u>3,893,289</u>	<u>11,689,090</u>	<u>3,379,596</u>
General revenues:				
Property taxes	97,720,030	-	90,193,616	-
Grants and entitlements	33,459,542	-	33,574,521	-
Investment earnings	(85,598)	-	60,559	-
Miscellaneous	1,331,938	-	2,939,450	218
Total general revenues	<u>132,425,912</u>	<u>-</u>	<u>126,768,146</u>	<u>218</u>
Total revenues	<u>142,388,992</u>	<u>3,893,289</u>	<u>138,457,236</u>	<u>3,379,814</u>
Program expenses:				
Instruction:				
Regular	36,339,780	-	39,259,869	-
Special	17,596,677	-	24,869,224	-
Vocational	1,596,514	-	2,206,214	-
Other	2,505,742	-	14,496,660	-
Adult/continuing	-	-	294	-
Support services:				
Pupil	7,326,541	-	7,764,918	-
Instructional staff	4,430,621	-	4,314,831	-
Board of education	763,759	-	851,193	-
Administration	6,311,989	-	6,677,556	-
Fiscal	3,275,601	-	3,036,965	-
Business	1,256,396	-	1,215,741	-
Operation and maintenance of plant	15,630,485	-	17,033,474	-
Pupil transportation	4,048,902	-	2,959,364	-
Central	3,314,088	-	3,715,374	-
Food service operations	5,988	-	5,339	-
Community services	1,776,631	-	4,116,137	-
Other non-instructional services	-	-	-	-
Extracurricular activities	1,303,899	-	1,373,018	-
Interest and fiscal charges	4,683,950	-	6,747,558	-
Food services	-	1,728,153	-	1,693,177
Uniform school supplies	-	985	-	1,927
Customer services	-	3,797	-	111
Total program expenses	<u>112,167,563</u>	<u>1,732,935</u>	<u>140,643,729</u>	<u>1,695,215</u>
Change in net position before transfers	30,221,429	2,160,354	(2,186,493)	1,684,599
Transfers	(1,191)	1,191	-	-
Change in net position	30,220,238	2,161,545	(2,186,493)	1,684,599
Net position at beginning of year	(61,175,915)	929,631	(58,989,422)	(754,968)
Net position at end of year	<u>\$ (30,955,677)</u>	<u>\$ 3,091,176</u>	<u>\$ (61,175,915)</u>	<u>\$ 929,631</u>

Cleveland Heights-University Heights City School District

Management’s Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Effects of GASB 68 and GASB 75

In accordance with GASB 68 and GASB 75, the District’s statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan’s *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Under GASB 68, pension expense represents additional amounts earned based on a proportionate share of the net pension liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 68, the pension expense for 2022 is \$(4,385,644), while in 2021 pension expense was \$11,522,335. The District was required to contribute \$8,864,863 and \$8,568,050 during 2022 and 2021, respectively.

Under GASB 75, OPEB expense represents additional amounts earned based on a proportionate share of the net OPEB liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 75, the OPEB expense for 2022 is \$(1,146,721), while in 2021 OPEB expense was \$(1,048,739). The District was required to contribute \$199,917 and \$168,011 during 2022 and 2021, respectively.

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value was increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service. Property taxes made up 69% of total governmental activities revenues for the District in fiscal year 2022.

Charges for services increases were offset by decreases in operating grants and contributions due to changes in State funding. Instruction and support services comprise 93% of governmental program expenses. The operation of non-instructional services and interest expense make up the remaining 7% of governmental program expenses. Interest expense was attributable to the outstanding bonds and other borrowings for capital projects. Overall, governmental program expenses decreased approximately \$28 million, which was mainly due to a decrease in total pension expense of \$16 million.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2022 and 2021. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Cleveland Heights-University Heights City School District

Management’s Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Governmental Activities				
	Total Cost of Services 2022	Net Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2021
Program expenses:				
Instruction	\$ 58,038,713	\$ 49,241,408	\$ 80,832,261	\$ 73,534,761
Support services	46,358,382	46,025,995	47,569,416	45,984,736
Food service operations	5,988	5,988	5,339	5,339
Community services	1,776,631	1,033,575	4,116,137	1,353,412
Extracurricular activities	1,303,899	1,213,567	1,373,018	1,328,833
Interest and fiscal charges	<u>4,683,950</u>	<u>4,683,950</u>	<u>6,747,558</u>	<u>6,747,558</u>
Total program expenses	\$ <u>112,167,563</u>	\$ <u>102,204,483</u>	\$ <u>140,643,729</u>	\$ <u>128,954,639</u>

The dependence upon tax revenues during fiscal year 2022 for governmental activities is apparent.

Business-Type Activities

Business-type activities include food service operation, uniform school supplies, and customer services. These programs had revenues and other sources of \$3,894,480 and expenses of \$1,732,935 for fiscal year 2022. This resulted in an increase to net position for the fiscal year of \$2,161,545. This increase was primarily driven by an increase in intergovernmental grants as the District received more funding from the State.

The School District’s Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, unassigned fund balance may serve as useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current year, the District’s governmental funds reported combined ending fund balances of \$40,591,688, an increase of \$16,135,322 in comparison with the prior year. Of this total amount, \$26,375,728, constitutes unassigned fund balance, which is available for spending at the government’s discretion. The remainder of the fund balance is not available for new spending because it is restricted by external parties, \$9,666,914; has already been assigned or committed, \$4,148,277; or is in a nonspendable form, \$400,769.

Cleveland Heights-University Heights City School District

Management’s Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

The General Fund is the chief operating fund of the District. The District’s General Fund balance increased by \$17,767,040 in fiscal year 2022 primarily due to a decrease in expenditures. As part of the amended substitute house bill 110 the State made changes in how foundation funding was being distributed. One of the biggest changes was to move funding to where students were being educated instead of where they resided. As a result, this caused significant changes in fiscal year 2022 revenues and expenditures. As the District would no longer be responsible for the purchased services associated with the deduction and transfer of funds for students at other educating entities.

<u>Revenues</u>	2022 <u>Amount</u>	2021 <u>Amount</u>	Percentage <u>Change</u>
Taxes	\$ 86,858,055	\$ 80,001,448	9%
(Loss) earnings on investments	(99,539)	60,434	(295)%
Intergovernmental	20,341,709	31,799,972	(36)%
Other revenue and financing sources	<u>4,752,052</u>	<u>6,039,140</u>	(21)%
Total	\$ <u>111,852,277</u>	\$ <u>117,900,994</u>	

Intergovernmental decreased due to changes in foundation funding as noted above. Earnings on investments decreased due to changes in market values due to rising interest rates.

The table that follows assists in illustrating the expenses of the General Fund.

<u>Expenditures by Function</u>	2022 <u>Amount</u>	2021 <u>Amount</u>	Percentage <u>Change</u>
Instruction	\$ 57,223,173	\$ 76,411,195	(25)%
Support services	35,548,822	37,083,183	(4)%
Other non-instructional services	18,226	19,236	(5)%
Extracurricular activities	1,022,171	981,055	4%
Debt service	32,362	97,963	(67)%
Transfers - out	<u>240,483</u>	<u>250,500</u>	(4)%
Total	\$ <u>94,085,237</u>	\$ <u>114,843,132</u>	

Overall, expenses in the General Fund are down 18% from 2021. The main factors resulting in this fluctuation is a decrease in instruction during 2022 as purchased services decreased due to changes in foundation funding.

The fund balance of the other governmental funds decreased from \$10,136,856 to \$8,505,138 during the year ended June 30, 2022. The largest expense is for operations and maintenance of plant as the District had several projects during the year. These projects include multiple roof and masonry repairs, HVAC controls upgrades, baseball field renovations and the bus depot project.

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Other factors concerning the finances of these funds have already been addressed in the discussion of the District's business-type activities.

General Fund Budget Information

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2022, the District amended its budget to reflect the fluctuations of actual revenues received/collected. The District uses a modified site-based budgeting technique, which is designed to tightly control site budgets but provide flexibility for site management.

The District's General Fund budget was prepared and approved at the fund level for fiscal year 2022. For the General Fund, original and final budgeted revenues and other financing sources were \$117,265,000. Actual revenues and other financing sources for fiscal year 2022 were \$111,572,982. Actual differed from the final budget mainly due to lower than anticipated collection of intergovernmental revenues. General Fund original and final appropriations and other financing uses were \$122,205,062. The actual expenditures and other financing uses for fiscal year 2022 totaled \$97,466,247, which was \$24,738,815 less than the final budget appropriations. Actual differed from final budget due to lower costs associated with instruction expenditures.

Capital Assets

The District had \$175,176,400 invested in capital assets net of depreciation, with \$174,819,694 attributed to government activities. Net acquisition for governmental activities totaled \$4,768,637 and depreciation was \$5,644,346. The majority of the additions were for construction in progress related to building renovations and improvements. Detailed information regarding capital asset activities is included in the notes to the basic financial statements (Note 9).

Debt

At June 30, 2022, the District has \$151,465,333 in outstanding long-term bond debt and of this amount \$1,710,000 is due within one year. The District paid \$1,346,785 in principal on bonds outstanding. In addition, the District refunded \$67.54 million of the 2014 Series School Improvement Bonds by issuing \$66.69 million in 2021 Series School Improvement Bonds during the year ended June 30, 2022. The District also has \$17,623,003 of certificates of participation outstanding at June 30, 2022 and none of this amount is due within one year. The District refunded \$17.58 million of the 2014 series certificates of participation outstanding by issuing \$14.67 million of 2021 series certificates of participation during the year ended June 30, 2022. Detailed information regarding long-term debt activity and other obligations is included in the notes to the basic financial statements (Notes 14).

Cleveland Heights-University Heights City School District

Management's Discussion & Analysis (Unaudited) (continued)

For the Fiscal Year Ended June 30, 2022

Economic Factors

The Board of Education and the administration closely monitor District revenues and expenditures in accordance with its financial forecast. The financial future of the District is not without its challenges. These challenges stem from issues that are local and at the state level. At the local level, the taxpayers must approve additional levies to pay for unfunded mandates as well as continue the programs residents have come to expect as normal operations. At the state level, a new school funding plan was implemented in the current biennial budget but will be phased in over 6 years and is contingent upon being supported in the subsequent two state biennial budgets.

The District is dependent on local taxpayers. The District passed a 6.9 mill operating levy in 2011, a 5.5 mill operating levy in 2016, and a 4.8 mill operating levy in 2020. The Board of Education and administration of the District continue to exercise careful financial planning and prudent fiscal management in order to preserve the financial stability of the District, including closing an elementary school at the end of fiscal year 2007 as well as closing a middle school at the end of fiscal year 2013. The District continues to streamline operations and annually identifies potential budget reductions and opportunities to operate efficiently and effectively.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. A. Scott Gainer, Chief Financial Officer, Cleveland Heights - University Heights City School District by calling (216) 371-7171.



Antonia Casucci
Gr 10 Cleveland Heights High

BASIC FINANCIAL STATEMENTS



Alex Fisher
Gr 11 Cleveland Heights High

Cleveland Heights-University Heights City School District

Statement of Net Position

June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Equity in pooled cash and investments	\$ 51,903,192	\$ 2,883,742	\$ 54,786,934
Accounts receivable	78,570	-	78,570
Prepaid items	144,114	45	144,159
Intergovernmental receivable	1,158,388	107,947	1,266,335
Materials and supplies inventory	256,655	8,398	265,053
Inventory held for resale	-	19,694	19,694
Taxes receivable	106,538,606	-	106,538,606
Lease receivable	348,082	-	348,082
Net OPEB asset	7,984,096	-	7,984,096
Nondepreciable capital assets	5,002,773	96,299	5,099,072
Depreciable capital assets, net	169,816,921	260,407	170,077,328
Total assets	<u>343,231,397</u>	<u>3,376,532</u>	<u>346,607,929</u>
Deferred outflows of resources:			
Deferred loss on refunding	13,031,917	-	13,031,917
Asset retirement obligation	24,116	-	24,116
Pension	24,114,166	-	24,114,166
OPEB	2,444,338	-	2,444,338
Total deferred outflows of resources	<u>39,614,537</u>	<u>-</u>	<u>39,614,537</u>
Liabilities:			
Accounts payable	3,928,762	285,293	4,214,055
Accrued wages and benefits	7,734,673	-	7,734,673
Matured compensated absences	290,334	-	290,334
Intergovernmental payable	1,516,000	63	1,516,063
Accrued interest payable	408,495	-	408,495
Claims payable	2,364,500	-	2,364,500
Long-term liabilities:			
Due within one year	4,282,375	-	4,282,375
Due in more than one year:			
Net pension liability	63,621,498	-	63,621,498
Net OPEB liability	7,663,925	-	7,663,925
Other amounts due in more than one year	172,600,260	-	172,600,260
Total liabilities	<u>264,410,822</u>	<u>285,356</u>	<u>264,696,178</u>

Continued

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Net Position (continued)

June 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Deferred inflows of resources:			
Property taxes	77,640,283	-	77,640,283
Payments in lieu of taxes	215,478	-	215,478
Pension	55,874,092	-	55,874,092
OPEB	15,303,467	-	15,303,467
Leases	357,469	-	357,469
Total deferred inflows of resources	<u>149,390,789</u>	<u>-</u>	<u>149,390,789</u>
Net position:			
Net investment in capital assets	22,072,438	319,470	22,391,908
Restricted for:			
Capital projects	10,048,724	-	10,048,724
State programs	244,084	-	244,084
Other	193,888	-	193,888
Unrestricted (deficit)	<u>(63,514,811)</u>	<u>2,771,706</u>	<u>(60,743,105)</u>
Total net position (deficit)	<u>\$ (30,955,677)</u>	<u>\$ 3,091,176</u>	<u>\$ (27,864,501)</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Activities

For the Fiscal Year Ended June 30, 2022

	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
	Charges for Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
Instruction:						
Regular	\$ 36,339,780	\$ 1,467,299	\$ 957,211	\$ (33,915,270)	\$ -	\$ (33,915,270)
Special	17,596,677	2,041,076	3,987,208	(11,568,393)	-	(11,568,393)
Vocational	1,596,514	19,543	324,968	(1,252,003)	-	(1,252,003)
Other	2,505,742	-	-	(2,505,742)	-	(2,505,742)
Support services:						
Pupil	7,326,541	-	199,280	(7,127,261)	-	(7,127,261)
Instructional staff	4,430,621	-	2,170	(4,428,451)	-	(4,428,451)
Board of education	763,759	-	-	(763,759)	-	(763,759)
Administration	6,311,989	95,986	-	(6,216,003)	-	(6,216,003)
Fiscal	3,275,601	-	-	(3,275,601)	-	(3,275,601)
Business	1,256,396	-	-	(1,256,396)	-	(1,256,396)
Operations and maintenance of plant	15,630,485	-	-	(15,630,485)	-	(15,630,485)
Pupil transportation	4,048,902	34,951	-	(4,013,951)	-	(4,013,951)
Central	3,314,088	-	-	(3,314,088)	-	(3,314,088)
Operation of non-instructional services:						
Food service operations	5,988	-	-	(5,988)	-	(5,988)
Community services	1,776,631	-	743,056	(1,033,575)	-	(1,033,575)
Extracurricular activities	1,303,899	90,332	-	(1,213,567)	-	(1,213,567)
Interest and fiscal charges	4,683,950	-	-	(4,683,950)	-	(4,683,950)
Total governmental activities	<u>112,167,563</u>	<u>3,749,187</u>	<u>6,213,893</u>	<u>(102,204,483)</u>	<u>-</u>	<u>(102,204,483)</u>
Business-type activities:						
Food services	1,728,153	125,256	3,761,591	-	2,158,694	2,158,694
Uniform school supplies	985	6,442	-	-	5,457	5,457
Customer services	3,797	-	-	-	(3,797)	(3,797)
Total business-type activities	<u>1,732,935</u>	<u>131,698</u>	<u>3,761,591</u>	<u>-</u>	<u>2,160,354</u>	<u>2,160,354</u>
Totals	<u>\$ 113,900,498</u>	<u>\$ 3,880,885</u>	<u>\$ 9,975,484</u>	<u>(102,204,483)</u>	<u>2,160,354</u>	<u>(100,044,129)</u>
General revenues:						
Property taxes levied for:						
General purposes				88,366,146	-	88,366,146
Debt service				5,974,549	-	5,974,549
Capital projects				3,379,335	-	3,379,335
Grant and entitlements not restricted to specific programs				33,459,542	-	33,459,542
(Loss) earnings on investments				(85,598)	-	(85,598)
Miscellaneous				1,331,938	-	1,331,938
Total general revenues				<u>132,425,912</u>	<u>-</u>	<u>132,425,912</u>
Transfers				(1,191)	1,191	-
Total general revenues and transfers				<u>132,424,721</u>	<u>1,191</u>	<u>132,425,912</u>
Change in net position				30,220,238	2,161,545	32,381,783
Net position (deficit) at beginning of year				(61,175,915)	929,631	(60,246,284)
Net position (deficit) at end of year				<u>\$ (30,955,677)</u>	<u>\$ 3,091,176</u>	<u>\$ (27,864,501)</u>

The accompanying notes are an integral part of these financial statements

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Balance Sheet – Governmental Funds

June 30, 2022

	General	Non-major Governmental Funds	Total Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 32,827,380	\$ 10,661,016	\$ 43,488,396
Accounts receivable	78,570	-	78,570
Intergovernmental receivable	508,867	649,521	1,158,388
Interfund receivable	825,178	-	825,178
Materials and supplies inventory	256,655	-	256,655
Prepaid items	144,114	-	144,114
Taxes receivable	96,020,175	10,518,431	106,538,606
Lease receivable	348,082	-	348,082
Total assets	\$ 131,009,021	\$ 21,828,968	\$ 152,837,989
Liabilities, deferred inflows of resources and fund balances:			
Liabilities:			
Accounts payable	\$ 1,733,165	\$ 2,195,597	\$ 3,928,762
Accrued wages and benefits	7,096,403	636,748	7,733,151
Interfund payable	-	825,178	825,178
Matured compensated absences	290,334	-	290,334
Intergovernmental payable	1,419,894	96,106	1,516,000
Total liabilities	10,539,796	3,753,629	14,293,425
Deferred inflows of resources:			
Property taxes	69,776,766	7,863,517	77,640,283
Payments in lieu of taxes	215,478	-	215,478
Unavailable revenue	18,032,962	1,706,684	19,739,646
Leases	357,469	-	357,469
Total deferred inflows of resources	88,382,675	9,570,201	97,952,876
Fund balances:			
Nonspendable	400,769	-	400,769
Restricted	-	9,666,914	9,666,914
Committed	419,779	-	419,779
Assigned	3,728,498	-	3,728,498
Unassigned (deficit)	27,537,504	(1,161,776)	26,375,728
Total fund balances	32,086,550	8,505,138	40,591,688
Total liabilities, deferred inflows of resources and fund balances	\$ 131,009,021	\$ 21,828,968	\$ 152,837,989

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

June 30, 2022

Total governmental funds balances	\$	40,591,688
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
		174,819,694
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows of resources in the funds.		
Property and other taxes	\$	19,648,101
Intergovernmental		68,224
Investment earnings		23,321
Total		19,739,646
Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
		6,048,774
In the government-wide financial statements, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due.		
		(408,495)
The net pension liability and net OPEB liability/asset are not due in the current period; therefore, the liability/asset and related deferred inflows/outflows are not reported in governmental funds:		
Net OPEB asset		7,984,096
Deferred outflows – pension		24,114,166
Deferred inflows – pension		(55,874,092)
Net pension liability		(63,621,498)
Deferred outflows – OPEB		2,444,338
Deferred inflows – OPEB		(15,303,467)
Net OPEB liability		(7,663,925)
Total		(107,920,382)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.		
Library improvement refunding bonds		(2,635,000)
Certificates of participation		(14,660,000)
General obligation school improvement bonds		(131,412,443)
CABs		(2,375,431)
Deferred charge on refunding		13,031,917
Unamortized charges – premium		(18,005,462)
Asset retirement obligation		(19,732)
Financed purchase		(54,930)
Early retirement incentive		(72,000)
Compensated absences		(7,623,521)
Total		(163,826,602)
Net position of governmental activities	\$	(30,955,677)

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds

For the Fiscal Year Ended June 30, 2022

	General	Non-major Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 86,858,055	\$ 9,367,180	\$ 96,225,235
Intergovernmental	20,341,709	20,081,904	40,423,613
Grants	-	346,464	346,464
Tuition and fees	3,525,112	-	3,525,112
(Loss) earnings on investments	(99,539)	1,377	(98,162)
Extracurricular activities	40,018	142,405	182,423
Classroom materials and fees	2,096	-	2,096
Miscellaneous	1,184,666	37,358	1,222,024
Total revenues	<u>111,852,117</u>	<u>29,976,688</u>	<u>141,828,805</u>
Expenditures:			
Current:			
Instruction:			
Regular	37,043,551	4,702,263	41,745,814
Special	17,620,036	2,444,991	20,065,027
Vocational	1,553,000	311,420	1,864,420
Other	1,006,586	1,624,373	2,630,959
Support services:			
Pupil	7,489,108	1,038,306	8,527,414
Instructional staff	3,947,087	1,045,831	4,992,918
Board of education	767,062	-	767,062
Administration	5,072,700	2,160,777	7,233,477
Fiscal	3,120,691	257,523	3,378,214
Business	1,234,353	-	1,234,353
Operations and maintenance of plant	7,033,841	8,984,014	16,017,855
Pupil transportation	3,471,680	780,594	4,252,274
Central	3,412,300	85,565	3,497,865
Operation of non-instructional services:			
Food services	-	649	649
Community services	18,226	1,767,471	1,785,697
Extracurricular activities	1,022,171	389,517	1,411,688
Debt service:			
Principal	29,018	1,836,785	1,865,803
Interest and fiscal charges	3,344	4,417,459	4,420,803
Issuance costs	-	955,431	955,431
Total expenditures	<u>93,844,754</u>	<u>32,802,969</u>	<u>126,647,723</u>
Excess of revenues over (under) expenditures	<u>18,007,363</u>	<u>(2,826,281)</u>	<u>15,181,082</u>

Continued

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds (continued)

For the Fiscal Year Ended June 30, 2022

	General	Non-major Governmental Funds	Total Governmental Funds
Other financing sources (uses):			
Transfers – in	160	239,292	239,452
Transfers – out	(240,483)	(160)	(240,643)
Issuance of bonds	-	66,686,779	66,686,779
Premium on issuance of bonds	-	6,619,621	6,619,621
Issuance of certificates of participation	-	14,660,000	14,660,000
Premium on issuance of certificates of participation	-	3,078,295	3,078,295
Payment to refunded escrow agent	-	(90,089,264)	(90,089,264)
Total other financing (uses) sources	<u>(240,323)</u>	<u>1,194,563</u>	<u>954,240</u>
Net change in fund balance	17,767,040	(1,631,718)	16,135,322
Fund balance at beginning of year	<u>14,319,510</u>	<u>10,136,856</u>	<u>24,456,366</u>
Fund balance at end of year	<u>\$ 32,086,550</u>	<u>\$ 8,505,138</u>	<u>\$ 40,591,688</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2022

Net change in fund balances – total governmental funds		\$ 16,135,322	
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 outlays and deprecation differed in the current period.			
Capital outlay	\$ 4,768,637		
Depreciation	<u>(5,644,346)</u>		
Total		(875,709)	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.			
Delinquent property and other taxes	1,494,795		
Investment earnings	12,564		
Tuition	(11,201)		
Intergovernmental	<u>(935,971)</u>		
Total		560,187	
Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.			
Bonds	91,926,049		
Retirement of accretion on capital appreciation bonds	1,060,749		
Financed purchase	<u>29,018</u>		
Total		93,015,816	
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net (expense) revenue of the internal service funds are reported with governmental activities.			
		(52,657)	
Other financing sources in the governmental funds that increase long-term liabilities in the Statement of Net Position.			
School improvement bonds	(66,686,779)		
Certificates of participation	(14,660,000)		
Premiums	<u>(9,697,916)</u>		
Total		(91,044,695)	

Continued

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (continued)

For the Fiscal Year Ended June 30, 2022

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	(924,550)		
Early retirement incentive	48,000		
Amortization of premium and discount	608,706		
Amortization of deferred loss on refunding	(415,129)		
Accretion on capital appreciation bonds	(761,258)		
Asset retirement obligation	(3,732)		
Interest expense	<u>199,216</u>		
Total		(1,248,747)	

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Pension	8,864,863		
OPEB	<u>199,917</u>		
Total		9,064,780	

Except for amounts reported as deferred outflows/inflows, changes in net pension/OPEB asset/liability are reported as pension/OPEB expense in the Statement of Activities.

Pension	3,927,340		
OPEB	<u>738,601</u>		
Total		4,665,941	

Change in net position of governmental activities \$ 30,220,238

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 78,142,596	\$ 78,142,596	\$ 85,785,547	\$ 7,642,951
Intergovernmental	30,691,718	30,691,718	20,269,226	(10,422,492)
Tuition and fees	5,372,999	5,372,999	3,548,402	(1,824,597)
Earnings on investments	412,688	412,688	272,545	(140,143)
Miscellaneous	2,051,158	2,051,158	1,354,612	(696,546)
Total revenues	<u>116,671,159</u>	<u>116,671,159</u>	<u>111,230,332</u>	<u>(5,440,827)</u>
Expenditures:				
Current:				
Instruction:				
Regular	46,232,685	46,232,685	37,564,890	8,667,795
Special	22,190,327	22,190,327	18,646,296	3,544,031
Vocational	1,714,976	1,714,976	1,655,312	59,664
Other	12,536,886	12,536,886	1,288,274	11,248,612
Adult/continuing	1	1	1	-
Support services:				
Pupil	7,471,666	7,471,666	7,434,918	36,748
Instructional staff	4,082,231	4,082,231	3,995,643	86,588
Board of education	972,851	972,851	960,859	11,992
Administration	5,359,045	5,359,045	5,245,132	113,913
Fiscal	3,312,685	3,312,685	3,201,004	111,681
Business	1,381,377	1,381,377	1,340,827	40,550
Operation and maintenance of plant	7,730,061	7,730,061	7,272,753	457,308
Pupil transportation	3,676,234	3,676,234	3,469,498	206,736
Central	4,035,833	4,035,833	3,950,891	84,942
Operation of non-instructional services:				
Community services	31,964	31,964	20,014	11,950
Extracurricular activities:				
Academic and subject oriented	184,703	184,703	182,929	1,774
Occupational oriented	2,530	2,530	2,530	-
Sports oriented	735,813	735,813	725,895	9,918
Co-curricular activities	78,194	78,194	74,401	3,793
Total expenditures	<u>121,730,062</u>	<u>121,730,062</u>	<u>97,032,067</u>	<u>24,697,995</u>
Excess of revenues (under) over expenditures	<u>(5,058,903)</u>	<u>(5,058,903)</u>	<u>14,198,265</u>	<u>19,257,168</u>

Continued

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual – General Fund (continued)

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources (uses):				
Insurance proceeds	205,553	205,553	135,750	(69,803)
Transfers – in	155,404	155,404	53,100	(102,304)
Transfers – out	(315,000)	(315,000)	(240,483)	74,517
Advances – in	232,884	232,884	153,800	(79,084)
Advances – out	(160,000)	(160,000)	(193,697)	(33,697)
Total other financing sources (uses)	<u>118,841</u>	<u>118,841</u>	<u>(91,530)</u>	<u>(210,371)</u>
Net change in fund balance	(4,940,062)	(4,940,062)	14,106,735	19,046,797
Fund balance at beginning of year	13,728,659	13,728,659	13,728,659	-
Prior year encumbrances appropriated	<u>2,082,551</u>	<u>2,082,551</u>	<u>2,082,551</u>	<u>-</u>
Fund balance at end of year	<u>\$ 10,871,148</u>	<u>\$ 10,871,148</u>	<u>\$ 29,917,945</u>	<u>\$ 19,046,797</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Fund Net Position
Proprietary Funds

June 30, 2022

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 2,883,742	\$ 8,414,796
Prepaid items	45	-
Intergovernmental receivable	107,947	-
Materials and supplies inventory	28,092	-
Total current assets	<u>3,019,826</u>	<u>8,414,796</u>
Non-current assets:		
Nondepreciable capital assets	96,299	-
Depreciable capital assets, net	260,407	-
Total non-current assets	<u>356,706</u>	<u>-</u>
Total assets	<u>3,376,532</u>	<u>8,414,796</u>
Liabilities:		
Current liabilities:		
Accounts payable	285,293	-
Accrued wages and benefits	-	1,522
Intergovernmental payable	63	-
Claims payable	-	2,364,500
Total liabilities	<u>285,356</u>	<u>2,366,022</u>
Net position:		
Net investment in capital assets	319,470	-
Unrestricted	2,771,706	6,048,774
Total net position	<u>\$ 3,091,176</u>	<u>\$ 6,048,774</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds

For the Fiscal Year Ended June 30, 2022

	Business-Type Activities Nonmajor Enterprise Funds	Governmental Activities Internal Services Funds
Operating revenues:		
Charges for services	\$ -	\$ 19,501,430
Classroom materials and fees	6,442	-
Food services	124,426	-
Miscellaneous	830	-
Total operating revenues	<u>131,698</u>	<u>19,501,430</u>
Operating expenses:		
Salaries and wages	550	1,522
Fringe benefits	(865,024)	19,542,797
Purchased services	2,274,374	9,768
Supplies and materials	287,732	-
Depreciation	34,223	-
Other	1,080	-
Total operating expenses	<u>1,732,935</u>	<u>19,554,087</u>
Operating loss	<u>(1,601,237)</u>	<u>(52,657)</u>
Non-operating revenues:		
Federal donated commodities	273,568	-
Intergovernmental grants	3,488,023	-
Total non-operating revenues	<u>3,761,591</u>	<u>-</u>
Change in net position before transfers	2,160,354	(52,657)
Transfers – in	1,191	-
Change in net position	2,161,545	(52,657)
Total net position at beginning of year	<u>929,631</u>	<u>6,101,431</u>
Total net position at end of year	<u>\$ 3,091,176</u>	<u>\$ 6,048,774</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Cash Flows Proprietary Funds

For the Fiscal Year Ended June 30, 2022

	Business-Type Activities <u>Nonmajor Enterprise Funds</u>	Governmental Activities <u>Internal Services Funds</u>
Increase in cash and cash equivalents:		
Cash flows from operating activities:		
Cash received from customers	\$ 130,868	\$ 19,501,430
Cash received from other operating sources	830	-
Cash payments for materials and supplies	(4,087)	-
Cash payments for goods and services	(2,317,369)	(9,768)
Cash payments to employees for services	(5,286)	-
Cash payments for employee benefits	(2,872)	-
Cash payments for claims	-	(19,248,297)
Cash payments for other	(117)	-
Net cash (used) provided by operating activities	<u>(2,198,033)</u>	<u>243,365</u>
Cash flows from non-capital financing activities:		
Intergovernmental grants received	3,824,409	-
Transfers – in	1,191	-
Net cash provided by noncapital financing activities	<u>3,825,600</u>	<u>-</u>
Cash flows from capital financing activities:		
Acquisition of capital assets	(74,312)	-
Net increase in cash and cash equivalents	1,553,255	243,365
Cash and cash equivalents at beginning of year	<u>1,330,487</u>	<u>8,171,431</u>
Cash and cash equivalents at end of year	<u>\$ 2,883,742</u>	<u>\$ 8,414,796</u>
Non-cash capital and non-capital financing activities:		
Federal donated commodities	\$ 273,568	\$ -
Capital assets purchased on credit	37,236	-

Continued

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Statement of Cash Flows Proprietary Funds (continued)

For the Fiscal Year Ended June 30, 2022

	Business-Type Activities <u>Nonmajor Enterprise Funds</u>	Governmental Activities <u>Internal Services Funds</u>
Reconciliation of operating loss to net cash (used) provided by operating activities:		
Operating loss	\$ (1,601,237)	\$ (52,657)
Adjustments:		
Depreciation	34,223	-
Federal donated commodities	273,568	-
Changes in assets/liabilities:		
Prepaid items	45	-
Materials and supplies inventories	2,286	-
Inventory held for resale	7,791	-
Deferred outflows – pension	4,413	-
Deferred outflows – OPEB	370	-
Accounts payable	(42,032)	-
Accrued wages and benefits	(4,736)	1,522
Intergovernmental payable	(966)	-
Accrued compensated absences	(551)	-
Claims payable	-	294,500
Deferred inflows – pension	(462,718)	-
Deferred inflows – OPEB	(408,489)	-
Total adjustments	<u>(596,796)</u>	<u>296,022</u>
Net cash (used) provided by operating activities	<u>\$ (2,198,033)</u>	<u>\$ 243,365</u>

The accompanying notes are an integral part of these financial statements

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies

A. Description of the School District and Reporting Entity

The Cleveland Heights-University Heights City School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The District operates under a locally elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. The Board of Education (the “Board”) controls the District’s thirteen instructional/support facilities staffed by 364 classified employees, 500 certificated full-time teaching personnel and approximately 46 administrators who provide services to 4,767 students and other community members.

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

The following non-public schools operate within the District’s boundaries: Beaumont School, Chaviva School, GESU School, Hebrew Academy of Cleveland, Lutheran East School, Monarch School, Yeshiva Derech Hatorah, Ruffing Montessori Ingalls, Reserve School, and Communion of Saints School. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the District on behalf of the non-public schools by the Treasurer of the District, as directed by the non-public schools. The activity of these monies by the District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and:

1. The District is able to significantly influence the programs or services performed or provided by the organization; or
2. The District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the District is obligated for the debt of the organization.

Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The District is associated with two organizations which are defined as a jointly governed organization and a related organization. The Ohio Schools’ Council is a jointly governed organization and the Cleveland Heights-University Heights Library is a related organization. The jointly governed organization is presented in Note 16 and the related organization is presented in Note 20 to the basic financial statements.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

A. Description of the School District and Reporting Entity (continued)

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

B. Fund Accounting

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

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

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

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

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

Enterprise Funds – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District does not have any major enterprise funds. The enterprise funds of the District account for food services, uniform school supplies, and customer services.

Internal Service Fund – Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governmental units, on a cost-reimbursement basis. The internal service fund accounts for a self-insurance program that provides medical and dental benefits to employees.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

B. Fund Accounting (continued)

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District does not have any trust funds.

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for Ohio High School Athletic Association activity.

C. Basis of Presentation

Government-wide Financial Statements The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used. The internal service fund operating activity is eliminated to avoid overstatement of revenues and expenses. The statements distinguish between governmental and business-type activities of the District.

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

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

C. Basis of Presentation (continued)

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

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in 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 District finances and meets the cash flow needs of its proprietary activities.

Like the government-wide statements, the fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fiduciary net position. The statement of changes in fiduciary net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds and fiduciary funds also use the accrual basis of accounting.

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

Non-exchange transactions, in which the District receives value without directly giving equal value to the resource provider in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6).

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, grants, investment earnings, and intergovernmental.

Unearned Revenue Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned. The District does not have any unearned revenue at June 30, 2022.

Deferred Outflows/Inflows of Resources In addition to assets, the financial statements that report net position may include a section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported for deferred charges on refunding, asset retirement obligation, pension and OPEB in the Statements of Net Position. The deferred outflows of resources related to pension and OPEB are explained in Note 11 and Note 12.

In addition to liabilities, the statements that report net position may include a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes, unavailable revenue, leases, OPEB and pension. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2022, but which were levied to finance fiscal year 2023 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. The deferred inflow for leases is related to the lease receivable and is being amortized to lease revenue in a systematic and rational manner over the term of the lease, see Note 8. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period.

For the District, unavailable revenue includes delinquent property taxes, intergovernmental receivables, and investment income. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported in the Statements of Net Position (Note 11 and 12).

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

D. Basis of Accounting (continued)

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.

E. Budgets

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

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

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

Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the legal level of budgetary control for the fund.

F. Cash and Cash Equivalents

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash and investments" on the financial statements. During fiscal year 2022, investments were limited to money market accounts, negotiable certificates of deposits, United States government securities and notes and State Treasury Asset Reserve of Ohio (STAR Ohio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposits, commercial paper and repurchase agreements are reported at cost.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

F. Cash and Cash Equivalents (continued)

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 has adopted GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Loss on investments credited to the General Fund during fiscal year 2022 amounted to \$99,539. The amount allocated from the other funds during fiscal year 2022 amounted to \$45,856.

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2022, 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 fiscal year in which services are consumed.

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories consist of donated food, purchased food and materials and supplies held for consumption.

I. Capital Assets

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

I. Capital Assets (continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The District maintains a capitalization threshold of \$5,000 for individual items. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the 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 assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	3 - 20 years	N/A
Buildings and improvements	6 - 99 years	N/A
Furniture and equipment	4 - 20 years	5 - 20 years
Vehicles	8 years	N/A

J. Interfund Transactions

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivable” or “interfund payable.” These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as “internal balances.”

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to pension and OPEB items are eliminated in the total column of the entity wide Statement of Net Position.

K. Compensated Absences

Vacation benefits are accrued as a liability in the government-wide and proprietary fund financial statements as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability in the government-wide and proprietary fund financial statements for accumulated unused vacation time when earned for all employees with more than one year of service and salary related payments, if applicable. Sick leave benefits are accrued as a liability using the termination payment method. An accrual in the government-wide and proprietary fund financial statements for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the District’s past experience of making termination payments. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

L. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources.

However, compensated absences and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. In general, payments made more than sixty days after year end are considered not to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

M. Fund Balance

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

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

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

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be re-deployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

M. Fund Balance (continued)

Assigned: Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board or a District official delegated that authority by the District Board of Education. Through the District’s purchasing policy, the Board has given the Treasurer the authority to constrain monies for intended purposes.

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

The District applies restricted resources first when expenditures are incurred for purposes for which 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.

N. Pensions/Other Postemployment Benefits (OPEB)

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

O. 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 capital assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. As of June 30, 2022, the District did not have net position restricted by enabling legislation.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (continued)

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and uniform school supplies, collection of classroom fees and charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

Q. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller's funds and as expenditures/expenses in the purchaser's funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

R. 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.

Note 2: Change in Accounting Principles

Newly Adopted Accounting Pronouncements

For fiscal year 2022, the District implemented the following Governmental Accounting Standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. GASB Implementation Guide No. 2019-3, *Leases*, provides guidance that clarifies, explains, or elaborates on the requirements for GASB Statement No. 87.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 2: Change in Accounting Principles (continued)

Newly Adopted Accounting Pronouncements (continued)

These changes were incorporated in the District's fiscal year 2022 financial statements. As a result of the implementation of this standard, effective July 1, 2021, the District recorded a lease receivable of \$449,540 with offsetting deferred inflows of \$449,540 in the general fund and governmental activities.

GASB Statement No. 92, *Omnibus 2020*. This statement addresses a variety of topics with objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. This statement addresses accounting and financial reporting implications that result from global reference rate reform. The removal of London Interbank Offered Rate (LIBOR) as an appropriate benchmark interest rate. The implementation of this GASB pronouncement did not result in any changes to the District's financial statements.

Newly Issued Accounting Pronouncements, Not Yet Adopted

GASB Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. GASB subsequently issued GASB Statement No. 95, which deferred the effective date of this standard to reporting periods beginning after December 15, 2021. The District has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued in March 2020. This statement clarifies the accounting and financial reporting surrounding public-private and public-public partnerships and availability payment arrangements. The requirements of this statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023. The District has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 2: Change in Accounting Principles (continued)

Newly Issued Accounting Pronouncements, Not Yet Adopted (continued)

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued in May 2020. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023. The District has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 99, *Omnibus 2022*, was issued in April 2022. This statement addresses a variety of topics with objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The effective date of this standard to reporting periods beginning after June 15, 2022. The District has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 100, *Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62*, was issued in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The effective date of this standard to reporting periods beginning after June 15, 2023. The District has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

Note 3: Budgetary Basis of Accounting

While the District is reporting financial position, results of operations, and changes in fund balances on the basis of 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 Balances – Budget (Non-GAAP) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
4. Budgetary revenues and expenditures of the Special Trust Fund and Public School Support Fund are classified to the General Fund for GAAP reporting.
5. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 3: Budgetary Basis of Accounting (continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

	<u>General</u>
GAAP basis	\$ 17,767,040
Revenue accruals	(260,824)
Advances – in	153,800
Expenditure accruals	310,408
Advances – out	(193,697)
Encumbrances	(3,595,010)
To reclassify the net change in fund balance for funds combined with the General Fund	<u>(74,982)</u>
Budget basis	<u>\$ 14,106,735</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 4: Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

Fund	General	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Inventory	\$ 256,655	\$ -	\$ 256,655
Prepays	144,114	-	144,114
Total nonspendable	<u>400,769</u>	<u>-</u>	<u>400,769</u>
Restricted for:			
Student activities	-	193,888	193,888
Auxiliary services	-	244,084	244,084
Debt service payments	-	1,478,495	1,478,495
Capital improvements	-	<u>7,750,447</u>	<u>7,750,447</u>
Total restricted	<u>-</u>	<u>9,666,914</u>	<u>9,666,914</u>
Committed to:			
Purchases on order:			
Instruction services and supplies	282,232	-	282,232
Maintenance services and supplies	135,547	-	135,547
Transportation costs	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total committed	<u>419,779</u>	<u>-</u>	<u>419,779</u>
Assigned to:			
Public school support	289,661	-	289,661
Subsequent year's budget	1,510,000	-	1,510,000
Purchases on order:			
Instruction services and supplies	717,985	-	717,985
Maintenance services and supplies	507,415	-	507,415
Equipment	24,270	-	24,270
Transportation costs	10,983	-	10,983
Utilities	82,342	-	82,342
Other	<u>585,842</u>	<u>-</u>	<u>585,842</u>
Total assigned	<u>3,728,498</u>	<u>-</u>	<u>3,728,498</u>
Unassigned (deficit)	<u>27,537,504</u>	<u>(1,161,776)</u>	<u>26,375,728</u>
Total	<u>\$ 32,086,550</u>	<u>\$ 8,505,138</u>	<u>\$ 40,591,688</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 5: Deposits and Investments

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

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

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

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

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

1. United States Treasury notes, bills, bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including but not limited to, 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 securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed two hundred and seventy days in an amount not to exceed forty percent of the interim monies available for investment at any one time; and

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 5: Deposits and Investments (continued)

8. Under limited circumstances, corporate debt interests rated in either of the two highest rating 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 District, and must be purchased with the expectation that it will be held until maturity.

Investments may only be made through specified dealers and institutions. Payments for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

Custodial Credit Risk is the risk that in the event of bank failure, the District's deposits may not be returned to it.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by:

Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

At year-end, the bank balance of the District's deposits was \$5,164,968. At year-end \$1,748,462 of the District's total bank balance was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. One of the District's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved by the Treasurer of State for a reduced collateral floor of 50% resulting in the uninsured and uncollateralized balance.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 5: Deposits and Investments (continued)

Investments

Investments are reported at fair value. As of June 30, 2022, the District had the following investments:

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>
US Treasury Note	\$ 5,583,963	\$ 3,796,123	\$ 1,787,840
Federal Farm Credit Bank (FFCB)	399,515	-	399,515
Federal Home Loan Bank notes (FHLBN)	836,073	-	836,073
Federal Home Loan Bank bonds (FHLBB)	1,393,519	-	1,393,519
Federal National Mortgage Association (FNMA)	95,960	95,960	-
Federal Home Loan Mortgage Corporation (FHLMC)	258,010	-	258,010
Negotiable certificates of deposits	4,931,137	3,089,395	1,841,742
Money market	1,523,972	1,523,972	-
STAR Ohio	<u>35,040,554</u>	<u>35,040,554</u>	<u>-</u>
Total portfolio	<u>\$ 50,062,703</u>	<u>\$ 43,546,004</u>	<u>\$ 6,516,699</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2022:

- STAR Ohio is measured at amortized cost, which approximates fair value. At June 30, 2022, the average days to maturity was 35.3 days.
- FFCB, FHLBN, FHLBB, FNMA and FHLMC are measured based on Level 2 inputs, using matrix pricing.
- Negotiable certificates of deposits, and the US Treasury Note are measured based on Level 2 inputs, using matrix pricing.
- Money market is valued at amortized cost, which approximates fair value.

Interest Rate Risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The District's investment policy addresses interest rate risk requiring that the District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The District investment policy also limits security purchases to those that mature within five years unless specifically matched to a specific cash flow.

Custodial Risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the District must meet a set of prescribed standards and be periodically reviewed.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 5: Deposits and Investments (continued)

Investments (continued)

Credit Risk is addressed by the District’s investment policy by the requirements that all investments are authorized by Ohio Revised Code and that portfolio be diversified both by types of investment and issuer. The Federal notes and bonds all carry a rating of AA+ by Standard and Poor’s. STAR Ohio carries a rating AAAm by Standard & Poor’s and the money market and US Treasury Note carries a rating of AAA by Standard & Poor’s. The negotiable certificates of deposits are unrated.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as five percent or more in the securities of a single issuer. The District’s investment policy requires that no more than twenty-five percent of the District’s interim monies shall be invested in either commercial paper notes or bankers’ acceptances. The following is the District’s allocation as of June 30, 2022:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
US Treasury Note	11.2%
Federal Farm Credit Bank	0.8
Federal Home Loan Bank notes	1.7
Federal Home Loan Bank bonds	2.8
Federal National Mortgage Association	0.2
Federal Home Loan Mortgage Corporation	0.5
Negotiable certificates of deposits	9.8
Money market	3.0
STAR Ohio	70.0

Note 6: Property Taxes

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

Property taxes include amounts levied against all real, public utility, and tangible personal property (used in business) located in the District. Real property tax revenue received in calendar year 2022 represents collections of calendar year 2021 taxes. Real property taxes received in calendar year 2022 were levied after April 1, 2021, on the assessed value listed as of January 1, 2021, 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 semi-annually, 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 2022 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 became a lien December 31, 2020, were levied after April 1, 2021 and are collected in 2022 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 6: Property Taxes (continued)

The Cuyahoga County Fiscal Officer collects property taxes on behalf of the District. The County Fiscal Officer periodically advances to the District its portion of the taxes collected. These tax “advances” are based on three-year historical cash flow collection rates and occur eight times annually. Second-half real property tax payments collected by the county by June 30, 2022, are available to finance fiscal year 2022 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes, which became measurable as of June 30, 2022 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount available as an advance at June 30 were levied to finance current fiscal year operations, which is recognized as revenue. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2022 was \$8,275,184 for the General Fund, \$578,406 in the Bond Retirement Fund, and \$369,824 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2022 taxes were collected are:

	2021		2022	
	<u>Second-Half Collections</u>		<u>First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,077,680,970	97.54%	\$ 1,209,684,220	97.60%
Public utility	<u>27,230,400</u>	<u>2.46</u>	<u>29,796,480</u>	<u>2.40</u>
	<u>\$ 1,104,911,370</u>	<u>100.00%</u>	<u>\$ 1,239,480,700</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation		\$ 158.30		\$ 158.30

Note 7: Interfund Transactions

Interfund Balances

Interfund transactions for the year ended June 30, 2022 consisted of the following:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 825,178

All balances resulted from a time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made. As of June 30, 2022, all interfund loans outstanding are anticipated to be repaid during fiscal year 2023.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 7: Interfund Transactions (continued)

Interfund Transfers

Interfund transfers for the year ended June 30, 2022, consisted of the following:

	Transfers – out		
	General	Nonmajor Governmental	Total
Transfers – in:			
General	\$ -	\$ 160	\$ 160
Nonmajor governmental	239,292	-	239,292
Nonmajor enterprise	1,191	-	1,191
Total	<u>\$ 240,483</u>	<u>\$ 160</u>	<u>\$ 240,643</u>

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

Note 8: Receivables

Receivables at June 30, 2022, consisted of taxes, accounts, tuition leases, intergovernmental grants and interest. 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 year guarantee of federal funds.

Lease receivables

The District has entered into various lease agreement for cell towers with AT&T and T-Mobile at varying years and terms. A summary of future lease revenues is as follows:

	Principal	Interest	Total
Fiscal Year Ending June 30:			
2023	\$ 84,690	\$ 12,936	\$ 97,626
2024	88,308	9,318	97,626
2025	92,059	5,567	97,626
2026	66,605	2,163	68,768
2027	16,420	115	16,535
Total	<u>\$ 348,082</u>	<u>\$ 30,099</u>	<u>\$ 378,181</u>

For fiscal year 2022, the District recognized lease revenue of \$101,458 and interest revenue of \$16,425 related to lease payments received.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 8: Receivables

Intergovernmental receivables

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental activities:	
Tuition	\$ 34,989
Teachers Union	23,740
SERS	68,224
ESSER	228,286
21 st CCLC	77,272
IDEA early childhood special education	1,251
Fuel reimbursement	5,514
Cuyahoga County	18,037
Casino tax	160,922
City of South Euclid	215,478
Special education cluster	78,344
Carl D. Perkins grant	35,197
Title I grant	166,785
Title III grant	1,220
Title II-A grant	34,416
Title IV grant	8,713
	<u>1,158,388</u>
Business-type activities:	
Department of Education	107,947
Total intergovernmental receivable	<u>\$ 1,266,335</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 9: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	Balance at 6/30/21	Additions	Disposals	Balance at 6/30/22
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,644,238	\$ -	\$ -	\$ 1,644,238
Construction in progress	305,690	4,058,804	(1,005,959)	3,358,535
Total capital assets, not being depreciated	1,949,928	4,058,804	(1,005,959)	5,002,773
Capital assets, being depreciated:				
Land improvements	7,234,027	101,700	-	7,335,727
Buildings and improvements	206,984,336	1,089,359	-	208,073,695
Furniture and equipment	8,507,314	93,152	-	8,600,466
Vehicles	5,285,937	431,581	(134,324)	5,583,194
Total capital assets, being depreciated	228,011,614	1,715,792	(134,324)	229,593,082
Less accumulated depreciation:				
Land improvements	(4,282,187)	(280,395)	-	(4,562,582)
Buildings and improvements	(38,631,359)	(4,834,596)	-	(43,465,955)
Furniture and equipment	(7,401,364)	(194,480)	-	(7,595,844)
Vehicles	(3,951,229)	(334,875)	134,324	(4,151,780)
Total accumulated depreciation	(54,266,139)	(5,644,346)	134,324	(59,776,161)
Total capital assets being depreciated, net	173,745,475	(3,928,554)	-	169,816,921
Governmental activities capital assets, net	\$ 175,695,403	\$ 130,250	\$ (1,005,959)	\$ 174,819,694

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular	\$ 219,901
Vocational	6,961
Support services:	
Business	49,282
Operations and maintenance of plant	5,234,156
Pupil transportation	91,213
Central	2,026
Food services	5,339
Community services	15,890
Extracurricular activities	19,578
	<u>\$ 5,644,346</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 9: Capital Assets (continued)

	Balance at 6/30/21	Additions	Disposals	Balance at 6/30/22
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 29,886	\$ 66,413	\$ -	\$ 96,299
Capital assets, being depreciated:				
Furniture and equipment	643,027	23,100	-	666,127
Less accumulated depreciation:				
Furniture and equipment	(371,497)	(34,223)	-	(405,720)
Total capital assets being depreciated, net	271,530	(11,123)	-	260,407
Business-type activities capital assets, net	\$ 301,416	\$ 55,290	\$ -	\$ 356,706

Note 10: Risk Management

A. Property and Liability

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2022, the District contracted with several companies for various types of insurance as follows:

Type of Coverage	Deductible/Limit of Coverage
Property Liability	\$1,000 deductible \$350,000,000 limit
Flood and Earthquake Limit	\$50,000 deductible \$2,000,000 limit (each)
Crime	\$1,000 deductible \$1,000,000 limit
General Liability/Employer's Liability	\$15,000,000 limit \$17,000,000 aggregate
Employee Benefits Liability	\$-0- deductible \$15,000,000 limit
Educators' Legal Liability	\$5,000 deductible \$15,000,000 limit/aggregate
Automobile Liability	\$15,000,000 limit

Settled claims have not exceeded this commercial coverage in any of the past three years.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 10: Risk Management (continued)

B. Workers Compensation

The State of Ohio provides workers' compensation coverage. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

C. Employee Medical Benefits

The District is self-insured for medical, dental, vision and prescription of District employees and their covered dependents. Under the program, the District is obligated for claim payments. Incurred but not reported claims of \$2,364,500 have been accrued in the Self-Insurance Internal Service Fund at June 30, 2022, based on an estimate from a third-party administrator. Individual funds are charged for medical expenses based on an estimate of total cost for the District as prepared by the plan administrator, and are recorded as revenues of the Self-Insurance Internal Service Fund.

The claims liability of \$2,364,500 reported in the Self-Insurance Internal Service Fund at June 30, 2022, is based on an estimate provided by the third-party administrator and the requirements of GASB 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 the Self-Insurance Internal Service Fund's claims liability amount in 2020, 2021, and 2022 are as follows:

	Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
June 30, 2020	\$ 1,774,100	\$ 19,155,823	\$ 19,207,323	\$ 1,722,600
June 30, 2021	1,722,600	19,448,954	19,101,554	2,070,000
June 30, 2022	2,070,000	19,542,797	19,248,297	2,364,500

Note 11: Pension Plans

A. Net Pension/OPEB Liability (Asset)

The net pension/OPEB liability (asset) reported on the Statements of Net Position represent a liability (asset) to employees for pensions/OPEB. Pensions/OPEB are a component of exchange transactions – between an employer and its employees – of salaries and benefits for employee services. Pensions/OPEB are provided to an employee – on a deferred-payment basis – as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions/OPEB is a present obligation because it was created as a result of employment exchanges that occurred in the past.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

A. Net Pension/OPEB Liability (Asset) (continued)

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

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

GASB Statement No. 68 and 75 assumes the liability (asset) is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for OPEB benefits including primarily health care. In most cases, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium.

State statute requires the retirement systems to amortize unfunded pension/OPEB liabilities within 30 years. If the pension/OPEB amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability on the accrual basis of accounting. Funded benefits is presented as a long-term net pension/OPEB asset. Any liability for the contractually-required contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 12 for the required OPEB disclosures.

B. Plan Description - School Employees Retirement System (SERS)

Plan Description – District non-teaching employees participate in SERS, a cost-sharing, multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, Medicare Part B premium reimbursements, and lump sum death benefits. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

B. Plan Description - School Employees Retirement System (SERS) (continued)

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017*	Members attaining 25 years of service after August 1, 2017
Full benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit Age 60 with 25 years of service credit

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. SERS' Retirement Board approved a 0.5% COLA for calendar year 2021.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2022, the allocation to pension, death benefits, and Medicare B was 14.0% while the funding for Health Care Fund was 0.0%.

The District's contractually required contribution to SERS was \$2,199,728 for fiscal year 2022. Of this amount, \$133,714 is reported as intergovernmental payable.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

C. Plan Description - State Teachers Retirement System (STRS)

Plan Description – District licensed teachers and other faculty members participate in STRS, a cost-sharing multiple-employer public employee retirement system. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be viewed by visiting www.strsoh.org or by requesting a copy by calling toll-free 888-227-7877.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.53% of the 14.00% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14.00% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The CO Plan offers features of both the DB Plan and the DC Plan. In the CO Plan, 12% of the 14% member rate goes to the DC Plan and 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the CO Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

C. Plan Description - State Teachers Retirement System (STRS) (continued)

A DB or CO Plan member with five or more years of credited service, who is determined to be disabled, may qualify for a disability benefit. New members must have at least 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or CO Plans.

Administrative Expenses – The costs of administering the DB and postemployment health care plans are financed by investment income. The administrative costs of the DC Plan are financed by participant fees.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2022 the employer rate was 14% and the plan members were also required to contribute 14% of covered salary.

The District's contractually required contribution to STRS was \$6,665,135 for fiscal year 2022. Of this amount, \$1,182,432 is reported as intergovernmental payable.

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

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of net pension liability prior measurement date	0.432407%	0.400445%	
Proportion of net pension liability current measurement date	<u>0.412071%</u>	<u>0.378677%</u>	
Change in proportionate share	<u>(0.020336%)</u>	<u>(0.021768%)</u>	
Proportionate share of the net pension liability	\$ 15,204,225	\$ 48,417,273	\$ 63,621,498
Reduction in pension expense	\$ (811,136)	\$ (3,574,508)	\$ (4,385,644)

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 1,467	\$ 1,495,861	\$ 1,497,328
Change in assumptions	320,156	13,431,819	13,751,975
District contributions subsequent to the measurement date	<u>2,199,728</u>	<u>6,665,135</u>	<u>8,864,863</u>
Total deferred outflows of resources	\$ <u>2,521,351</u>	\$ <u>21,592,815</u>	\$ <u>24,114,166</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 394,307	\$ 303,477	\$ 697,784
Difference between projected and actual earnings on pension plan investments	7,830,620	41,726,421	49,557,041
Changes in proportionate share and difference between District contributions and proportionate share of contributions	<u>859,180</u>	<u>4,760,087</u>	<u>5,619,267</u>
Total deferred inflows of resources	\$ <u>9,084,107</u>	\$ <u>46,789,985</u>	\$ <u>55,874,092</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

D. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

The District reported \$8,864,863 as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2023	\$ (2,503,682)	\$ (8,242,960)	\$ (10,746,642)
2024	(1,993,438)	(6,929,189)	(8,922,627)
2025	(1,861,839)	(7,415,590)	(9,277,429)
2026	<u>(2,403,525)</u>	<u>(9,274,566)</u>	<u>(11,678,091)</u>
Total	\$ <u>(8,762,484)</u>	\$ <u>(31,862,305)</u>	\$ <u>(40,624,789)</u>

Due to changes in allocation in the net pension liability, the food service non-major enterprise fund reports negative fringe benefit expense in its related financial statements.

E. Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2132.

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

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

E. Actuarial Assumptions - SERS (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2021 are presented below:

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal (level percent of payroll)
Actuarial Assumptions:	
Investment rate of return	7.00%, net of investments expense
COLA or Ad Hoc COLA	2.00%, on or after April, 1 2018, COLA's for future retirees will be delayed for three years following commencement.
Future salary increases, including inflation	3.25% to 13.58%
Inflation	2.40%

For post-retirement mortality, the table used in evaluating allowances to be paid is the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disable members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five year period ended June 30, 2020.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00%	(0.33%)
US equity	24.75	5.72
Non-US equity developed	13.50	6.55
Non-US equity emerging	6.75	8.54
Fixed income/global bonds	19.00	1.14
Private equity	11.00	10.03
Real estate/real assets	16.00	5.41
Multi-asset strategies	4.00	3.47
Private debt/private credit	3.00	5.28
Total	<u>100.00%</u>	

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

E. Actuarial Assumptions - SERS (continued)

Discount Rate The total pension liability was calculated using the discount rate of 7.00%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.00%). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00%, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%), or one percentage point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District’s proportionate share of the net pension liability	\$ 25,296,096	\$ 15,204,225	\$ 6,693,309

Assumption Changes Since the Prior Measurement Date Key assumptions used in calculating the total pension liability in the prior year are presented below:

Actuarial Assumptions:

Investment rate of return	7.50%, net of investments expense
COLA or Ad Hoc COLA	2.50%, on or after April 1, 2018, COLA’s for future retirees will be delayed for three years following commencement.
Future salary increases, including inflation	3.50% to 18.20% prior year
Inflation	3.00%

F. Actuarial Assumptions - STRS

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	12.50% at age 20 to 2.50% at age 65
Payroll increase	3.00%
Investment rate of return	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%
Cost-of-living adjustments (COLA)	0.00%

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

F. Actuarial Assumptions - STRS (continued)

Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rate between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return*
Domestic equity	28.00%	7.35%
International equity	23.00	7.55
Alternatives	17.00	7.09
Fixed income	21.00	3.00
Real estate	10.00	6.00
Liquidity reserves	1.00	2.25
Total	<u>100.00%</u>	

* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.25%, and does not include investment expenses. Over a 30-year period, STRS’s investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2021.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 11: Pension Plans (continued)

F. Actuarial Assumptions - STRS (continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00%) or one-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 90,667,429	\$ 48,417,273	\$ 12,715,980

Assumption Changes Since the Prior Measurement Date Key assumptions used in calculating the total pension liability in the prior year are presented below:

Investment rate of return	7.45%, net of investment expenses, including inflation
Discount rate of return	7.45%

Note 12: Defined Benefit OPEB Plans

A. Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description – The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute.

The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

A. Plan Description - School Employees Retirement System (SERS) (continued)

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14.0% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year ended June 30, 2022, 0.0% of covered payroll was made to health care. Active employee members do not contribute to the Health Care Plan. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year ended June 30, 2022, this amount was \$25,000. 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 total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2022, the District's surcharge obligation was \$199,917.

The surcharge, added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$199,917 for fiscal year 2022. Of this amount \$199,917 is reported as an intergovernmental payable.

B. Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2022, STRS did not allocate any employer contributions to post-employment health care.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

C. OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of net OPEB liability/asset prior measurement date	0.425284%	0.400445%	
Proportion of net OPEB liability/asset current measurement date	<u>0.404945%</u>	<u>0.378677%</u>	
Change in proportionate share	<u>(0.020339%)</u>	<u>(0.021768%)</u>	
Proportionate share of the net OPEB liability	\$ 7,663,925	\$ -	\$ 7,663,925
Proportionate share of the net OPEB (asset)	\$ -	\$ (7,984,096)	\$ (7,984,096)
Reduction of OPEB expense	\$ (306,615)	\$ (840,106)	\$ (1,146,721)

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 81,692	\$ 284,288	\$ 365,980
Change in assumptions	1,202,288	509,991	1,712,279
Changes in proportionate share and difference between District contributions and proportionate share of contributions	164,498	1,664	166,162
District contributions subsequent to the measurement date	<u>199,917</u>	<u>-</u>	<u>199,917</u>
Total deferred outflows of resources	\$ <u>1,648,395</u>	\$ <u>795,943</u>	\$ <u>2,444,338</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

C. OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Difference between expected and actual experience	\$ 3,816,979	\$ 1,462,830	\$ 5,279,809
Change in assumptions	1,049,510	4,763,095	5,812,605
Difference between projected and actual earnings on plan investments	166,501	2,213,053	2,379,554
Changes in proportionate share and difference between District contributions and proportionate share of contributions	<u>1,228,422</u>	<u>603,077</u>	<u>1,831,499</u>
Total deferred inflows of resources	\$ <u>6,261,412</u>	\$ <u>9,042,055</u>	\$ <u>15,303,467</u>

The \$199,917 reported as deferred outflows of resources related to OPEB resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2023	\$ (1,091,226)	\$ (2,463,235)	\$ (3,554,461)
2024	(1,092,393)	(2,407,852)	(3,500,245)
2025	(1,039,589)	(2,133,005)	(3,172,594)
2026	(899,020)	(930,577)	(1,829,597)
2027	(521,600)	(316,889)	(838,489)
Thereafter	<u>(169,106)</u>	<u>5,446</u>	<u>(163,660)</u>
Total	\$ <u>(4,812,934)</u>	\$ <u>(8,246,112)</u>	\$ <u>(13,059,046)</u>

Due to changes in allocation in the net OPEB liability, the food service non-major enterprise fund reports negative fringe benefit expense in its related financial statements.

D. Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

D. Actuarial Assumptions - SERS (continued)

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2021, are presented below:

Wage inflation	2.40%
Projected salary increases	3.25% to 13.58%, including inflation
Investment rate of return	7.00%
Municipal bond index rate:	
Measurement date	1.92%
Prior measurement date	2.45%
Single equivalent interest rate, net of plan investment expense, including price inflation	
Measurement date	2.27%
Prior measurement date	2.63%
Medical trend assumption	
Medicare	5.125 % to 4.400%
Pre-Medicare	6.750 % to 4.400%

Mortality rates were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females.

The most recent experience study was completed for the five year period ended June 30, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

D. Actuarial Assumptions - SERS (continued)

These ranges were combined to produce the long-term expected rate of return, 7.00%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00%	(0.33%)
US equity	24.75	5.72
Non-US equity developed	13.50	6.55
Non-US equity emerging	6.75	8.54
Fixed income/global bonds	19.00	1.14
Private equity	11.00	10.03
Real estate/real assets	16.00	5.41
Multi-asset strategies	4.00	3.47
Private debt/private credit	3.00	5.28
Total	<u>100.00%</u>	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2021 was 2.27%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the system at the State statute contribution rate of 1.50% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SERS for the June 30, 2021 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 1.92% at June 30, 2021.

Sensitivity of the School District’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS’ net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.27%) and higher (3.27%) than the current discount rate (2.27%). Also shown is what SERS’ net OPEB liability would be based on health care cost trend rates that are 1% point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

D. Actuarial Assumptions - SERS (continued)

	1% Decrease <u>(1.27%)</u>	Current Discount Rate <u>(2.27%)</u>	1% Increase <u>(3.27 %)</u>
District's proportionate share of the net OPEB liability	\$ 9,496,529	\$ 7,663,925	\$ 6,199,908

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 5,900,593	\$ 7,663,925	\$ 10,019,192

Assumption Changes Since the Prior Measurement Date Key assumptions used in calculating the total OPEB liability in the prior year are presented below:

Wage inflation	3.00%
Projected salary increases	3.50% to 18.20%, including inflation
Investment rate of return	7.50%
Medical Trend Assumption	
Medicare	5.25% to 4.75%
Pre-Medicare	7.00% to 4.75%

E. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2021 actuarial valuation are presented below:

Salary increases	12.50% at age 20 to 2.50% at age 65
Payroll increases	3.00%
Investment rate of return	7.00%, net of investment expenses, including inflation
Discount rate of return	7.00%

	<u>Initial</u>	<u>Ultimate</u>
Health care cost trends		
Medical		
Pre-Medicare	5.00%	4.00%
Medicare	(16.18%)	4.00%
Prescription drug		
Pre-Medicare	6.50%	4.00%
Medicare	29.98%	4.00%

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

E. Actuarial Assumptions - STRS (continued)

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return*</u>
Domestic equity	28.00%	7.35%
International equity	23.00	7.55
Alternatives	17.00	7.09
Fixed income	21.00	3.00
Real estate	10.00	6.00
Liquidity reserves	1.00	2.25
Total	<u>100.00%</u>	

* 10 year annualized geometric nominal returns include the real rate of return and inflation of 2.25%, and does not include investment expenses. Over a 30-year period, STRS's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.00% was used to measure the total OPEB liability as of June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 12: Defined Benefit OPEB Plans (continued)

E. Actuarial Assumptions - STRS (continued)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net OPEB asset	\$ 6,737,344	\$ 7,984,096	\$ 9,025,572

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 8,983,372	\$ 7,984,096	\$ 6,748,401

Assumption Changes Since the Prior Measurement Date: Key assumptions used in calculating the total OPEB liability in the prior year are presented below:

Investment rate of return	7.45%, net of investment expenses, including inflation	
Discount rate of return	7.45%	
Health care cost trends	<u>Initial</u>	<u>Ultimate</u>
Medical		
Medicare	(6.69%)	4.00%
Prescription drug		
Medicare	11.87%	4.00%

Benefit Term Changes Since the Prior Measurement Date The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in 2022. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

Note 13: Employee Benefits

A. Compensated Absences

The criteria for determining vacation, personal leave, sick leave, and compensatory time components are derived from negotiated agreements and state laws. Classified employees and administrators earn ten to twenty days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated with no maximum. Upon retirement, payment is made for one-fourth of the first 360 days of total sick leave accumulation plus one-eighth the next 99 days. The entire compensated absence liability is reported on the government-wide financial statements.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 13: Employee Benefits (continued)

B. Early Retirement Incentive

The District offers employees participation in a Retirement Incentive Program. Participation is open to teachers who have been employed by the District for at least ten years and who opt to retire at the end of any school year and have been approved by STRS to receive retirement benefits other than disability retirement with thirty years or fewer of service credit.

Eligible employees must notify the Board of their intention to retire in writing, no later than March 1 of the year they intend to retire. Eligible employees who fulfill the above requirements will receive two equal lump sums of \$12,000, each to be paid as soon after June 30 as practicable in the year of retirement and the following year. Certain classified employees are also eligible to receive a retirement incentive.

The last installment of the 2020-2021 and the first installment of the 2021-2022 Retirement Incentive Programs were paid prior to June 30, 2022. These payments of \$216,000 were made from the General Fund.

The last installment of the 2021-2022 and the first installment of the 2022-2023 Retirement Incentive Programs will be paid starting in July 2022. These payments of \$192,000 will be made from the General Fund and are reported in accrued wages and benefits in the fund financial statements.

The last installment of the 2022-2023 Retirement Incentive Programs will be completed in July 2023. The payments of \$72,000 will be made from the General Fund and are reported on the government-wide financial statements.

Note 14: Long - Term Liabilities

The changes in the District's long-term obligations during fiscal year 2022 were as follows:

	Principal Outstanding at 6/30/21	Additions	Deletions	Principal Outstanding at 6/30/22	Amounts Due in One Year
Governmental activities:					
2012 \$6,750,000 Library Improvement Refunding Bonds – interest rates of 2.00-2.25%	\$ 3,135,000	\$ -	\$ 500,000	\$ 2,635,000	\$ 510,000
Premium on Library Improvement Refunding Bonds	79,887	-	13,315	66,572	-
2014 \$21,000,000 Certificates of Participation – interest rates of 3.00-5.00%	17,575,000	-	17,575,000	-	-
Discount on Certificates of Participation	(23,053)	-	(23,053)	-	-
2021 \$14,660,000 Refunding Certificates of Participation – interest rate of 4.00%	-	14,660,000	-	14,660,000	-
Premium on Refunding Certificates of Participation	-	3,078,295	115,292	2,963,003	-

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 14: Long - Term Liabilities (continued)

	Principal Outstanding at 6/30/21	Additions	Deletions	Principal Outstanding at 6/30/22	Amounts Due in One Year
2014 \$134,799,915 School Improvement Bonds – interest rates of 3.27-19.85%.	71,537,449	-	67,536,785	4,000,664	903,732
Premium on 2014 School Improvement Bonds	728,863	-	696,989	31,874	-
2021 \$66,686,779 School Improvement Refunding Bonds – interest rates of 2.74-15.35%	-	66,686,779	-	66,686,779	-
Premium on 2021 School Improvement Refunding Bonds	-	6,619,621	182,359	6,437,262	-
2017 \$60,725,000 School Improvement Refunding Bonds – interest rates of 3.50-69.58%	60,725,000	-	-	60,725,000	-
Premium on 2017 School Improvement Bonds	8,795,116	-	288,365	8,506,751	-
Appreciation on Capital Appreciation Bonds	2,674,922	761,258	1,060,749	2,375,431	296,268
Financed purchase obligations*	83,948	-	29,018	54,930	30,470
Early retirement incentive	120,000	72,000	120,000	72,000	-
Net pension liability:					
SERS	28,537,397	-	13,333,172	15,204,225	-
STRS	96,893,549	-	48,476,276	48,417,273	-
Net OPEB liability:					
SERS	9,222,471	-	1,558,546	7,663,925	-
Asset retirement obligation	40,000	3,848	-	43,848	-
Compensated absences	6,698,971	2,526,974	1,602,424	7,623,521	2,541,905
Total governmental long-term liabilities	\$ 306,824,520	\$ 94,408,775	\$ 153,065,237	\$ 248,168,058	\$ 4,282,375
Business-type activities:					
Net pension liability – SERS	\$ 62,920	\$ -	\$ 62,920	\$ -	\$ -
Net OPEB liability – SERS	20,334	-	20,334	-	-
Compensated absences	551	-	551	-	-
Total business-type long-term liabilities	\$ 83,805	\$ -	\$ 83,805	\$ -	\$ -

*Direct placement

The school improvement bonds will be paid from property taxes. The asset retirement obligation will be paid from the General Fund. Compensated absences will be paid from the General Fund and various other governmental funds as they are paid. The District pays obligations related to employee compensation from the fund benefitting from their service.

During fiscal year 2013, the District issued \$6,750,000 in General Obligation (Unlimited Tax) Library Refunding Bonds for the purpose of refunding Library Improvement Bonds outstanding in order to take advantage of lower interest rates. The interest rates range from 2.00% to 2.25%.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 14: Long - Term Liabilities (continued)

The refunding bonds were sold at a premium of \$199,722. Proceeds and premium of \$6,949,722 and cash reserves of \$170,318 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the certificates of participation. The refunded bonds were called and redeemed in full in December 2012.

On March 4, 2014, the District issued \$134,799,915 in General Obligation (Unlimited Tax) School Improvement Bonds for the purpose of constructing, renovating, remodeling, enlarging, furnishing, equipping and otherwise improving school district buildings and facilities and acquiring, improving and equipping sites for such buildings and facilities. The interest rates range from 3.27% to 19.85%.

During fiscal year 2018, the District issued \$60,725,000 in General Obligation (Unlimited Tax) School Improvement Bonds for the purpose of partially refunding the 2014 General Obligation (Unlimited Tax) School Improvement Bonds outstanding. The interest rates range from 3.50% to 69.58%. The refunding bonds were sold at a premium of \$9,804,394 and resulted in a loss on refunding of \$8,692,122. Proceeds and premium of \$70,089,641 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the Series 2014 bonds. As a result, \$60,725,000 of the Series 2014 bonds are considered defeased and the liability for the refunded portion of these bonds has been removed from the District’s financial statements. As of June 30, 2022, the amount of defeased debt outstanding amounted to \$60,725,000. The District decreased its total debt service payments by \$4,936,339 as a result of the refunding. The District also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$4,276,471.

During fiscal year 2022, the District issued \$66,686,779 in General Obligation (Unlimited Tax) School Improvement Bonds for the purpose of partially refunding the 2014 General Obligation (Unlimited Tax) School Improvement Bonds outstanding. The interest rates range from 2.74% to 15.35%. The refunding bonds were sold at a premium of \$6,619,621 and resulted in a loss on refunding of \$5,262,165. Proceeds and premium of \$72,639,779 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the Series 2014 bonds. As a result, \$66,690,000 of the Series 2014 bonds are considered defeased and the liability for the refunded portion of these bonds has been removed from the District’s financial statements. As of June 30, 2022, the amount of defeased debt outstanding amounted to \$66,690,000. The District decreased its total debt service payments by \$14,585,071 as a result of the refunding. The District also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$12,302,340.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 14: Long - Term Liabilities (continued)

On March 18, 2014 the District entered into a \$21,000,000 lease agreement with the Ohio School Building Leasing Corporation (the "Leasing Corporation") for facility upgrades. The lease is an annual lease subject to renewal for 31 years through December 1, 2043. The Leasing Corporation entered into an agreement with a trustee through which it assigned and transferred rights and interest under the lease to the Huntington National Bank as Trustee. The Trustee issued Certificates of Participation in the lease agreement enabling holders of the Certificates to receive a portion of the semi-annual lease payments.

The obligation of the District under the lease and any subsequent lease renewal is subject to annual appropriation of the rental payments. Legal title of the facilities remains with the Leasing Corporation until all payments required under the lease have been made. At that time, title will transfer to the District. The annual principal and interest requirements are payable from proceeds from the permanent improvement tax levy. The Certificates of Participation are not a general obligation of the District but are payable only from appropriations in the Bond Retirement Fund by the District for annual lease payments.

On July 26, 2021 the District issued \$14,660,000 of Certificates of Participation for the purpose of refunding the 2014 Certificates of Participation. The refunding certificates were sold at a premium of \$3,078,295 and resulted in a loss on refunding of \$387,538. Proceeds and premium of \$17,449,485 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2014 certificates. The District decreased its total debt service payments by \$3,897,122 as a result of the refunding. The District also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$3,691,501.

The legal debt margin of the District as of June 30, 2022, was \$-0- with an unvoted debt margin of \$1,239,481.

Principal and interest requirements to retire general obligation bonds and library improvement bonds outstanding at June 30, 2022, are as follows:

	2014 School Improvement Bonds			2017 School Improvement Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 903,732	\$ 296,268	\$ 1,200,000	\$ -	\$ 2,311,850	\$ 2,311,850
2024	852,552	347,448	1,200,000	22,239	3,054,611	3,076,850
2025	1,075,760	524,240	1,600,000	12,240	3,064,610	3,076,850
2026	1,168,620	666,380	1,835,000	6,688	3,065,162	3,071,850
2027	-	-	-	12,584	4,899,266	4,911,850
2028-2032	-	-	-	8,421,249	16,832,801	25,254,050
2033-2037	-	-	-	15,210,000	8,436,450	23,646,450
2038-2042	-	-	-	14,530,000	4,858,226	19,388,226
2043-2047	-	-	-	1,120,000	3,843,876	4,963,876
2048-2052	-	-	-	21,390,000	2,264,677	23,654,677
Total	\$ 4,000,664	\$ 1,834,336	\$ 5,835,000	\$ 60,725,000	\$ 52,631,529	\$ 113,356,529

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 14: Long - Term Liabilities (continued)

	2021 School Improvement Refunding Bonds			Library Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ -	\$ 1,948,270	\$ 1,948,270	\$ 510,000	\$ 50,313	\$ 560,313
2024	-	1,948,270	1,948,270	515,000	40,062	555,062
2025	-	1,948,270	1,948,270	525,000	29,662	554,662
2026	-	1,948,270	1,948,270	535,000	18,394	553,394
2027	-	1,948,270	1,948,270	550,000	6,188	556,188
2028-2032	-	9,741,350	9,741,350	-	-	-
2033-2037	862,395	15,358,956	16,221,351	-	-	-
2038-2042	8,954,384	15,635,274	24,589,658	-	-	-
2043-2047	34,640,000	6,042,160	40,682,160	-	-	-
2048-2052	22,230,000	1,458,417	23,688,417	-	-	-
Total	\$ 66,686,779	\$ 57,977,507	\$ 124,664,286	\$ 2,635,000	\$ 144,619	\$ 2,779,619

	Certificates of Participation			Total		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ -	\$ 586,400	\$ 586,400	\$ 1,413,732	\$ 5,193,101	\$ 6,606,833
2024	-	586,400	586,400	1,389,791	5,976,791	7,366,582
2025	-	586,400	586,400	1,613,000	6,153,182	7,766,182
2026	-	586,400	586,400	1,710,308	6,284,606	7,994,914
2027	-	586,400	586,400	562,584	7,440,124	8,002,708
2028-2032	3,080,000	2,662,200	5,742,200	11,501,249	29,236,351	40,737,600
2033-2037	4,180,000	1,911,600	6,091,600	20,252,395	25,707,006	45,959,401
2038-2042	5,075,000	988,500	6,063,500	28,559,384	21,482,000	50,041,384
2043-2047	2,325,000	93,900	2,418,900	38,085,000	9,979,936	48,064,936
2048-2052	-	-	-	43,620,000	3,723,094	47,343,094
Total	\$ 14,660,000	\$ 8,588,200	\$ 23,248,200	\$ 148,707,443	\$ 121,176,191	\$ 269,883,634

Note 15: Financed Purchases

The District has entered into financed purchase agreements for copier equipment. Governmental activities capital assets consisting of copier equipment have financed purchase balances at June 30, 2022 in the amount of \$54,930. For the copier equipment, the present value of the future minimum payments at the time of acquisition was \$143,326 less accumulated depreciation, \$86,802. Principal payments for all financed purchases in the 2022 fiscal year totaled \$29,018. These amounts are reported as debt service principal expenditures of the General Fund.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 15: Financed Purchases (continued)

The following is a schedule of the future minimum payments required under the financed purchase agreement as of June 30, 2022:

	Financed Purchase		
	Principal	Interest	Total
2023	\$ 30,470	\$ 1,888	\$ 32,358
2024	15,792	720	16,512
2025	8,668	124	8,792
Total	\$ <u>54,930</u>	\$ <u>2,732</u>	\$ <u>57,662</u>

Amortization of financed purchases is included in depreciation expense. The financed purchases are considered direct placements.

Note 16: Jointly Governed Organization

The Ohio Schools' Council (the "Council") is a jointly governed organization of more than 260 school districts, educational service centers, joint vocational districts and Developmental Disabilities boards. The jointly governed organization was created for the purpose of saving money through volume purchases. Each member supports the Council by paying an annual participation fee. Each 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 "Council Board").

The Council Board is the policy making authority of the Council. The Council Board meets monthly September to June. The Council Board appoints the Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Council Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2022, the District paid \$207,380 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Blvd, Suite 377, Independence, Ohio 44131.

The School District also participates in the Council's electricity group purchase program. The Council's current program, Power 4 Schools, offerings electric generation savings for Ohio school districts.

The District participates in the Council's prepaid natural gas program. This program allows school districts to purchase natural gas at reduced rates. Constellation New Energy (Formerly Compass) is the natural gas supplier and program manager. There are currently 165 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.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 17: Set-Aside Requirements

The District is required by State statute to annually set aside in the General Fund an amount 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.

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

	Capital Improvements
Set-aside reserve balance as of June 30, 2021	\$ -
Qualifying off-sets	(3,383,660)
Current year set-aside requirements	864,296
Qualifying disbursements	<u>(654,150)</u>
Total set-aside reserve balance as of June 30, 2022	\$ <u>(3,173,514)</u>

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

Note 18: Contractual Commitments and Other Significant Commitments

At June 30, 2022, the District's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid	Remaining on Contract
Canterbury windows	\$ 866,298	\$ 153,103	\$ 713,195
Noble windows	402,381	18,224	384,157
Bus depot	3,044,450	563,040	2,481,410
Canterbury and Fairfax playgrounds	295,492	1,650	293,842
Elementary, Delisle, Board of Education and Wiley HVAC controls	1,805,370	1,091,470	713,900
Noble roof	316,256	266,199	50,057
High School roof	396,865	199,810	197,055
Roxboro roof	411,678	166,044	245,634
Elementary smart panels	852,510	381,908	470,602
Roxboro kitchen serving line	<u>682,722</u>	<u>96,298</u>	<u>586,424</u>
Total	\$ <u>9,074,022</u>	\$ <u>2,937,746</u>	\$ <u>6,136,276</u>

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 18: Contractual Commitments and Other Significant Commitments (continued)

Other significant commitments include the encumbrances outstanding for the General Fund and Nonmajor Funds were as follows:

	<u>Encumbrances</u>
General fund	\$ 2,394,048
Nonmajor governmental funds	2,910,817
Nonmajor enterprise funds	<u>76,932</u>
Total other significant commitments	<u>\$ 5,381,797</u>

Note 19: Contingencies

A. Grants

The District receives significant financial assistance from numerous federal, state and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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 District at June 30, 2022.

B. Litigation

The District is party to legal proceedings. The District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the District.

C. Foundation Funding

District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. ODE has finalized the adjustments and they did not have any significant impact on the District’s funding.

Note 20: Related Organization

The Cleveland Heights-University 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 District’s Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the District for operational subsidies.

Although the District serves 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 Cleveland Heights-University Heights Public Library at 2345 Lee Road, Cleveland Heights, Ohio 44118.

Cleveland Heights-University Heights City School District

Notes to the Basic Financial Statements (continued)

For the Fiscal Year Ended June 30, 2022

Note 21: Accountability

The following funds had deficit fund balances/net position at June 30, 2022:

Special Revenue Funds:	
Title I	\$ 390,514
Elementary and Secondary School Emergency Relief (ESSER)	339,148
Idea (Flo-Thru)	133,513
Miscellaneous Federal Grants	99,367
Vocational Education	98,069
Title IIA-Improving Teacher Quality	48,069
Title IV	46,209
Public School Preschool Grant	3,465
Other Grants Fund	2,163
Title IV A-Student Supports and Academic Enrichment	992
Preschool Disabilities Grant	262
Title III	5

The deficits in the special revenue funds are due to timing differences in accruing revenues and expenditures. The General Fund is liable for any deficit in the funds and provides transfers when cash is required, not when accruals occur.

Note 22: Asset Retirement Obligations

Ohio Administrative Code Section 1301-7-9 requires a District classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$43,848 associated with the District’s underground storage tanks was estimated by the District and adjusted for inflation. The remaining useful life of these USTs are 11 years. The District maintains insurance related to any potential pollution remediation associated with the USTs.

Note 23: COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District’s investment portfolio and the investments of the pension and other employee benefit plan in which the District participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the District’s future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 School Employees Retirement System of Ohio

For the Last Nine Fiscal Years

	<u>2022 (1)</u>	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	
School district's proportion of the net pension liability	0.412071%	0.432407%	0.439391%	0.420330%	
School district's proportionate share of the net pension liability	\$ 15,204,225	\$ 28,600,317	\$ 26,289,534	\$ 24,073,099	
School district's covered payroll	\$ 14,329,171	\$ 15,151,007	\$ 15,017,429	\$ 14,786,457	
School district's proportionate share of the net pension liability as a percentage of its covered payroll	106.11%	188.77%	175.06%	162.81%	
Plan fiduciary net position as a percentage of the total pension liability	82.86%	68.55%	70.85%	71.36%	
	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
School district's proportion of the net pension liability	0.438239%	0.483673%	0.514349%	0.521422%	0.521422%
School district's proportionate share of the net pension liability	\$ 26,183,793	\$ 35,400,399	\$ 29,349,258	\$ 26,388,871	\$ 31,007,293
School district's covered payroll	\$ 14,396,614	\$ 15,110,743	\$ 15,397,779	\$ 15,100,572	\$ 14,816,958
School district's proportionate share of the net pension liability as a percentage of its covered payroll	181.87%	234.27%	190.61%	174.75%	209.27%
Plan fiduciary net position as a percentage of the total pension liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available. Amounts presented for each fiscal year were determined as of the District's measurement date which is June 30 of the prior year.

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 State Teachers Retirement System of Ohio

For the Last Nine Fiscal Years

	<u>2022 (1)</u>	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	
School district's proportion of the net pension liability	0.378677%	0.400445%	0.403600%	0.403167%	
School district's proportionate share of the net pension liability	\$ 48,417,273	\$ 96,893,549	\$ 89,253,750	\$ 88,647,341	
School district's covered payroll	\$ 46,871,186	\$ 48,696,336	\$ 48,124,964	\$ 45,873,871	
School district's proportionate share of the net pension liability as a percentage of its covered payroll	103.30%	198.98%	185.46%	193.24%	
Plan fiduciary net position as a percentage of the total pension liability	87.80%	75.50%	77.40%	77.30%	
	<u>2018 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>	<u>2015 (1)</u>	<u>2014 (1)</u>
School district's proportion of the net pension liability	0.409185%	0.440678%	0.462690%	0.420736%	0.420736%
School district's proportionate share of the net pension liability	\$ 97,202,672	\$ 147,508,268	\$ 127,873,968	\$ 102,337,463	\$ 121,903,717
School district's covered payroll	\$ 44,251,686	\$ 47,545,043	\$ 48,339,057	\$ 47,308,229	\$ 49,081,508
School district's proportionate share of the net pension liability as a percentage of its covered payroll	219.66%	310.25%	264.54%	216.32%	248.37%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2014 is not available. Amounts presented for each fiscal year were determined as of the District's measurement date which is June 30 of the prior year.

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District Pension Contributions
 School Employees Retirement System of Ohio

For the Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 2,199,728	\$ 2,006,084	\$ 2,121,141	\$ 2,027,353	\$ 1,996,172
Contributions in relation to the contractually required contribution	<u>(2,199,728)</u>	<u>(2,006,084)</u>	<u>(2,121,141)</u>	<u>(2,027,353)</u>	<u>(1,996,172)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 15,712,343	\$ 14,329,171	\$ 15,151,007	\$ 15,017,429	\$ 14,786,457
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.50%	13.50%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 2,015,526	\$ 2,115,504	\$ 2,029,427	\$ 2,092,939	\$ 2,050,667
Contributions in relation to the contractually required contribution	<u>(2,015,526)</u>	<u>(2,115,504)</u>	<u>(2,029,427)</u>	<u>(2,092,939)</u>	<u>(2,050,667)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 14,396,614	\$ 15,110,743	\$ 15,397,779	\$ 15,100,571	\$ 14,816,958
Contributions as a percentage of covered payroll	14.00%	14.00%	13.18%	13.86%	13.84%

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District Pension Contributions
 State Teachers Retirement System of Ohio

For the Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 6,665,135	\$ 6,561,966	\$ 6,817,487	\$ 6,737,495	\$ 6,422,342
Contributions in relation to the contractually required contribution	<u>(6,665,135)</u>	<u>(6,561,966)</u>	<u>(6,817,487)</u>	<u>(6,737,495)</u>	<u>(6,422,342)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 47,608,114	\$ 46,871,186	\$ 48,696,336	\$ 48,124,964	\$ 45,873,871
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 6,195,236	\$ 6,656,306	\$ 6,767,468	\$ 6,150,070	\$ 6,380,596
Contributions in relation to the contractually required contribution	<u>(6,195,236)</u>	<u>(6,656,306)</u>	<u>(6,767,468)</u>	<u>(6,150,070)</u>	<u>(6,380,596)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 44,251,686	\$ 47,545,043	\$ 48,339,057	\$ 47,308,229	\$ 49,081,508
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%	13.00%

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net OPEB Liability
 School Employees Retirement System of Ohio

For the Last Six Fiscal Years

	<u>2022 (1)</u>				
School district's proportion of the net OPEB liability	0.404945%				
School district's proportionate share of the net OPEB liability	\$ 7,663,925				
School district's covered payroll	\$ 14,329,171				
School district's proportionate share of the net OPEB liability as a percentage of its covered payroll	53.48%				
Plan fiduciary net position as a percentage of the total OPEB liability	24.08%				
	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>
School district's proportion of the net OPEB liability	0.425284%	0.440571%	0.428203%	0.445562%	0.490592%
School district's proportionate share of the net OPEB liability	\$ 9,242,805	\$ 11,079,440	\$ 11,879,499	\$ 11,957,715	\$ 13,983,693
School district's covered payroll	\$ 15,151,007	\$ 15,017,429	\$ 14,786,457	\$ 14,396,614	\$ 15,110,743
School district's proportionate share of the net OPEB liability as a percentage of its covered payroll	61.00%	73.78%	80.34%	83.06%	92.54%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available. Amounts presented for each fiscal year were determined as of the District's measurement date which is June 30 of the prior fiscal year.

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net OPEB (Asset)/Liability
 State Teachers Retirement System of Ohio

For the Last Six Fiscal Years

	<u>2022 (1)</u>				
School district's proportion of the net OPEB asset/liability	0.378677%				
School district's proportionate share of the net OPEB (asset)/liability	\$ (7,984,096)				
School district's covered payroll	\$ 46,871,186				
School district's proportionate share of the net OPEB (asset)/liability as a percentage of its covered payroll	(17.03%)				
Plan fiduciary net position as a percentage of the total OPEB liability	174.70%				
	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2018 (1)</u>	<u>2017 (1)</u>
School district's proportion of the net OPEB asset/liability	0.400445%	0.403600%	0.403167%	0.409185%	0.440678%
School district's proportionate share of the net OPEB (asset)/liability	\$ (7,037,821)	\$ (6,684,587)	\$ (6,478,497)	\$ 15,964,872	\$ 23,567,584
School district's covered payroll	\$ 48,696,336	\$ 48,124,964	\$ 45,873,871	\$ 44,251,686	\$ 47,545,043
School district's proportionate share of the net OPEB (asset)/liability as a percentage of its covered payroll	(14.45%)	(13.89%)	(14.12%)	36.08%	49.57%
Plan fiduciary net position as a percentage of the total OPEB liability	182.10%	174.70%	176.00%	47.10%	37.30%

(1) Information prior to 2017 is not available. Amounts presented for each fiscal year were determined as of the District's measurement date which is June 30 of the prior fiscal year.

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District OPEB Contributions
 School Employees Retirement System of Ohio

For the Last Ten Fiscal Years

	2022	2021	2020	2019	2018
Contractually required contribution (1)	\$ 199,917	\$ 168,011	\$ 162,419	\$ 298,453	\$ 313,159
Contributions in relation to the contractually required contribution	<u>(199,917)</u>	<u>(168,011)</u>	<u>(162,419)</u>	<u>(298,453)</u>	<u>(313,159)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 14,512,264	\$ 14,329,171	\$ 15,151,007	\$ 15,017,429	\$ 14,786,457
Contributions as a percentage of covered payroll	1.38%	1.17%	1.07%	1.99%	2.12%
	2017	2016	2015	2014	2013
Contractually required contribution (1)	\$ 246,778	\$ 249,000	\$ 363,851	\$ 275,793	\$ 295,663
Contributions in relation to the contractually required contribution	<u>(246,778)</u>	<u>(249,000)</u>	<u>(363,851)</u>	<u>(275,793)</u>	<u>(295,663)</u>
Contribution deficiency (excess)	<u>\$ -</u>				
School district covered payroll	\$ 14,396,614	\$ 15,110,743	\$ 15,397,779	\$ 15,100,571	\$ 14,816,958
Contributions as a percentage of covered payroll	1.71%	1.65%	2.36%	1.83%	2.00%

(1) Includes surcharge

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Required Supplementary Information
 Schedule of the School District OPEB Contributions
 State Teachers Retirement System of Ohio

For the Last Ten Fiscal Years

	2022	2021	2020	2019	2018
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School district covered payroll	\$ 47,608,114	\$ 46,871,186	\$ 48,696,336	\$ 48,124,964	\$ 45,873,871
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%
	2017	2016	2015	2014	2013
Contractually required contribution	\$ -	\$ -	\$ -	\$ 473,082	\$ 490,815
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(473,082)</u>	<u>(490,815)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School district covered payroll	\$ 44,251,686	\$ 47,545,043	\$ 48,339,057	\$ 47,308,229	\$ 49,081,508
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	1.00%	1.00%

The accompanying notes are an integral part of the required supplementary information

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information

For the Fiscal Year Ended June 30, 2022

Note 1: Net Pension Liability

Changes in Assumptions – SERS

Beginning in fiscal year 2022, an assumption of 2.0% was used for COLA or Ad Hoc Cola. Beginning in fiscal year 2018, an assumption of 2.5% was used. Prior to 2018, an assumption of 3.0% was used.

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. Assumptions are compared to those used in prior fiscal years below:

	<u>Fiscal Year 2022</u>		
Wage inflation	2.40%		
Future salary increases, including inflation	3.25% to 13.58%		
Investment rate of return	7.00% net of investments expense, including inflation		
	<u>Fiscal Year 2021-2017</u>	<u>Fiscal Year 2016 and Prior</u>	
Wage Inflation	3.00%	3.25%	
Future Salary Increases, including inflation	3.50% to 18.20%	4.00% to 22.00%	
Investment Rate of Return	7.50% net of investments expense, including inflation	7.75% net of investments expense, including inflation	

Beginning with fiscal year 2022, mortality assumptions use mortality rates that are based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Beginning with fiscal year 2017, mortality assumptions use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions – STRS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions are compared to those used in prior fiscal years are presented below:

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2022

Note 1: Net Pension Liability (continued)

Changes in Assumptions – STRS (continued)

	<u>Fiscal Year 2022</u>	
Inflation	2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.00%, net of investment expenses, including inflation	
Payroll increases	3.00%	
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017	
	<u>Fiscal Year 2021-2018</u>	<u>Fiscal Year 2017 and Prior</u>
Inflation	2.50%	2.75%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.25% at age 20 to 2.75% at age 70
Investment rate of return	7.45%, net of investment expenses, including inflation	7.75%, net of investment expenses, including inflation
Payroll increases	3.00%	3.50%
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017	2.00% simple applied as follows: for members retiring before August 1, 2013, 2.00% per year; for members retiring August 1, 2013, or later, 2.00% COLA commences on fifth anniversary of retirement date.

Beginning in fiscal year 2018 post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014. Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2022

Note 2: Net OPEB Liability (Asset)

Changes in Assumptions – SERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2022 1.92%
Fiscal year 2021 2.45%
Fiscal year 2020 3.56%
Fiscal year 2019 3.62%
Fiscal year 2018 3.56%
Fiscal year 2017 2.92%

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2022 2.27%
Fiscal year 2021 2.63%
Fiscal year 2020 3.63%
Fiscal year 2019 3.70%
Fiscal year 2018 3.63%
Fiscal year 2017 2.98%

Beginning in fiscal year 2022 the Medicare healthcare cost trend rate was updated from 7.00% decreasing to 4.75% to 6.75% decreasing to 4.40%. Beginning in fiscal year 2021 the Medicare healthcare cost trend rate was updated from 7.25% decreasing to 4.75% to 7.00% decreasing to 4.75%. Beginning in fiscal year 2020 the Medicare healthcare cost trend rate was updated from 7.5% decreasing to 5.0% to 7.25% decreasing to 4.75%.

Changes in Assumptions – STRS

For fiscal year 2022 the discount rate was decreased from the long-term expected rate of return of 7.45% to the long-term expected rate of return of 7.00%.

For fiscal year 2019 the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45%. Valuation year per capital health care costs were updated.

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Cleveland Heights-University Heights City School District

Notes to Required Supplementary Information (continued)

For the Fiscal Year Ended June 30, 2022

Note 2: Net OPEB Liability (Asset) (continued)

Changes in Benefit Term Changes – STRS

There was no change to the claims costs process. Claim curves were updated to reflect the projected June 30 2022 premium based on June 30, 2021 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to 2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in 2022. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

There was no change to the claims costs process. Claim curves were updated to reflect the projected June 30 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

Also for fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements were discontinued beginning January 1, 2020.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements were discontinued beginning January 2019.

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
University Heights, Ohio

Combining Statements & Individual Fund Schedules



Melody Schanz
Gr 12 Cleveland Heights High



CLEVELAND UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds
Fund Descriptions

June 30, 2022

Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. Following is a description of the District's nonmajor special revenue funds:

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

Student Activity This fund is used to account for those student activity programs which have student participation in the activity and limited student management of the programs.

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

Auxiliary Services This fund accounts for state funds for the purchase of science and math materials, as well as psychological and other supplemental services at the non-public schools within the District.

Public School Preschool Grant This fund accounts for the state revenues which address the educational needs of 4 year olds who are at risk of being poor achievers.

Data Communication This fund accounts for restricted state grant monies used for classroom wiring for technology.

Miscellaneous State Grants This fund represents state monies that support academic and enrichment programs for the student body.

Elementary and Secondary School Emergency Relief This fund is represents state monies that are restricted to respond to the COVID-19 pandemic.

Title IV The purpose of this federal program is to support the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children.

Coronavirus Relief The purpose of this federal program is to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

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

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds
Fund Descriptions (continued)

June 30, 2022

Nonmajor Special Revenue Funds (continued)

Vocational Education Provides funds to boards of education, training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including six equity grants.

Title III This fund accounts for funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provide structured English language instruction, with respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction incorporates the cultural heritage of these children and of other children in American society. The instruction must, to the extent necessary, be in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

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

Title IVA – Student Supports and Academic Enrichment This fund accounts for funds received to provide all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology in order to improve the academic achievement and digital literacy of all students.

Preschool Disabilities Grant The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Title IIA - Improving Teacher Quality This fund accounts for funds received to achieve academic achievement by improving teacher quality. This will be accomplished by increasing the number of highly qualified teachers in classrooms.

Miscellaneous Federal Grants This fund is used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

Special Trust To account for monies from local donations for the purpose of scholarships for students. With the implementation of GASB No. 54, this fund has been classified with the general fund for GAAP reporting purposes. However, this fund has its own legally adopted budget. As a result, an Individual Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for the fund.

Public School Support To account for school site sales revenue and expenditures for field trips, assemblies, and other activity costs. With the implementation of GASB No. 54, this fund has been classified with the general fund for GAAP reporting purposes. However, this fund has its own legally adopted budget. As a result, an Individual Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for the fund.

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Governmental Funds
Fund Descriptions (continued)

June 30, 2022

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust.

Permanent Improvement This fund accounts for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

Nonmajor Debt Service Fund

Bond Retirement Fund This fund provides for the retirement of serial bonds and short-term loans. All revenue derived from general or special levies, either within or exceeding the ten-mill limitation, which is levied for debt charges on bonds or loans shall be paid into this fund.



CLEVELAND
UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT

Cleveland Heights-University Heights City School District

Combining Balance Sheet
Nonmajor Government Funds

June 30, 2022

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 633,514	\$ 900,089	\$ 9,127,413	\$ 10,661,016
Intergovernmental receivable	649,521	-	-	649,521
Taxes receivable	-	6,808,006	3,710,425	10,518,431
Total assets	<u>\$ 1,283,035</u>	<u>\$ 7,708,095</u>	<u>\$ 12,837,838</u>	<u>\$ 21,828,968</u>
Liabilities, deferred inflows of resources and fund balances:				
Liabilities:				
Accounts payable	\$ 448,807	\$ -	\$ 1,746,790	\$ 2,195,597
Accrued wages and benefits	636,748	-	-	636,748
Interfund payable	825,178	-	-	825,178
Intergovernmental payable	96,106	-	-	96,106
Total liabilities	<u>2,006,839</u>	<u>-</u>	<u>1,746,790</u>	<u>3,753,629</u>
Deferred inflows of resources:				
Property taxes	-	5,157,150	2,706,367	7,863,517
Unavailable revenue	-	1,072,450	634,234	1,706,684
Deferred inflows of resources	<u>-</u>	<u>6,229,600</u>	<u>3,340,601</u>	<u>9,570,201</u>
Fund balances:				
Restricted	437,972	1,478,495	7,750,447	9,666,914
Unassigned	(1,161,776)	-	-	(1,161,776)
Total fund balances	<u>(723,804)</u>	<u>1,478,495</u>	<u>7,750,447</u>	<u>8,505,138</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,283,035</u>	<u>\$ 7,708,095</u>	<u>\$ 12,837,838</u>	<u>\$ 21,828,968</u>

Cleveland Heights-University Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Government Funds

For the Fiscal Year Ended June 30, 2022

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Revenues:				
Taxes	\$ -	\$ 5,936,792	\$ 3,430,388	\$ 9,367,180
Intergovernmental	19,460,702	188,954	432,248	20,081,904
Grants	346,464	-	-	346,464
Earnings on investments	1,377	-	-	1,377
Extracurricular activities	142,405	-	-	142,405
Miscellaneous	37,358	-	-	37,358
Total revenues	<u>19,988,306</u>	<u>6,125,746</u>	<u>3,862,636</u>	<u>29,976,688</u>
Expenditures:				
Current:				
Instruction:				
Regular	4,702,263	-	-	4,702,263
Special	2,444,991	-	-	2,444,991
Vocational	311,420	-	-	311,420
Other	1,624,373	-	-	1,624,373
Support services:				
Pupil	1,038,306	-	-	1,038,306
Instructional staff	1,045,831	-	-	1,045,831
Administration	2,160,777	-	-	2,160,777
Fiscal	87,802	107,721	62,000	257,523
Operations and maintenance of plant	4,079,644	-	4,904,370	8,984,014
Pupil transportation	780,594	-	-	780,594
Central	85,565	-	-	85,565
Operation of non-instructional services:				
Food services	649	-	-	649
Community services	1,767,471	-	-	1,767,471
Extracurricular activities	389,517	-	-	389,517
Debt service:				
Principal	-	1,346,785	490,000	1,836,785
Interest and fiscal charges	-	3,998,385	419,074	4,417,459
Issuance costs	-	666,621	288,810	955,431
Total expenditures	<u>20,519,203</u>	<u>6,119,512</u>	<u>6,164,254</u>	<u>32,802,969</u>
Excess of revenues (under) over expenditures	<u>(530,897)</u>	<u>6,234</u>	<u>(2,301,618)</u>	<u>(2,826,281)</u>

Continued

Cleveland Heights-University Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Government Funds (continued)

For the Fiscal Year Ended June 30, 2022

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
Other financing sources (uses):				
Transfers – in	239,292	-	-	239,292
Transfers – out	(160)	-	-	(160)
Issuance of certificates of participation	-	-	14,660,000	14,660,000
Premium on issuance of certificates of participation	-	-	3,078,295	3,078,295
Issuance of bonds	-	66,686,779	-	66,686,779
Premium on issuance of bonds	-	6,619,621	-	6,619,621
Payment to refunded escrow agent	-	(72,639,779)	(17,449,485)	(90,089,264)
Total other financing sources (uses)	<u>239,132</u>	<u>666,621</u>	<u>288,810</u>	<u>1,194,563</u>
Net change in fund balance	(291,765)	672,855	(2,012,808)	(1,631,718)
Fund (deficit) balance at beginning of year	<u>(432,039)</u>	<u>805,640</u>	<u>9,763,255</u>	<u>10,136,856</u>
Fund (deficit) balance at end of year	<u>\$ (723,804)</u>	<u>\$ 1,478,495</u>	<u>\$ 7,750,447</u>	<u>\$ 8,505,138</u>

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Cleveland Heights-University Heights City School District

Combining Balance Sheet
Nonmajor Special Revenue Funds

June 30, 2022

	Other Grants	Student Activity	District Managed Activity	Auxiliary Services	Public School Preschool Grant
Assets:					
Equity in pooled cash and investments	\$ 188,102	\$ 65,049	\$ 133,018	\$ 247,345	\$ -
Intergovernmental receivable	18,037	-	-	-	-
Total assets	<u>\$ 206,139</u>	<u>\$ 65,049</u>	<u>\$ 133,018</u>	<u>\$ 247,345</u>	<u>\$ -</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ 12,490	\$ -	\$ 4,179	\$ 3,261	\$ -
Accrued wages and benefits	1,288	-	-	-	-
Interfund payable	193,697	-	-	-	-
Intergovernmental payable	827	-	-	-	3,465
Total liabilities	<u>208,302</u>	<u>-</u>	<u>4,179</u>	<u>3,261</u>	<u>3,465</u>
Fund balances:					
Restricted	-	65,049	128,839	244,084	-
Unassigned	(2,163)	-	-	-	(3,465)
Total fund balances (deficit)	<u>(2,163)</u>	<u>65,049</u>	<u>128,839</u>	<u>244,084</u>	<u>(3,465)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 206,139</u>	<u>\$ 65,049</u>	<u>\$ 133,018</u>	<u>\$ 247,345</u>	<u>\$ -</u>

Data Communication	Miscellaneous State Grants	Elementary and Secondary School Emergency Relief	Title IV
\$ -	\$ -	\$ -	\$ -
-	-	228,286	77,272
<u>-</u>	<u>-</u>	<u>228,286</u>	<u>77,272</u>
\$ -	\$ -	\$ 25,568	\$ 9,945
-	-	289,987	28,207
-	-	228,284	77,272
-	-	23,595	8,057
<u>-</u>	<u>-</u>	<u>567,434</u>	<u>123,481</u>
-	-	-	-
-	-	(339,148)	(46,209)
<u>-</u>	<u>-</u>	<u>(339,148)</u>	<u>(46,209)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,286</u>	<u>\$ 77,272</u>

Continued

Cleveland Heights-University Heights City School District

Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)

June 30, 2022

	Coronavirus Relief	IDEA (Flo-Thru)	Vocational Education	Title III	Title I
Assets:					
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivable	-	78,344	35,197	1,220	166,785
Total assets	<u>\$ -</u>	<u>\$ 78,344</u>	<u>\$ 35,197</u>	<u>\$ 1,220</u>	<u>\$ 166,785</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	\$ -	\$ 10,600	\$ 86,449	\$ -	\$ 170,534
Accrued wages and benefits	-	96,058	9,946	-	189,800
Interfund payable	-	78,344	35,197	1,219	166,785
Intergovernmental payable	-	26,855	1,674	6	30,180
Total liabilities	<u>-</u>	<u>211,857</u>	<u>133,266</u>	<u>1,225</u>	<u>557,299</u>
Fund balances:					
Restricted	-	-	-	-	-
Unassigned	-	(133,513)	(98,069)	(5)	(390,514)
Total fund balances (deficit)	<u>-</u>	<u>(133,513)</u>	<u>(98,069)</u>	<u>(5)</u>	<u>(390,514)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 78,344</u>	<u>\$ 35,197</u>	<u>\$ 1,220</u>	<u>\$ 166,785</u>

Title IVA- Student Supports and Academic Enrichment	Preschool Disabilities Grant	Title IIA- Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue
\$ -	\$ -	\$ -	\$ -	\$ 633,514
8,713	1,251	34,416	-	649,521
<u>\$ 8,713</u>	<u>\$ 1,251</u>	<u>\$ 34,416</u>	<u>\$ -</u>	<u>\$ 1,283,035</u>
\$ -	\$ -	\$ 26,414	\$ 99,367	\$ 448,807
898	-	20,564	-	636,748
8,713	1,251	34,416	-	825,178
94	262	1,091	-	96,106
<u>9,705</u>	<u>1,513</u>	<u>82,485</u>	<u>99,367</u>	<u>2,006,839</u>
-	-	-	-	437,972
(992)	(262)	(48,069)	(99,367)	(1,161,776)
<u>(992)</u>	<u>(262)</u>	<u>(48,069)</u>	<u>(99,367)</u>	<u>(723,804)</u>
<u>\$ 8,713</u>	<u>\$ 1,251</u>	<u>\$ 34,416</u>	<u>\$ -</u>	<u>\$ 1,283,035</u>

Cleveland Heights-University Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds

For the Fiscal Year Ended June 30, 2022

	Other Grants	Student Activity	District Managed Activity	Auxiliary Services	Public School Preschool Grant
Revenues:					
Intergovernmental	\$ 16,320	\$ -	\$ -	\$ 743,056	\$ 166,699
Grants	346,464	-	-	-	-
Earnings on investments	-	-	-	1,377	-
Extracurricular activities	-	18,488	123,917	-	-
Miscellaneous	12,316	1,647	23,395	-	-
Total revenues	<u>375,100</u>	<u>20,135</u>	<u>147,312</u>	<u>744,433</u>	<u>166,699</u>
Expenditures:					
Current:					
Instruction:					
Regular	333,615	-	-	-	154,249
Special	3,603	-	-	-	-
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	8,332	8,351	-	-	-
Instructional staff	39,151	-	-	-	-
Administration	287	-	-	-	-
Fiscal	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	925	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services:					
Food services	649	-	-	-	-
Community services	1,353	-	-	849,843	-
Extracurricular activities	-	22,409	367,108	-	-
Total expenditures	<u>387,915</u>	<u>30,760</u>	<u>367,108</u>	<u>849,843</u>	<u>154,249</u>
Excess of revenues (under) over expenditures	<u>(12,815)</u>	<u>(10,625)</u>	<u>(219,796)</u>	<u>(105,410)</u>	<u>12,450</u>
Other financing sources (uses):					
Transfers – in	-	-	239,292	-	-
Transfers – out	-	-	(160)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>239,132</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(12,815)	(10,625)	19,336	(105,410)	12,450
Fund balance (deficit) at beginning of year	10,652	75,674	109,503	349,494	(15,915)
Fund balance (deficit) at end of year	<u>\$ (2,163)</u>	<u>\$ 65,049</u>	<u>\$ 128,839</u>	<u>\$ 244,084</u>	<u>\$ (3,465)</u>

Data Communication	Miscellaneous State Grants	Elementary and Secondary School Emergency Relief	Title IV
\$ 18,000	\$ -	\$ 12,219,882	\$ 915,026
-	-	-	-
-	-	-	-
-	-	-	-
<u>18,000</u>	<u>-</u>	<u>12,219,882</u>	<u>915,026</u>
-	-	3,447,824	421,542
-	-	200	-
-	-	-	-
-	-	1,624,373	-
-	-	704,273	312,475
-	-	-	22,313
-	-	1,443,562	108,830
-	-	5,729	12,516
-	3,664	4,075,980	-
-	-	762,966	16,703
18,000	-	18,111	44,000
<u>18,000</u>	<u>3,664</u>	<u>12,253,220</u>	<u>941,624</u>
-	(3,664)	(33,338)	(26,598)
-	-	-	-
-	-	-	-
-	-	-	-
-	(3,664)	(33,338)	(26,598)
-	3,664	(305,810)	(19,611)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (339,148)</u>	<u>\$ (46,209)</u>

Continued

Cleveland Heights-University Heights City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)

For the Fiscal Year Ended June 30, 2022

	Coronavirus Relief	IDEA (Flo-Thru)	Vocational Education	Title III	Title I
Revenues:					
Intergovernmental Grants	\$ 44,255	\$ 1,757,237	\$ 379,682	\$ 18,079	\$ 2,366,770
Earnings on investments	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>44,255</u>	<u>1,757,237</u>	<u>379,682</u>	<u>18,079</u>	<u>2,366,770</u>
Expenditures:					
Current:					
Instruction:					
Regular	39,217	-	-	-	56,514
Special	-	846,683	-	15,049	1,537,844
Vocational	-	-	311,420	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	3,888	-	-	-
Instructional staff	-	151,177	33,742	206	423,280
Administration	-	536,959	-	-	71,139
Fiscal	-	34,074	-	162	26,536
Operation and maintenance of plant	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services:					
Food services	-	-	-	-	-
Community services	-	155,296	-	2,633	409,076
Extracurricular activities	-	-	-	-	-
Total expenditures	<u>39,217</u>	<u>1,728,077</u>	<u>345,162</u>	<u>18,050</u>	<u>2,524,389</u>
Excess of revenues (under) over expenditures	<u>5,038</u>	<u>29,160</u>	<u>34,520</u>	<u>29</u>	<u>(157,619)</u>
Other financing sources (uses):					
Transfers – in	-	-	-	-	-
Transfers – out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	5,038	29,160	34,520	29	(157,619)
Fund balance (deficit) at beginning of year, restated	(5,038)	(162,673)	(132,589)	(34)	(232,895)
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (133,513)</u>	<u>\$ (98,069)</u>	<u>\$ (5)</u>	<u>\$ (390,514)</u>

Title IVA- Student Supports and Academic Enrichment	Preschool Disabilities Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue
\$ 61,972	\$ 44,888	\$ 526,896	\$ 181,940	\$ 19,460,702
-	-	-	-	346,464
-	-	-	-	1,377
-	-	-	-	142,405
-	-	-	-	37,358
<u>61,972</u>	<u>44,888</u>	<u>526,896</u>	<u>181,940</u>	<u>19,988,306</u>
14,300	-	-	235,002	4,702,263
-	41,612	-	-	2,444,991
-	-	-	-	311,420
-	-	-	-	1,624,373
987	-	-	-	1,038,306
12,094	-	363,655	213	1,045,831
-	-	-	-	2,160,777
-	-	6,520	2,265	87,802
-	-	-	-	4,079,644
-	-	-	-	780,594
-	-	5,454	-	85,565
-	-	-	-	649
35,583	-	140,240	-	1,767,471
-	-	-	-	389,517
<u>62,964</u>	<u>41,612</u>	<u>515,869</u>	<u>237,480</u>	<u>20,519,203</u>
(992)	3,276	11,027	(55,540)	(530,897)
-	-	-	-	239,292
-	-	-	-	(160)
-	-	-	-	239,132
(992)	3,276	11,027	(55,540)	(291,765)
-	(3,538)	(59,096)	(43,827)	(432,039)
<u>(992)</u>	<u>(262)</u>	<u>(48,069)</u>	<u>(99,367)</u>	<u>(723,804)</u>

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



Chiara Koonce
 Gr 11 Cleveland Heights High

Cleveland Heights-University Heights City School District

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 78,142,596	\$ 78,142,596	\$ 85,785,547	\$ 7,642,951
Intergovernmental	30,691,718	30,691,718	20,269,226	(10,422,492)
Tuition and fees	5,372,999	5,372,999	3,548,402	(1,824,597)
Earnings on investments	412,688	412,688	272,545	(140,143)
Miscellaneous	2,051,158	2,051,158	1,354,612	(696,546)
Total revenues	116,671,159	116,671,159	111,230,332	(5,440,827)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	30,774,450	30,774,450	25,759,992	5,014,458
Employee benefits	14,379,466	14,379,466	10,979,613	3,399,853
Purchased services	113,814	113,814	85,952	27,862
Supplies and materials	841,903	841,903	639,915	201,988
Capital outlay	51,208	51,208	47,565	3,643
Other	71,844	71,844	51,853	19,991
Total regular	46,232,685	46,232,685	37,564,890	8,667,795
Special:				
Salaries and wages	10,119,671	10,119,671	10,119,671	-
Employee benefits	4,515,438	4,515,438	4,514,545	893
Purchased services	7,399,527	7,399,527	3,890,491	3,509,036
Supplies and materials	99,025	99,025	94,277	4,748
Capital outlay	20,041	20,041	12,210	7,831
Other	36,625	36,625	15,102	21,523
Total special	22,190,327	22,190,327	18,646,296	3,544,031
Vocational:				
Salaries and wages	1,077,273	1,077,273	1,069,303	7,970
Employee benefits	430,530	430,530	410,174	20,356
Purchased services	90,418	90,418	88,411	2,007
Supplies and materials	81,472	81,472	57,859	23,613
Capital outlay	15,522	15,522	13,357	2,165
Other	19,761	19,761	16,208	3,553
Total vocational	1,714,976	1,714,976	1,655,312	59,664

Continued

Cleveland Heights-University Heights City School District

General Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other:				
Salaries and wages	12,177	12,177	8,143	4,034
Employee benefits	4,907	4,907	3,213	1,694
Purchased services	12,513,802	12,513,802	1,276,918	11,236,884
Supplies and materials	6,000	6,000	-	6,000
Total other	12,536,886	12,536,886	1,288,274	11,248,612
Continuing education:				
Employee benefits	1	1	1	-
Total continuing education	1	1	1	-
Total instruction	82,674,875	82,674,875	59,154,773	23,520,102
Support services:				
Pupil:				
Salaries and wages	5,095,261	5,095,261	5,095,260	1
Employee benefits	2,101,373	2,101,373	2,094,728	6,645
Purchased services	168,876	168,876	156,034	12,842
Supplies and materials	83,511	83,511	69,640	13,871
Capital outlay	8,700	8,700	8,513	187
Other	13,945	13,945	10,743	3,202
Total pupil	7,471,666	7,471,666	7,434,918	36,748
Instructional staff:				
Salaries and wages	2,618,325	2,618,325	2,618,325	-
Employee benefits	1,149,041	1,149,041	1,149,041	-
Purchased services	133,651	133,651	74,744	58,907
Supplies and materials	99,001	99,001	81,393	17,608
Other	82,213	82,213	72,140	10,073
Total instructional staff	4,082,231	4,082,231	3,995,643	86,588
Board of education:				
Salaries and wages	19,125	19,125	19,125	-
Employee benefits	3,326	3,326	3,326	-
Purchased services	909,350	909,350	898,731	10,619
Supplies and materials	10,850	10,850	10,210	640
Other	30,200	30,200	29,467	733
Total board of education	972,851	972,851	960,859	11,992
Administration:				
Salaries and wages	3,311,041	3,311,041	3,301,088	9,953
Employee benefits	1,613,207	1,613,207	1,590,988	22,219
Purchased services	237,760	237,760	203,172	34,588
Supplies and materials	146,337	146,337	103,011	43,326
Capital outlay	7,715	7,715	7,715	-
Other	42,985	42,985	39,158	3,827
Total administration	5,359,045	5,359,045	5,245,132	113,913

Continued

Cleveland Heights-University Heights City School District

General Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Fiscal:				
Salaries and wages	804,505	804,505	804,505	-
Employee benefits	393,568	393,568	393,568	-
Purchased services	299,854	299,854	240,785	59,069
Supplies and materials	70,506	70,506	58,989	11,517
Capital outlay	2,000	2,000	-	2,000
Other	1,742,252	1,742,252	1,703,157	39,095
Total fiscal	3,312,685	3,312,685	3,201,004	111,681
Business:				
Salaries and wages	198,901	198,901	198,901	-
Employee benefits	116,255	116,255	116,255	-
Purchased services	541,318	541,318	517,195	24,123
Supplies and materials	4,377	4,377	2,325	2,052
Capital outlay	1,000	1,000	-	1,000
Other	519,526	519,526	506,151	13,375
Total business	1,381,377	1,381,377	1,340,827	40,550
Operations and maintenance of plant:				
Salaries and wages	2,216,325	2,216,325	2,150,872	65,453
Employee benefits	1,206,607	1,206,607	1,141,933	64,674
Purchased services	3,107,021	3,107,021	2,922,880	184,141
Supplies and materials	934,811	934,811	817,663	117,148
Capital outlay	255,258	255,258	230,394	24,864
Other	10,039	10,039	9,011	1,028
Total operations and maintenance of plant	7,730,061	7,730,061	7,272,753	457,308
Pupil transportation:				
Salaries and wages	1,373,128	1,373,128	1,373,128	-
Employee benefits	818,793	818,793	818,793	-
Purchased services	890,710	890,710	856,614	34,096
Supplies and materials	592,038	592,038	419,673	172,365
Other	1,565	1,565	1,290	275
Total pupil transportation	3,676,234	3,676,234	3,469,498	206,736

Continued

Cleveland Heights-University Heights City School District

General Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Central:				
Salaries and wages	1,294,201	1,294,201	1,294,202	(1)
Employee benefits	766,273	766,273	766,273	-
Purchased services	745,602	745,602	708,584	37,018
Supplies and materials	541,852	541,852	515,080	26,772
Capital outlay	680,195	680,195	661,152	19,043
Other	7,710	7,710	5,600	2,110
Total central	4,035,833	4,035,833	3,950,891	84,942
Total support services	38,021,983	38,021,983	36,871,525	1,150,458
Operation of non-instructional services:				
Community services:				
Employee benefits	1,014	1,014	1,014	-
Purchased services	30,950	30,950	19,000	11,950
Total operation of non-instructional services	31,964	31,964	20,014	11,950
Extracurricular activities:				
Academic and subject oriented:				
Salaries and wages	140,543	140,543	140,543	-
Employee benefits	34,560	34,560	34,560	-
Purchased services	1,200	1,200	350	850
Supplies and materials	4,070	4,070	4,070	-
Other	4,330	4,330	3,406	924
Total academic and subject oriented	184,703	184,703	182,929	1,774
Occupational oriented:				
Salaries and wages	2,159	2,159	2,159	-
Employee benefits	371	371	371	-
Total occupational oriented	2,530	2,530	2,530	-

Continued

Cleveland Heights-University Heights City School District

General Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Sports oriented:				
Salaries and wages	553,208	553,208	553,208	-
Employee benefits	140,668	140,668	140,668	-
Purchased services	19,529	19,529	13,019	6,510
Supplies and materials	8,908	8,908	5,500	3,408
Other	13,500	13,500	13,500	-
Total sports oriented	735,813	735,813	725,895	9,918
Co-curricular activities:				
Salaries and wages	60,448	60,448	60,448	-
Employee benefits	10,346	10,346	10,346	-
Purchased services	6,000	6,000	3,500	2,500
Other	1,400	1,400	107	1,293
Total co-curricular activities	78,194	78,194	74,401	3,793
Total extracurricular activities	1,001,240	1,001,240	985,755	15,485
Total expenditures	121,730,062	121,730,062	97,032,067	24,697,995
Excess of revenues (under) over expenditures	(5,058,903)	(5,058,903)	14,198,265	19,257,168
Other financing sources (uses):				
Insurance proceeds	205,553	205,553	135,750	(69,803)
Transfers – in	155,404	155,404	53,100	(102,304)
Transfers – out	(315,000)	(315,000)	(240,483)	74,517
Advances – in	232,884	232,884	153,800	(79,084)
Advances – out	(160,000)	(160,000)	(193,697)	(33,697)
Total other financing sources (uses)	118,841	118,841	(91,530)	(210,371)
Net change in fund balance	(4,940,062)	(4,940,062)	14,106,735	19,046,797
Fund balance at beginning of year	13,728,659	13,728,659	13,728,659	-
Prior year encumbrances appropriated	2,082,551	2,082,551	2,082,551	-
Fund balance at end of year	\$ 10,871,148	\$ 10,871,148	\$ 29,917,945	\$ 19,046,797

Cleveland Heights-University Heights City School District

Special Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	\$ 13,954	\$ 13,954	\$ 16,600	\$ 2,646
Expenditures:				
Current:				
Instruction:				
Regular:				
Supplies and materials	326	326	326	-
Support services:				
Instructional staff:				
Supplies and materials	277	277	277	-
Extracurricular activities:				
Co-curricular activities:				
Purchased services	17,373	17,373	-	17,373
Other	71,667	71,667	42,471	29,196
Total co-curricular activities	89,040	89,040	42,471	46,569
Total expenditures	89,643	89,643	43,074	46,569
Net change in fund balance	(75,689)	(75,689)	(26,474)	49,215
Fund balance at beginning of year	77,318	77,318	77,318	-
Fund balance at end of year	\$ 1,629	\$ 1,629	\$ 50,844	\$ 49,215

Note: The above fund is combined with the General Fund for GASB 54 financial reporting purposes.

Cleveland Heights-University Heights City School District

Public School Support Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Extracurricular activities	\$ 35,469	\$ 35,469	\$ 40,018	\$ 4,549
Classroom materials and fees	1,857	1,857	2,096	239
Miscellaneous	100,506	100,506	113,397	12,891
Total revenues	137,832	137,832	155,511	17,679
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	44,142	44,142	126	44,016
Supplies and materials	12,332	12,332	3,051	9,281
Total regular	56,474	56,474	3,177	53,297
Vocational:				
Purchased services	600	600	-	600
Supplies and materials	2,500	2,500	1,826	674
Other	1,400	1,400	1,000	400
Total vocational	4,500	4,500	2,826	1,674
Total instruction	60,974	60,974	6,003	54,971
Support services:				
Pupil:				
Purchased services	22,102	22,102	17,674	4,428
Supplies and materials	46,626	46,626	36,837	9,789
Capital outlay	5,000	5,000	-	5,000
Other	40,251	40,251	30,723	9,528
Total pupil	113,979	113,979	85,234	28,745
Administration:				
Supplies and materials	230	230	-	230
Total support services	114,209	114,209	85,234	28,975

Continued

Cleveland Heights-University Heights City School District

Public School Support Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Extracurricular activities:				
Co-curricular activities:				
Purchased services	3,000	3,000	800	2,200
Supplies and materials	17,875	17,875	7,339	10,536
Capital outlay	1,000	1,000	-	1,000
Other	1,266	1,266	273	993
Total co-curricular activities	23,141	23,141	8,412	14,729
Total expenditures	198,324	198,324	99,649	98,675
Excess of revenues (under) over expenditures	(60,492)	(60,492)	55,862	116,354
Other financing (uses) sources:				
Transfers – in	142	142	160	18
Transfers – out	(3,352)	(3,352)	-	3,352
Total other financing (uses) sources	(3,210)	(3,210)	160	3,370
Net change in fund balance	(63,702)	(63,702)	56,022	119,724
Fund balance at beginning of year	186,532	186,532	186,532	-
Prior year encumbrances appropriated	1,675	1,675	1,675	-
Fund balance at end of year	\$ 124,505	\$ 124,505	\$ 244,229	\$ 119,724

Cleveland Heights-University Heights City School District

Other Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 20,652	\$ 26,171	\$ 16,320	\$ (9,851)
Grants	415,611	526,665	328,427	(198,238)
Miscellaneous	15,585	19,750	12,316	(7,434)
Total revenues	451,848	572,586	357,063	(215,523)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	198,350	243,844	52,142	191,702
Employee benefits	3,872	4,760	26,439	(21,679)
Purchased services	60,885	74,849	71,136	3,713
Supplies and materials	81,269	99,908	86,955	12,953
Capital outlay	83,840	103,070	55,070	48,000
Other	28,229	34,704	34,684	20
Total regular	456,445	561,135	326,426	234,709
Special:				
Purchased services	813	1,000	1,000	-
Supplies and materials	2,522	3,100	3,100	-
Total special	3,335	4,100	4,100	-
Total instruction	459,780	565,235	330,526	234,709
Support services:				
Pupil:				
Purchased services	2,928	3,600	3,600	-
Supplies and materials	6,072	7,465	5,966	1,499
Total pupil	9,000	11,065	9,566	1,499
Instructional staff:				
Salaries and wages	13,178	16,200	1,714	14,486
Employee benefits	2,278	2,800	282	2,518
Purchased services	89,715	110,292	81,693	28,599
Supplies and materials	17,519	21,537	21,537	-
Total instructional staff	122,690	150,829	105,226	45,603

Continued

Cleveland Heights-University Heights City School District

Other Grants Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Administration:				
Purchased services	1,127	1,385	150	1,235
Supplies and materials	1,041	1,280	1,200	80
Other	354	435	310	125
Total administration	<u>2,522</u>	<u>3,100</u>	<u>1,660</u>	<u>1,440</u>
Pupil transportation:				
Purchased services	6,039	7,424	3,925	3,499
Total support services	<u>140,251</u>	<u>172,418</u>	<u>120,377</u>	<u>52,041</u>
Operation of non-instructional services:				
Food service operations:				
Supplies and materials	528	649	649	-
Community services:				
Purchased services	1,101	1,353	1,353	-
Supplies and materials	8,948	11,000	11,000	-
Total community services	<u>10,049</u>	<u>12,353</u>	<u>12,353</u>	<u>-</u>
Total operation of non-instructional services	<u>10,577</u>	<u>13,002</u>	<u>13,002</u>	<u>-</u>
Total expenditures	<u>610,608</u>	<u>750,655</u>	<u>463,905</u>	<u>286,750</u>
Excess of revenues (under) over expenditures	<u>(158,760)</u>	<u>(178,069)</u>	<u>(106,842)</u>	<u>71,227</u>
Other financing sources (uses):				
Transfers – out	(76,251)	(93,740)	(53,100)	40,640
Advances – in	245,116	310,612	193,697	(116,915)
Advances – out	(125,106)	(153,800)	(153,800)	-
Total other financing sources (uses)	<u>43,759</u>	<u>63,072</u>	<u>(13,203)</u>	<u>(76,275)</u>
Net change in fund balance	(115,001)	(114,997)	(120,045)	(5,048)
Fund balance at beginning of year	82,757	82,757	82,757	-
Prior year encumbrances appropriated	71,963	71,963	71,963	-
Fund balance at end of year	<u>\$ 39,719</u>	<u>\$ 39,723</u>	<u>\$ 34,675</u>	<u>\$ (5,048)</u>

Cleveland Heights-University Heights City School District

Student Activity Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Extracurricular activities	\$ 90,459	\$ 90,459	\$ 18,488	\$ (71,971)
Miscellaneous	8,058	8,058	1,647	(6,411)
Total revenues	<u>98,517</u>	<u>98,517</u>	<u>20,135</u>	<u>(78,382)</u>
Expenditures:				
Current:				
Support services:				
Pupil:				
Purchased services	7,485	7,485	5,192	2,293
Supplies and materials	1,616	1,616	1,397	219
Other	2,335	2,335	2,535	(200)
Total pupil	<u>11,436</u>	<u>11,436</u>	<u>9,124</u>	<u>2,312</u>
Extracurricular activities:				
Purchased services	39,074	39,074	14,286	24,788
Supplies and materials	24,363	24,363	8,373	15,990
Other	10,025	10,025	5,900	4,125
Total extracurricular activities	<u>73,462</u>	<u>73,462</u>	<u>28,559</u>	<u>44,903</u>
Total expenditures	<u>84,898</u>	<u>84,898</u>	<u>37,683</u>	<u>47,215</u>
Excess of revenues over (under) expenditures	13,619	13,619	(17,548)	(31,167)
Other financing uses:				
Transfers – out	(32,853)	(32,853)	-	32,853
Net change in fund balance	(19,234)	(19,234)	(17,548)	1,686
Fund balance at beginning of year	72,924	72,924	72,924	-
Prior year encumbrances appropriated	2,750	2,750	2,750	-
Fund balance at end of year	<u>\$ 56,440</u>	<u>\$ 56,440</u>	<u>\$ 58,126</u>	<u>\$ 1,686</u>

Cleveland Heights-University Heights City School District

District Managed Activity Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Extracurricular activities	\$ 158,815	\$ 158,815	\$ 123,917	\$ (34,898)
Miscellaneous	29,984	29,984	23,395	(6,589)
Total revenues	<u>188,799</u>	<u>188,799</u>	<u>147,312</u>	<u>(41,487)</u>
Expenditures:				
Extracurricular activities:				
Purchased services	244,157	244,157	213,435	30,722
Supplies and materials	207,630	207,630	188,871	18,759
Capital outlay	13,362	13,362	13,362	-
Other	15,360	15,360	4,355	11,005
Total expenditures	<u>480,509</u>	<u>480,509</u>	<u>420,023</u>	<u>60,486</u>
Excess of revenues (under) over expenditures	<u>(291,710)</u>	<u>(291,710)</u>	<u>(272,711)</u>	<u>18,999</u>
Other financing sources (uses):				
Transfers – in	306,683	306,683	239,292	(67,391)
Transfers – out	(12,215)	(12,215)	(160)	12,055
Total other financing sources (uses)	<u>294,468</u>	<u>294,468</u>	<u>239,132</u>	<u>(55,336)</u>
Net change in fund balance	2,758	2,758	(33,579)	(36,337)
Fund balance at beginning of year	81,767	81,767	81,767	-
Prior year encumbrances appropriated	<u>32,724</u>	<u>32,724</u>	<u>32,724</u>	<u>-</u>
Fund balance at end of year	<u>\$ 117,249</u>	<u>\$ 117,249</u>	<u>\$ 80,912</u>	<u>\$ (36,337)</u>

Cleveland Heights-University Heights City School District

Auxiliary Services Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,343,972	\$ 787,305	\$ 743,056	\$ (44,249)
Earnings on investments	4,344	1,459	1,377	(82)
Total revenues	<u>2,348,316</u>	<u>788,764</u>	<u>744,433</u>	<u>(44,331)</u>
Expenditures:				
Current:				
Operation of non-instructional services:				
Community services:				
Purchased services	1,978,123	941,721	798,764	142,957
Supplies and materials	632,789	301,251	286,757	14,494
Capital outlay	360,494	171,620	157,028	14,592
Total expenditures	<u>2,971,406</u>	<u>1,414,592</u>	<u>1,242,549</u>	<u>172,043</u>
Net change in fund balance	(623,090)	(625,828)	(498,116)	127,712
Fund balance at beginning of year	2,737	2,737	2,737	-
Prior year encumbrances appropriated	<u>623,091</u>	<u>623,091</u>	<u>623,091</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,738</u>	<u>\$ -</u>	<u>\$ 127,712</u>	<u>\$ 127,712</u>

Cleveland Heights-University Heights City School District

Public School Preschool Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 142,497	\$ 173,196	\$ 173,196	\$ -
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	87,291	106,996	112,316	(5,320)
Employee benefits	48,709	59,703	54,383	5,320
Total expenditures	<u>136,000</u>	<u>166,699</u>	<u>166,699</u>	<u>-</u>
Net change in fund balance	6,497	6,497	6,497	-
Fund deficit at beginning of year	<u>(6,497)</u>	<u>(6,497)</u>	<u>(6,497)</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Cleveland Heights-University Heights City School District

Data Communication Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 18,000	\$ 18,000	\$ 18,000	\$ -
Expenditures:				
Current:				
Support services:				
Central:				
Purchased services	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Cleveland Heights-University Heights City School District

Miscellaneous State Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,219	\$ 2,219	\$ 2,170	\$ (49)
Expenditures:				
Current:				
Instruction:				
Regular:				
Supplies and materials	2,219	2,219	2,170	49
Support services:				
Operations and maintenance of plant:				
Purchased services	3,664	3,664	3,664	-
Total expenditures	5,883	5,883	5,834	49
Net change in fund balance	(3,664)	(3,664)	(3,664)	-
Fund (deficit) at beginning of year	(2,219)	(2,219)	(2,219)	-
Prior year encumbrances appropriated	5,883	5,883	5,883	-
Fund balance at end of year	\$ -	\$ -	\$ -	\$ -

Cleveland Heights-University Heights City School District

Elementary and Secondary School Emergency Relief Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 12,752,050	\$ 12,870,104	\$ 11,995,290	\$ (874,814)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	784,583	791,848	1,350,946	(559,098)
Employee benefits	794,852	802,213	1,036,368	(234,155)
Purchased services	30,634	30,917	25,567	5,350
Supplies and materials	2,211,101	2,231,577	1,113,560	1,118,017
Total regular	3,821,170	3,856,555	3,526,441	330,114
Special:				
Salaries and wages	2,737	2,762	-	2,762
Employee benefits	1,482	1,496	-	1,496
Purchased services	14,862	15,000	15,000	-
Total special	19,081	19,258	15,000	4,258
Other:				
Salaries and wages	610,982	616,641	602,152	14,489
Employee benefits	110,940	111,969	106,344	5,625
Purchased services	997,166	1,006,400	1,005,139	1,261
Supplies and materials	272,885	275,410	265,261	10,149
Total other	1,991,973	2,010,420	1,978,896	31,524
Total instruction	5,832,224	5,886,233	5,520,337	365,896
Support services:				
Pupil:				
Salaries and wages	349,789	353,029	445,955	(92,926)
Employee benefits	96,257	97,149	125,342	(28,193)
Purchased services	138,250	139,530	110,843	28,687
Supplies and materials	35,452	35,781	35,781	-
Total pupil	619,748	625,489	717,921	(92,432)
Administration:				
Salaries and wages	886,400	894,608	894,608	-
Employee benefits	543,917	548,954	548,954	-
Total administration	1,430,317	1,443,562	1,443,562	-

Continued

Cleveland Heights-University Heights City School District

Elementary and Secondary School Emergency Relief Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Fiscal:				
Other	-	-	5,729	(5,729)
Operations and maintenance of plant:				
Salaries and wages	2,346,727	2,368,458	2,502,825	(134,367)
Employee benefits	1,429,707	1,442,947	1,503,713	(60,766)
Purchased services	17,895	18,061	32,888	(14,827)
Supplies and materials	32,434	32,734	32,734	-
Capital outlay	56,427	56,950	56,950	-
Total operations and maintenance of plant	<u>3,883,190</u>	<u>3,919,150</u>	<u>4,129,110</u>	<u>(209,960)</u>
Pupil transportation:				
Salaries and wages	425,789	429,732	429,732	-
Employee benefits	330,017	333,074	333,074	-
Purchased services	41,485	41,869	41,869	-
Total pupil transportation	<u>797,291</u>	<u>804,675</u>	<u>804,675</u>	<u>-</u>
Central:				
Salaries and wages	12,810	12,929	15,113	(2,184)
Employee benefits	2,492	2,514	2,968	(454)
Total central	<u>15,302</u>	<u>15,443</u>	<u>18,081</u>	<u>(2,638)</u>
Total support services	<u>6,745,848</u>	<u>6,808,319</u>	<u>7,119,078</u>	<u>(310,759)</u>
Operation of non-instructional services:				
Community services:				
Salaries and wages	65,890	66,500	76,293	(9,793)
Employee benefits	44,587	45,000	48,140	(3,140)
Purchased services	58,305	58,845	58,845	-
Supplies and materials	1,499	1,513	1,134	379
Total operation of non-instructional services	<u>170,281</u>	<u>171,858</u>	<u>184,412</u>	<u>(12,554)</u>
Total expenditures	<u>12,748,353</u>	<u>12,866,410</u>	<u>12,823,827</u>	<u>42,583</u>
Net change in fund balance	3,697	3,694	(828,537)	(832,231)
Fund (deficit) at beginning of year	(181,217)	(181,217)	(181,217)	-
Prior year encumbrances appropriated	<u>177,523</u>	<u>177,523</u>	<u>177,523</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ (832,231)</u>	<u>\$ (832,231)</u>

Cleveland Heights-University Heights City School District

Title IV Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 988,783	\$ 1,317,144	\$ 912,177	\$ (404,967)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	110,018	149,527	105,351	44,176
Employee benefits	14,027	19,063	18,370	693
Purchased services	126,563	172,013	169,068	2,945
Supplies and materials	111,680	151,786	151,213	573
Capital outlay	70,137	95,324	88,844	6,480
Other	20,605	28,005	22,809	5,196
Total regular	<u>453,030</u>	<u>615,718</u>	<u>555,655</u>	<u>60,063</u>
Support services:				
Pupil:				
Salaries and wages	187,835	255,289	214,103	41,186
Employee benefits	77,569	105,425	102,502	2,923
Total pupil	<u>265,404</u>	<u>360,714</u>	<u>316,605</u>	<u>44,109</u>
Instructional staff:				
Purchased services	22,514	30,600	27,600	3,000
Administration:				
Purchased services	80,935	110,000	110,000	-
Fiscal:				
Other	21,107	28,687	12,516	16,171
Pupil transportation:				
Purchased services	32,374	44,000	44,000	-
Central:				
Purchased services	32,374	44,000	44,000	-
Total support services	<u>454,708</u>	<u>618,001</u>	<u>554,721</u>	<u>63,280</u>

Continued

Cleveland Heights-University Heights City School District

Title IV Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Operation of non-instructional services:				
Community services:				
Other	6,622	9,000	9,000	-
Total expenditures	914,360	1,242,719	1,119,376	123,343
Net change in fund balance	74,423	74,425	(207,199)	(281,624)
Fund (deficit) at beginning of year	(188,783)	(188,783)	(188,783)	-
Prior year encumbrances appropriated	114,360	114,360	114,360	-
Fund balance (deficit) at end of year	\$ -	\$ 2	\$ (281,622)	\$ (281,624)

Cleveland Heights-University Heights City School District

Coronavirus Relief Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 98,603	\$ 98,603	\$ 51,211	\$ (47,392)
Expenditures:				
Current:				
Instruction:				
Regular:				
Purchased services	84,691	84,691	44,255	40,436
Net change in fund balance	13,912	13,912	6,956	(6,956)
Fund (deficit) at beginning of year	(91,647)	(91,647)	(91,647)	-
Prior year encumbrances appropriated	84,691	84,691	84,691	-
Fund balance at end of year	\$ 6,956	\$ 6,956	\$ -	\$ (6,956)

Cleveland Heights-University Heights City School District

IDEA (Flo-Thru) Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,116,967	\$ 2,923,435	\$ 1,797,440	\$ (1,125,995)
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	346,515	486,353	370,276	116,077
Employee benefits	332,355	466,478	425,647	40,831
Purchased services	75,978	106,640	88,155	18,485
Total special	754,848	1,059,471	884,078	175,393
Support services:				
Pupil:				
Salaries and wages	17,185	24,121	24,121	-
Employee benefits	5,899	8,281	8,281	-
Total pupil	23,084	32,402	32,402	-
Instructional staff:				
Salaries and wages	81,601	114,532	95,671	18,861
Employee benefits	20,999	29,474	25,465	4,009
Purchased services	268,826	377,310	19,400	357,910
Supplies and materials	6,858	9,625	9,625	-
Total instructional staff	378,284	530,941	150,161	380,780
Administration:				
Salaries and wages	234,243	328,773	339,146	(10,373)
Employee benefits	130,390	183,006	184,055	(1,049)
Total administration	364,633	511,779	523,201	(11,422)
Fiscal:				
Other	61,932	86,925	34,074	52,851
Total support services	827,933	1,162,047	739,838	422,209

Continued

Cleveland Heights-University Heights City School District

IDEA (Flo-Thru) Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Operation of non-instructional services:				
Community services:				
Salaries and wages	181,307	254,474	48,563	205,911
Employee benefits	91,284	128,120	40,363	87,757
Purchased services	100,300	140,776	66,080	74,696
Supplies and materials	21,374	30,000	20,000	10,000
Capital outlay	21,374	30,000	-	30,000
Total community services	415,639	583,370	175,006	408,364
Total expenditures	1,998,420	2,804,888	1,798,922	1,005,966
Net change in fund balance	118,547	118,547	(1,482)	(120,029)
Fund deficit at beginning of year	(318,633)	(318,633)	(318,633)	-
Prior year encumbrances appropriated	200,086	200,086	200,086	-
Fund deficit at end of year	\$ -	\$ -	\$ (120,029)	\$ (120,029)

Cleveland Heights-University Heights City School District

Vocational Education Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 749,560	\$ 654,570	\$ 348,324	\$ (306,246)
Expenditures:				
Current:				
Instruction:				
Vocational:				
Salaries and wages	11,097	9,684	64,808	(55,124)
Employee benefits	3,211	2,801	21,293	(18,492)
Purchased services	224,961	196,303	200,412	(4,109)
Supplies and materials	135,706	118,418	118,414	4
Capital outlay	142,513	124,358	124,254	104
Other	1,719	1,500	1,500	-
Total vocational	519,207	453,064	530,681	(77,617)
Support services:				
Instructional staff:				
Salaries and wages	88,978	77,643	2,653	74,990
Employee benefits	25,422	22,184	479	21,705
Purchased services	112,033	97,761	81,415	16,346
Total instructional staff	226,433	197,588	84,547	113,041
Total expenditures	745,640	650,652	615,228	35,424
Net change in fund balance	3,920	3,918	(266,904)	(270,822)
Fund deficit at beginning of year	(269,789)	(269,789)	(269,789)	-
Prior year encumbrances appropriated	265,950	265,950	265,950	-
Fund balance (deficit) at end of year	\$ 81	\$ 79	\$ (270,743)	\$ (270,822)

Cleveland Heights-University Heights City School District

Title III Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 16,886	\$ 30,801	\$ 16,859	\$ (13,942)
Expenditures:				
Current:				
Instruction:				
Special:				
Purchased services	3,947	7,200	6,844	356
Supplies and materials	4,768	8,697	8,584	113
Other	274	500	500	-
Total special	8,989	16,397	15,928	469
Support services:				
Instructional staff:				
Salaries and wages	549	1,000	67	933
Employee benefits	96	175	14	161
Purchased services	696	1,270	500	770
Supplies and materials	82	150	-	150
Total instructional staff	1,423	2,595	581	2,014
Fiscal:				
Other	484	882	162	720
Total support services	1,907	3,477	743	2,734
Operation of non-instructional services:				
Community services:				
Salaries and wages	137	250	199	51
Employee benefits	25	45	34	11
Purchased services	5,828	10,631	10,154	477
Total community services	5,990	10,926	10,387	539
Total expenditures	16,886	30,800	27,058	3,742
Net change in fund balance	-	1	(10,199)	(10,200)
Fund deficit at beginning of year	(5,479)	(5,479)	(5,479)	-
Prior year encumbrances appropriated	5,479	5,479	5,479	-
Fund balance (deficit) at end of year	\$ -	\$ 1	\$ (10,199)	\$ (10,200)

Cleveland Heights-University Heights City School District

Title I Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,066,869	\$ 4,128,721	\$ 2,309,251	\$ (1,819,470)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	5,554	7,548	264	7,284
Employee benefits	1,933	2,627	657	1,970
Purchased services	11,037	15,000	14,000	1,000
Supplies and materials	48,183	65,481	53,544	11,937
Total regular	66,707	90,656	68,465	22,191
Special:				
Salaries and wages	898,664	1,221,306	1,051,696	169,610
Employee benefits	370,517	503,543	455,367	48,176
Purchased services	17,101	23,240	10,740	12,500
Supplies and materials	43,153	58,647	23,136	35,511
Other	2,207	3,000	-	3,000
Total special	1,331,642	1,809,736	1,540,939	268,797
Total instruction	1,398,349	1,900,392	1,609,404	290,988
Support services:				
Instructional staff:				
Salaries and wages	165,600	225,053	102,113	122,940
Employee benefits	46,866	63,693	42,200	21,493
Purchased services	391,500	532,057	532,056	1
Supplies and materials	40,470	55,000	55,001	(1)
Capital outlay	4,415	6,000	5,748	252
Total instructional staff	648,851	881,803	737,118	144,685
Administration:				
Salaries and wages	42,458	57,701	50,002	7,699
Employee benefits	12,565	17,075	20,904	(3,829)
Total administration	55,023	74,776	70,906	3,870
Fiscal:				
Other	84,609	114,986	26,536	88,450

Continued

Cleveland Heights-University Heights City School District

Title I Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Pupil transportation:				
Purchased services	7,358	10,000	6,000	4,000
Total support services	795,841	1,081,565	840,560	241,005
Operation of non-instructional services:				
Community services:				
Salaries and wages	10,324	14,030	7,491	6,539
Employee benefits	1,329	1,806	743	1,063
Purchased services	725,115	985,450	971,810	13,640
Supplies and materials	24,804	33,708	19,505	14,203
Other	1,840	2,500	-	2,500
Total community services	763,412	1,037,494	999,549	37,945
Total expenditures	2,957,602	4,019,451	3,449,513	569,938
Net change in fund balance	109,267	109,270	(1,140,262)	(1,249,532)
Fund deficit at beginning of year	(553,865)	(553,865)	(553,865)	-
Prior year encumbrances appropriated	444,598	444,598	444,598	-
Fund balance (deficit) at end of year	\$ -	\$ 3	\$ (1,249,529)	\$ (1,249,532)

Cleveland Heights-University Heights City School District

Title IV - Part A Student Supports and Academic Enrichment Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 168,880	\$ 292,352	\$ 53,259	\$ (239,093)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	21,603	37,397	3,088	34,309
Employee benefits	896	1,551	41	1,510
Supplies and materials	29,445	50,972	13,131	37,841
Other	6,634	11,484	-	11,484
Total regular	58,578	101,404	16,260	85,144
Support services:				
Pupil:				
Purchased services	23,106	40,000	3,000	37,000
Instructional staff:				
Salaries and wages	-	-	1,196	(1,196)
Employee benefits	-	-	181	(181)
Purchased services	11,553	20,000	14,736	5,264
Supplies and materials	1,675	2,899	2,699	200
Total instructional staff	13,228	22,899	18,812	4,087
Fiscal:				
Other	3,672	6,356	-	6,356
Total support services	40,006	69,255	21,812	47,443
Operation of non-instructional services:				
Community services:				
Purchased services	34,768	60,188	29,914	30,274
Supplies and materials	35,528	61,503	26,704	34,799
Total community services	70,296	121,691	56,618	65,073
Total expenditures	168,880	292,350	94,690	197,660
Net change in fund balance	-	2	(41,431)	(41,433)
Fund balance at beginning of year	-	-	-	-
Fund balance (deficit) at end of year	\$ -	\$ 2	\$ (41,431)	\$ (41,433)

Cleveland Heights-University Heights City School District

Preschool Disabilities Grant Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 30,886	\$ 64,752	\$ 45,584	\$ (19,168)
Expenditures:				
Current:				
Instruction:				
Special:				
Salaries and wages	8,616	18,699	16,881	1,818
Employee benefits	6,004	13,032	13,183	(151)
Purchased services	4,608	10,000	10,000	-
Supplies and materials	9,711	21,074	21,074	-
Total expenditures	28,939	62,805	61,138	1,667
Net change in fund balance	1,947	1,947	(15,554)	(17,501)
Fund (deficit) at beginning of year	(1,947)	(1,947)	(1,947)	-
Fund balance (deficit) at end of year	\$ -	\$ -	\$ (17,501)	\$ (17,501)

Cleveland Heights-University Heights City School District

Title IIA – Improving Teacher Quality Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 584,028	\$ 855,969	\$ 562,051	\$ (293,918)
Expenditures:				
Current:				
Support services:				
Instructional staff:				
Salaries and wages	75,351	117,049	44,825	72,224
Employee benefits	9,656	15,000	7,672	7,328
Purchased services	231,617	359,792	352,177	7,615
Supplies and materials	17,014	26,430	1,638	24,792
Total instructional staff	333,638	518,271	406,312	111,959
Fiscal:				
Other	14,430	22,416	6,520	15,896
Central:				
Salaries and wages	3,219	5,000	-	5,000
Employee benefits	563	875	-	875
Purchased services	7,805	12,125	10,809	1,316
Supplies and materials	1,288	2,000	2,000	-
Total central	12,875	20,000	12,809	7,191
Total support services	360,943	560,687	425,641	135,046
Operation of non-instructional services:				
Community services:				
Purchased services	128,588	199,749	175,570	24,179
Supplies and material	1,872	2,908	1,975	933
Total community services	130,460	202,657	177,545	25,112
Total expenditures	491,403	763,344	603,186	160,158
Net change in fund balance	92,625	92,625	(41,135)	(133,760)
Fund deficit at beginning of year	(213,226)	(213,226)	(213,226)	-
Prior year encumbrances appropriated	143,656	143,656	143,656	-
Fund balance (deficit) at end of year	\$ 23,055	\$ 23,055	\$ (110,705)	\$ (133,760)

Cleveland Heights-University Heights City School District

Miscellaneous Federal Grants Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 274,240	\$ 928,967	\$ 193,231	\$ (735,736)
Expenditures:				
Current:				
Instruction:				
Regular:				
Salaries and wages	40,250	141,300	-	141,300
Employee benefits	6,779	23,800	-	23,800
Purchased services	154,318	541,749	549,249	(7,500)
Supplies and materials	37,031	130,000	4,500	125,500
Other	1,282	4,500	4,500	-
Total regular	239,660	841,349	558,249	283,100
Support services:				
Pupil:				
Instructional staff:				
Purchased services	7,691	27,000	7,000	20,000
Fiscal:				
Other	961	3,374	5,639	(2,265)
Pupil transportation:				
Purchased services	855	3,000	3,000	-
Central:				
Purchased services	7,121	25,000	-	25,000
Total support services	16,628	58,374	15,639	42,735
Operation of non-instructional services:				
Community services:				
Purchased services	-	-	9,800	(9,800)
Total expenditures	256,288	899,723	583,688	316,035
Net change in fund balance	17,952	29,244	(390,457)	(419,701)
Fund deficit at beginning of year	(167,579)	(167,579)	(167,579)	-
Prior year encumbrances appropriated	156,288	156,288	156,288	-
Fund balance (deficit) at end of year	\$ 6,661	\$ 17,953	\$ (401,748)	\$ (419,701)

Cleveland Heights-University Heights City School District

Permanent Improvement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 3,068,024	\$ 3,068,024	\$ 3,383,655	\$ 315,631
Intergovernmental	606,976	606,976	432,248	(174,728)
Total revenues	<u>3,675,000</u>	<u>3,675,000</u>	<u>3,815,903</u>	<u>140,903</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	29,080	60,000	62,000	(2,000)
Operations and maintenance of plant:				
Purchased services	464,210	957,791	953,131	4,660
Capital outlay	5,470,808	11,287,767	9,950,125	1,337,642
Total operations and maintenance of plant	<u>5,935,018</u>	<u>12,245,558</u>	<u>10,903,256</u>	<u>1,342,302</u>
Total support services	<u>5,964,098</u>	<u>12,305,558</u>	<u>10,965,256</u>	<u>1,340,302</u>
Debt service:				
Principal	203,172	419,200	490,000	(70,800)
Interest and fiscal charges	237,487	490,000	419,074	70,926
Bond issuance costs	-	-	288,810	(288,810)
Total debt service	<u>440,659</u>	<u>909,200</u>	<u>1,197,884</u>	<u>(288,684)</u>
Total expenditures	<u>6,404,757</u>	<u>13,214,758</u>	<u>12,163,140</u>	<u>1,051,618</u>
Excess of revenues (under) over expenditures	(2,729,757)	(9,539,758)	(8,347,237)	1,192,521

Continued

Cleveland Heights-University Heights City School District

Permanent Improvement Fund (continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources (uses):				
Issuance of bonds	-	-	14,660,000	14,660,000
Premium on issuance of bonds	-	-	3,078,295	3,078,295
Payment to escrow agent	-	-	(17,449,485)	(17,449,485)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>288,810</u>	<u>288,810</u>
Net change in fund balance	(2,729,757)	(9,539,758)	(8,058,427)	1,481,331
Fund balance at beginning of year	8,033,126	8,033,126	8,033,126	-
Prior year encumbrances appropriated	<u>1,529,758</u>	<u>1,529,758</u>	<u>1,529,758</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,833,127</u>	<u>\$ 23,126</u>	<u>\$ 1,504,457</u>	<u>\$ 1,481,331</u>

Cleveland Heights-University Heights City School District

Bond Retirement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 5,103,193	\$ 5,103,193	\$ 5,863,701	\$ 760,508
Intergovernmental	1,696,807	1,696,807	188,954	(1,507,853)
Total revenues	<u>6,800,000</u>	<u>6,800,000</u>	<u>6,052,655</u>	<u>(747,345)</u>
Expenditures:				
Current:				
Support services:				
Fiscal:				
Other	<u>108,000</u>	<u>108,000</u>	<u>107,721</u>	<u>279</u>
Debt service:				
Principal	1,555,000	1,555,000	1,346,785	208,215
Interest and fiscal charges	5,337,000	5,337,000	3,998,385	1,338,615
Bond issuance costs	-	-	666,621	(666,621)
Total debt service	<u>6,892,000</u>	<u>6,892,000</u>	<u>6,011,791</u>	<u>880,209</u>
Total expenditures	<u>7,000,000</u>	<u>7,000,000</u>	<u>6,119,512</u>	<u>880,488</u>
Excess of revenues (under) over expenditures	(200,000)	(200,000)	(66,857)	133,143
Other financing sources (uses):				
Issuance of bonds	-	-	66,686,779	66,686,779
Premium on bonds	-	-	6,619,621	6,619,621
Payment to escrow agent	-	-	(72,639,779)	(72,639,779)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>666,621</u>	<u>666,621</u>
Net change in fund balance	(200,000)	(200,000)	599,764	799,764
Fund balance at beginning of year	<u>300,325</u>	<u>300,325</u>	<u>300,325</u>	<u>-</u>
Fund balance at end of year	<u>\$ 100,325</u>	<u>\$ 100,325</u>	<u>\$ 900,089</u>	<u>\$ 799,764</u>

Cleveland Heights-University Heights City School District

Combining Statements – Nonmajor Proprietary Funds

Fund Descriptions

June 30, 2022

Nonmajor Enterprise Funds

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

Food Services This fund accounts for the provision of food services to the District.

Uniform School Supplies This fund accounts for the purchase and sale of necessary supplies, materials, or other school related items.

Customer Services This fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

Nonmajor Internal Service Fund

The internal service fund is used to account for the financing of services provided by one department to other departments of the government or to other districts on a cost reimbursement basis.

Self-Insurance This fund is to account for the receipt and expenditure of funds for medical and dental claims for employees.

Cleveland Heights-University Heights City School District

Combining Statement of Fund Net Position
Nonmajor Enterprise Funds

June 30, 2022

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Assets:				
Current assets:				
Equity in pooled cash and investments	\$ 2,816,864	\$ 66,728	\$ 150	\$ 2,883,742
Prepaid items	45	-	-	45
Intergovernmental receivable	107,947	-	-	107,947
Materials and supplies inventory	28,092	-	-	28,092
Total current assets	<u>2,952,948</u>	<u>66,728</u>	<u>150</u>	<u>3,019,826</u>
Non-current assets:				
Nondepreciable capital assets	96,299	-	-	96,299
Depreciable capital assets, net	260,407	-	-	260,407
Total non-current assets	<u>356,706</u>	<u>-</u>	<u>-</u>	<u>356,706</u>
Total assets	<u>3,309,654</u>	<u>66,728</u>	<u>150</u>	<u>3,376,532</u>
Liabilities:				
Current liabilities:				
Accounts payable	285,293	-	-	285,293
Intergovernmental payable	63	-	-	63
Total liabilities	<u>285,356</u>	<u>-</u>	<u>-</u>	<u>285,356</u>
Net position:				
Net investment in capital assets	319,470	-	-	319,470
Unrestricted	2,704,828	66,728	150	2,771,706
Total net position	<u>\$ 3,024,298</u>	<u>\$ 66,728</u>	<u>\$ 150</u>	<u>\$ 3,091,176</u>

Cleveland Heights-University Heights City School District

Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2022

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Operating revenues:				
Classroom materials and fees	\$ -	\$ 6,442	\$ -	\$ 6,442
Food services	124,426	-	-	124,426
Miscellaneous	830	-	-	830
Total operating revenues	<u>125,256</u>	<u>6,442</u>	<u>-</u>	<u>131,698</u>
Operating expenses:				
Salaries and wages	550	-	-	550
Fringe benefits	(865,024)	-	-	(865,024)
Purchased services	2,273,477	897	-	2,274,374
Supplies and materials	283,964	-	3,768	287,732
Depreciation	34,223	-	-	34,223
Other	963	88	29	1,080
Total operating expenses	<u>1,728,153</u>	<u>985</u>	<u>3,797</u>	<u>1,732,935</u>
Operating (loss) income	<u>(1,602,897)</u>	<u>5,457</u>	<u>(3,797)</u>	<u>(1,601,237)</u>
Non-operating revenues:				
Federal donated commodities	273,568	-	-	273,568
Intergovernmental grants	3,488,023	-	-	3,488,023
Total non-operating revenues	<u>3,761,591</u>	<u>-</u>	<u>-</u>	<u>3,761,591</u>
Change in net position before transfers	2,158,694	5,457	(3,797)	2,160,354
Transfers – in	-	-	1,191	1,191
Change in net position	2,158,694	5,457	(2,606)	2,161,545
Net position at beginning of year	865,604	61,271	2,756	929,631
Net position at end of year	<u>\$ 3,024,298</u>	<u>\$ 66,728</u>	<u>\$ 150</u>	<u>\$ 3,091,176</u>

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows
Nonmajor Enterprise Funds

For the Fiscal Year Ended June 30, 2022

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Increase (decrease) in cash and cash equivalents:				
Cash flows from operating activities:				
Cash received from customers	\$ 124,426	\$ 6,442	\$ -	\$ 130,868
Cash received from other operating sources	830	-	-	830
Cash payments for materials and supplies	(319)	-	(3,768)	(4,087)
Cash payments for goods and service	(2,316,472)	(897)	-	(2,317,369)
Cash payments to employees for services	(5,286)	-	-	(5,286)
Cash payments for employee benefits	(2,872)	-	-	(2,872)
Cash payments for other	-	(88)	(29)	(117)
Net cash (used) provided by operating activities	<u>(2,199,693)</u>	<u>5,457</u>	<u>(3,797)</u>	<u>(2,198,033)</u>
Cash flows from noncapital financing activities:				
Intergovernmental grants received	3,824,409	-	-	3,824,409
Transfers – in	-	-	1,191	1,191
Net cash provided by noncapital financing activities	<u>3,824,409</u>	<u>-</u>	<u>1,191</u>	<u>3,825,600</u>
Cash flows from capital financing activities:				
Acquisition of capital assets	(74,312)	-	-	(74,312)
Net increase (decrease) in cash and cash equivalents	1,550,404	5,457	(2,606)	1,553,255
Cash and cash equivalents at beginning of year	<u>1,266,460</u>	<u>61,271</u>	<u>2,756</u>	<u>1,330,487</u>
Cash and cash equivalents at end of year	<u>\$ 2,816,864</u>	<u>\$ 66,728</u>	<u>\$ 150</u>	<u>\$ 2,883,742</u>
Non-cash capital and noncapital financing activities:				
Federal donated commodities	\$ 273,568	\$ -	\$ -	\$ 273,568
Capital assets purchased on credit	37,236	-	-	37,236

Continued

Cleveland Heights-University Heights City School District

Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)

For the Fiscal Year Ended June 30, 2022

	Food Services	Uniform School Supplies	Customer Services	Total Nonmajor Enterprise Funds
Reconciliation of operating (loss) income to net cash (used) provided by operating activities:				
Operating (loss) income	\$ (1,602,897)	\$ 5,457	\$ (3,797)	\$ (1,601,237)
Adjustments:				
Depreciation	34,223	-	-	34,223
Federal donated commodities	273,568	-	-	273,568
Changes in assets/liabilities:				
Prepaid items	45	-	-	45
Materials and supplies inventories	2,286	-	-	2,286
Inventory held for resale	7,791	-	-	7,791
Deferred outflows – pension	4,413	-	-	4,413
Deferred outflows – OPEB	370	-	-	370
Accounts payable	(42,032)	-	-	(42,032)
Accrued wages and benefits	(4,736)	-	-	(4,736)
Intergovernmental payable	(966)	-	-	(966)
Accrued compensated absences	(551)	-	-	(551)
Deferred inflows – pension	(462,718)	-	-	(462,718)
Deferred inflows – OPEB	(408,489)	-	-	(408,489)
Total adjustments	<u>(596,796)</u>	<u>-</u>	<u>-</u>	<u>(596,796)</u>
Net cash (used) provided by operating activities	<u>\$ (2,199,693)</u>	<u>\$ 5,457</u>	<u>\$ (3,797)</u>	<u>\$ (2,198,033)</u>

Schedules of Revenues, Expenses and Changes in Fund Equities – Budget (Non-GAAP Basis) and Actual



Juliet Duffy
 Gr 11 Heights High School

Cleveland Heights-University Heights City School District

Food Services Fund

Schedule of Revenues, Expenses and Changes in Fund Equity – Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Food services	\$ 84,271	\$ 97,659	\$ 124,426	\$ 26,767
Miscellaneous	562	651	830	179
Operating grants	2,590,168	3,001,689	3,824,409	822,720
Total revenues	<u>2,675,001</u>	<u>3,099,999</u>	<u>3,949,665</u>	<u>849,666</u>
Expenses:				
Food service operations:				
Salaries and wages	-	-	5,417	(5,417)
Employee benefits	-	-	2,872	(2,872)
Purchased services	2,891,234	3,316,171	3,199,881	116,290
Other	-	-	963	(963)
Total expenses	<u>2,891,670</u>	<u>3,316,671</u>	<u>3,209,633</u>	<u>107,038</u>
Net change in fund equity	(216,669)	(216,672)	740,032	956,704
Fund equity at beginning of year	974,789	974,789	974,789	-
Prior year encumbrances appropriated	<u>291,671</u>	<u>291,671</u>	<u>291,671</u>	-
Fund equity at end of year	<u>\$ 1,049,791</u>	<u>\$ 1,049,788</u>	<u>\$ 2,006,492</u>	<u>\$ 956,704</u>

Cleveland Heights-University Heights City School District

Uniform School Supplies Fund

Schedule of Revenues, Expenses and Changes in Fund Equity –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Classroom materials and fees	\$ 3,500	\$ 3,500	\$ 6,442	\$ 2,942
Expenses:				
Supplies and materials	54,047	54,047	-	54,047
Other	250	250	88	162
Capital outlay	5,750	5,750	897	4,853
Total expenses	60,047	60,047	985	59,062
Net change in fund equity	(56,547)	(56,547)	5,457	62,004
Fund equity at beginning of year	61,224	61,224	61,224	-
Prior year encumbrances appropriated	47	47	47	-
Fund equity at end of year	\$ 4,724	\$ 4,724	\$ 66,728	\$ 62,004

Cleveland Heights-University Heights City School District

Customer Services Fund

Schedule of Revenues, Expenses and Changes in Fund Equity –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenses:				
Supplies and materials:	\$ 8,100	\$ 8,100	\$ 3,768	\$ 4,332
Other	1,900	1,900	29	1,871
Total expenses	10,000	10,000	3,797	6,203
Excess of revenues under expenses	(10,000)	(10,000)	(3,797)	6,203
Other financing sources:				
Transfers – in	10,000	10,000	1,191	(8,809)
Net change in fund equity	-	-	(2,606)	(2,606)
Fund equity at beginning of year	2,756	2,756	2,756	-
Fund equity at end of year	\$ 2,756	\$ 2,756	\$ 150	\$ (2,606)

Cleveland Heights-University Heights City School District

Self-Insurance Fund

Schedule of Revenues, Expenses and Changes in Fund Equity –
Budget (Non-GAAP Budgetary Basis) and Actual

For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	\$ 20,000,000	\$ 20,000,000	\$ 19,501,430	\$ (498,570)
Expenses:				
Employee benefits	19,970,165	19,970,165	19,252,435	717,730
Purchases services	41,254	41,254	10,500	30,754
Supplies and materials	7,399	7,399	-	7,399
Total expenses	20,018,818	20,018,818	19,262,935	755,883
Net change in fund equity	(18,818)	(18,818)	238,495	257,313
Fund equity at beginning of year	8,152,613	8,152,613	8,152,613	-
Prior year encumbrances appropriated	18,818	18,818	18,818	-
Fund equity at end of year	\$ 8,152,613	\$ 8,152,613	\$ 8,409,926	\$ 257,313

CLEVELAND HEIGHTS - UNIVERSITY HEIGHTS CITY SCHOOL DISTRICT
University Heights, Ohio

STATISTICAL SECTION



Cleveland Heights-University Heights City School District

Statistical Section

June 30, 2022

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

Contents	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District’s financial performance and well-being have changed over time.	S2-S10
Revenue Capacity These schedules contain information to help the reader assess the District’s most significant local revenue source, the property tax.	S11-S14
Debt Capacity These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	S15-S18
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the District’s financial activities take place.	S19-S20
Operating Information These schedules contain service data to help the reader understand how the Information in the District’s financial report relates to the services the District provides and the activities it performs.	S21-S26

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

Cleveland Heights-University Heights City School District

Net Position by Component

Last Ten Fiscal Years

Table 1

	2013	2014	2015	2016	2017	2018	2019	2020 (a)	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 28,594,961	\$ 30,541,659	\$ 31,052,012	\$ 36,665,245	\$ 31,837,064	\$ 25,104,971	\$ 24,910,830	\$ 26,948,908	\$ 23,947,703	\$ 22,072,438
Restricted for:										
Capital projects	1,858,176	3,749,045	4,939,326	6,018,920	6,462,956	10,079,692	10,376,347	10,414,429	10,417,500	10,048,724
Debt service	239,222	2,907,465	3,879,732	4,055,002	3,143,643	-	-	-	-	-
Other purposes	471,046	372,466	328,565	865,805	235,382	529,568	611,900	884,198	722,957	437,972
Qualified Zone Academy bond retirement	4,226,341	4,401,300	4,582,819	4,768,679	4,955,750	5,146,803	5,355,823	-	-	-
Unrestricted (deficit)	44,601,776	(110,110,600)	(109,538,804)	(108,570,623)	(154,710,889)	(89,078,082)	(79,946,850)	(97,236,957)	(96,264,075)	(63,514,811)
Total net position – governmental activities	79,991,522	(68,138,665)	(64,756,350)	(56,196,972)	(108,076,094)	(48,217,048)	(38,691,950)	(58,989,422)	(61,175,915)	(30,955,677)
Business-type activities:										
Net investment in capital assets	472,519	440,105	407,689	375,274	70,508	58,826	146,412	292,461	279,381	319,470
Unrestricted (deficit)	(12,609,793)	(3,524,685)	(3,971,286)	(3,743,283)	(2,679,434)	(2,110,788)	(1,841,431)	(1,047,429)	650,250	2,771,706
Total net position – business-type activities	(12,137,274)	(3,084,580)	(3,563,597)	(3,368,009)	(2,608,926)	(2,051,962)	(1,695,019)	(754,968)	929,631	3,091,176
Primary government:										
Net investment in capital assets	29,067,480	30,981,764	31,459,701	37,040,519	31,907,572	25,163,797	25,057,242	27,241,369	24,227,084	22,391,908
Restricted for:										
Capital projects	1,858,176	3,749,045	4,939,326	6,018,920	6,462,956	10,079,692	10,376,347	10,414,429	10,417,500	10,048,724
Debt service	239,222	2,907,465	3,879,732	4,055,002	3,143,643	-	-	-	-	-
Other purposes	471,046	372,466	328,565	865,805	235,382	529,568	611,900	884,198	722,957	437,972
Qualified zone academy bond retirement	4,226,341	4,401,300	4,582,819	4,768,679	4,955,750	5,146,803	5,355,823	-	-	-
Unrestricted (deficit)	31,991,983	(113,635,285)	(113,510,090)	(112,313,906)	(157,390,323)	(91,188,870)	(81,788,281)	(98,284,386)	(95,613,825)	(60,743,105)
Total net position – primary government	\$ 67,854,248	\$ (71,223,245)	\$ (68,319,947)	\$ (59,564,981)	\$ (110,685,020)	\$ (50,269,010)	\$ (40,386,969)	\$ (59,744,390)	\$ (60,246,284)	\$ (27,864,501)

Source: School District financial records.
(a) Restated for GASB 84.

Cleveland Heights-University Heights City School District

Changes in Net Position

Last Ten Fiscal Years Table 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses:										
Governmental activities:										
Regular instruction	\$ 43,005,293	\$ 41,223,022	\$ 41,960,022	\$ 40,814,609	\$ 43,626,268	\$ 12,949,352	\$ 33,772,850	\$ 42,912,160	\$ 39,259,869	\$ 36,339,780
Special instruction	12,536,158	15,496,883	15,630,864	20,678,670	23,021,354	12,702,297	21,612,647	33,261,198	24,869,224	17,596,677
Vocational instruction	1,988,214	2,199,170	1,729,582	1,820,465	1,887,316	733,208	1,785,442	2,106,297	2,206,214	1,596,514
Adult/continuing instruction	258,202	46	214,853	-	-	-	-	-	294	-
Other instruction	8,257,928	8,817,024	8,653,671	6,284,908	5,975,458	6,135,377	8,628,069	4,747,157	14,496,660	2,505,742
Pupil	9,412,636	7,674,501	7,861,619	7,606,276	8,184,224	2,740,833	6,515,947	8,343,753	7,764,918	7,326,541
Instructional staff	8,004,270	5,838,505	6,740,256	5,296,223	5,271,824	2,635,760	4,135,898	5,501,084	4,314,831	4,430,621
Board of education	584,645	702,812	660,086	570,267	639,543	556,874	674,582	820,893	851,193	763,759
Administration	5,922,772	8,077,153	6,651,527	6,501,228	6,483,332	3,147,054	6,036,398	6,996,024	6,677,556	6,311,989
Fiscal	2,980,897	2,920,898	3,198,752	3,081,449	3,175,566	3,510,872	3,081,101	3,176,914	3,036,965	3,275,601
Business	556,890	1,748,679	1,536,059	990,990	1,047,575	934,024	858,780	1,125,107	1,215,741	1,256,396
Operation and maintenance of plant	12,391,012	13,286,205	13,177,175	12,299,919	12,691,307	12,114,146	14,284,656	16,718,490	17,033,474	15,630,485
Pupil transportation	4,616,743	4,168,805	4,081,598	3,767,197	4,122,183	3,660,423	3,978,709	4,026,440	2,959,364	4,048,902
Central	4,452,855	3,966,623	4,044,855	3,695,810	4,125,428	3,242,196	3,701,731	3,901,982	3,715,374	3,314,088
Food service operations	15,636	20,162	6,458	5,374	6,944	9,418	5,623	5,611	5,339	5,988
Community services	2,100,792	2,255,657	2,579,166	2,743,629	3,348,015	3,005,501	3,689,807	3,055,369	4,116,137	1,776,631
Shared services	-	5,149	-	-	-	-	-	-	-	-
Other operation of non-instructional services	120,356	926	2,081	267	423	584	206	-	-	-
Extracurricular activities	1,955,860	2,157,104	1,734,080	1,565,698	1,549,558	1,082,469	1,461,395	1,673,243	1,373,018	1,303,899
Interest and fiscal charges	299,445	3,776,729	7,507,361	7,278,250	7,364,064	7,184,831	6,644,931	7,309,910	6,747,558	4,683,950
Total governmental activities expenses	119,460,604	124,336,053	127,970,065	125,001,229	132,520,382	76,345,219	120,868,772	145,681,632	140,643,729	112,167,563
Business-type activities:										
Food services	2,507,990	2,442,610	2,276,189	2,624,070	2,579,471	2,354,594	2,602,197	2,360,152	1,693,177	1,728,153
Uniform school supplies	21,260	31,744	6,858	3,460	3,394	1,481	3,854	4,475	1,927	985
Customer services	34,212	-	10,565	8,858	7,974	9,578	8,374	4,368	111	3,797
Community services/early childhood	770,293	821,397	994,837	917,304	919,274	-	-	-	-	-
Bellefaiere General Rotary	3,114,669	2,355	-	-	-	-	-	-	-	-
Total business-type activities expenses	6,448,424	3,298,106	3,288,449	3,553,692	3,510,113	2,365,653	2,614,425	2,368,995	1,695,215	1,732,935
Total primary government expenses	125,909,028	127,634,159	131,258,514	128,554,921	136,030,495	78,710,872	123,483,197	148,050,627	142,338,944	113,900,498

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Continued

Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years Table 2

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program revenues:										
Governmental activities:										
Charges for services:										
Regular instruction	1,974,958	2,033,784	1,865,301	2,235,640	1,542,619	629,659	1,970,795	1,657,173	781,652	1,467,299
Special instruction	2,814,090	3,048,640	2,913,068	2,559,043	2,401,660	3,370,647	770,369	2,411,643	781,187	2,041,076
Vocational instruction	402,269	241,934	79,112	5,060	11,808	3,590	11,751	6,447	11,442	19,543
Administration	26,345	59,783	195,163	198,336	252,256	156,208	139,404	121,156	126,028	95,986
Pupil transportation	25,097	26,165	13,298	38,392	6,924	38,404	42,268	59,534	1,566	34,951
Extracurricular activities	155,691	102,970	111,836	80,261	92,178	119,080	110,087	77,410	44,185	90,332
Operating grants and contributions:										
Regular instruction	1,483,338	1,275,340	795,124	892,723	666,545	874,223	1,497,527	2,513,329	1,417,514	957,211
Special instruction	4,268,212	4,164,420	3,439,308	3,713,268	3,820,067	3,766,969	4,580,498	3,851,008	3,997,515	3,987,208
Vocational instruction	328,861	302,953	265,366	237,709	231,876	285,428	256,476	228,880	308,190	324,968
Adult/continuing instruction	432,062	99,484	-	-	-	-	-	-	-	-
Pupil	90,267	107,986	103,246	105,593	105,911	18,000	18,000	797,501	1,398,518	199,280
Instructional staff	-	-	-	-	-	-	-	8,227	58,568	2,170
Community services	1,851,027	1,932,315	2,080,860	2,269,212	2,567,730	2,320,922	2,521,953	2,695,765	2,762,725	743,056
Capital grants and contributions:										
Operation and maintenance of plant	-	-	20,000	-	-	-	-	-	-	-
Total governmental activities program revenues	13,852,217	13,395,774	11,881,682	12,335,237	11,699,574	11,583,130	11,919,128	14,428,073	11,689,090	9,963,080

Continued

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Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Charges for services:										
Food services	359,057	331,037	323,606	359,710	148,554	184,268	194,028	128,759	96,070	125,256
Uniform school supplies	23,825	28,907	13,402	9,456	11,214	15,636	12,274	6,063	3,805	6,442
Customer services	11,890	11,890	12,167	8,618	8,356	9,453	8,549	3,911	400	-
Community services/early childhood	647,205	662,846	566,556	554,364	544,241	-	-	-	-	-
Bellefaire General Rotary	283,102	683,844	-	-	-	-	-	-	-	-
Operating grants and contributions:										
Food services	2,123,327	1,868,291	1,901,444	1,762,391	2,834,985	2,713,260	2,756,187	3,169,731	3,279,321	3,761,591
Total business-type activities	3,448,406	3,586,815	2,817,175	2,694,539	3,547,350	2,922,617	2,971,038	3,308,464	3,379,596	3,893,289
Total primary government program revenues	17,300,623	16,982,589	14,698,857	15,029,776	15,246,924	14,505,747	14,890,166	17,736,537	15,068,686	13,856,369
Net expense:										
Governmental activities	(105,608,387)	(110,940,279)	(116,088,383)	(112,665,992)	(120,820,808)	(64,762,089)	(108,949,644)	(131,253,559)	(128,954,639)	(102,204,483)
Business-type activities	(3,000,018)	288,709	(471,274)	(859,153)	37,237	556,964	356,613	939,469	1,684,381	2,160,354
Total primary government net expense	(108,608,405)	(110,651,570)	(116,559,657)	(113,525,145)	(120,783,571)	(64,205,125)	(108,593,031)	(130,314,090)	(127,270,258)	(100,044,129)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes levied for:										
General purpose	69,354,404	74,045,127	73,060,036	75,153,473	62,806,651	76,763,349	71,980,283	68,062,834	81,433,114	88,366,146
Debt service	631,509	5,746,485	7,141,001	7,352,980	6,081,146	7,759,557	6,090,617	4,820,138	5,436,666	5,974,549
Capital projects	3,059,156	3,394,926	3,374,548	3,546,925	2,657,127	3,302,707	3,154,427	2,878,855	3,323,836	3,379,335
Grants and entitlements not restricted to specific programs	30,580,845	31,506,047	32,483,747	31,775,332	32,013,598	32,960,944	32,324,850	30,894,244	33,574,521	33,459,542
Investment earnings (loss)	230,870	504,723	1,756,112	1,499,671	906,980	1,178,732	1,949,799	1,109,356	60,559	(85,598)
Miscellaneous	1,276,706	1,044,771	1,647,511	2,951,730	2,502,529	2,655,846	2,975,096	3,096,928	2,939,450	1,331,938
Transfers	-	(11,056,420)	7,743	-	(1,271,323)	-	(330)	(582)	-	(1,191)
Total governmental activities	105,133,490	105,185,659	119,470,698	122,280,111	105,696,708	124,621,135	118,474,742	110,861,773	126,768,146	132,424,721

Continued

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Cleveland Heights-University Heights City School District

Changes in Net Position (continued)

Last Ten Fiscal Years	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Transfers	-	11,056,420	(7,743)	-	1,271,323	-	330	582	-	1,191
Miscellaneous	-	-	-	-	-	-	-	-	218	-
Total business-type activities	-	11,056,420	(7,743)	-	1,271,323	-	330	582	218	1,191
Total primary government general revenues and other changes in net position	105,133,490	116,242,079	119,462,955	122,280,111	106,968,031	124,621,135	118,475,072	110,862,355	126,768,364	132,425,912
Change in net position:										
Governmental activities	(474,897)	(5,754,620)	3,382,315	9,614,119	(15,124,100)	59,859,046	9,525,098	(20,391,786)	(2,186,493)	30,220,238
Business-type activities	(3,000,018)	11,345,129	(479,017)	(859,153)	1,308,560	556,964	356,943	940,051	1,684,599	2,161,545
Total primary government change in net position	\$ (3,474,915)	\$ 5,590,509	\$ 2,903,298	\$ 8,754,966	\$ (13,815,540)	\$ 60,416,010	\$ 9,882,041	\$ (19,451,735)	\$ (501,894)	\$ 32,381,783

Source: School District financial records.

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Cleveland Heights-University Heights City School District

Program Revenues by Function/Program

Last Ten Fiscal Years Table 3

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Regular instruction	\$ 3,458,296	\$ 3,309,124	\$ 2,660,425	\$ 3,128,363	\$ 2,209,164	\$ 1,503,882	\$ 3,468,322	\$ 4,170,502	\$ 2,199,166	\$ 2,424,510
Special instruction	7,082,302	7,213,060	4,309,115	6,272,311	6,221,727	7,137,616	5,350,867	6,262,651	4,778,702	6,028,284
Vocational instruction	731,130	544,887	344,478	242,769	243,684	289,018	268,227	235,327	319,632	344,511
Adult/continuing instruction	432,062	99,484	-	-	-	-	-	-	-	-
Pupil	90,267	107,986	103,246	105,593	105,911	18,000	18,000	797,501	1,398,518	199,280
Instructional staff	-	-	-	-	-	-	-	8,227	58,568	2,170
Administration	26,345	59,783	195,163	198,336	252,256	156,208	139,404	121,156	126,028	95,986
Operation and maintenance of plant	-	-	20,000	-	-	-	-	-	-	-
Pupil transportation	25,097	26,165	13,298	38,392	6,924	38,404	42,268	59,534	1,566	34,951
Community services	1,851,027	1,932,315	2,080,860	2,269,212	2,567,730	2,320,922	2,521,953	2,695,765	2,762,725	743,056
Extracurricular activities	155,691	102,970	111,836	80,261	92,178	119,080	110,087	77,410	44,185	90,332
Total governmental activities	<u>13,852,217</u>	<u>13,395,774</u>	<u>9,838,421</u>	<u>12,335,237</u>	<u>11,699,574</u>	<u>11,583,130</u>	<u>11,919,128</u>	<u>14,428,073</u>	<u>11,689,090</u>	<u>9,963,080</u>
Business-type activities:										
Food services	2,482,384	2,199,328	2,225,050	2,122,101	2,983,539	2,897,528	2,950,215	3,298,490	3,375,391	3,886,847
Uniform school supplies	23,825	28,907	13,402	9,456	11,214	15,636	12,274	6,063	3,805	6,442
Customer services	11,890	11,890	12,167	8,618	8,356	9,453	8,549	3,911	400	-
Community services/early childhood	647,205	662,846	566,556	554,364	544,241	-	-	-	-	-
Bellefaire General Rotary	283,102	683,844	-	-	-	-	-	-	-	-
Total business-type activities	<u>3,448,406</u>	<u>3,586,815</u>	<u>2,817,175</u>	<u>2,694,539</u>	<u>3,547,350</u>	<u>2,922,617</u>	<u>2,971,038</u>	<u>3,308,464</u>	<u>3,379,596</u>	<u>3,893,289</u>
Total primary government program revenues	<u>\$ 17,300,623</u>	<u>\$ 16,982,589</u>	<u>\$ 12,655,596</u>	<u>\$ 15,029,776</u>	<u>\$ 15,246,924</u>	<u>\$ 14,505,747</u>	<u>\$ 14,890,166</u>	<u>\$ 17,736,537</u>	<u>\$ 15,068,686</u>	<u>\$ 13,856,369</u>

Source: School District financial records.

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Cleveland Heights-University Heights City School District

Fund Balances, Governmental Funds

Last Ten Fiscal Years Table 4

	2013	2014	2015	2016	2017	2018	2019	2020 (a)	2021	2022
General fund:										
Nonspendable	\$ 421,946	\$ 485,956	\$ 400,634	\$ 408,564	\$ 698,645	\$ 601,068	\$ 611,776	\$ 584,051	\$ 564,395	\$ 400,769
Committed	169,433	-	249,020	-	-	-	-	-	-	419,779
Assigned	2,855,580	10,942,612	20,777,177	15,263,935	9,892,519	10,369,467	10,265,497	10,677,597	4,704,445	3,728,498
Unassigned	39,137,025	19,296,525	9,241,633	18,324,871	14,314,303	16,687,556	12,270,472	-	9,050,670	27,537,504
Total general fund	<u>42,583,984</u>	<u>30,725,093</u>	<u>30,668,464</u>	<u>33,997,370</u>	<u>24,905,467</u>	<u>27,658,091</u>	<u>23,147,745</u>	<u>11,261,648</u>	<u>14,319,510</u>	<u>32,086,550</u>
All other governmental funds:										
Nonspendable	-	-	-	-	33	-	-	-	-	-
Restricted	6,472,636	164,189,868	145,242,640	112,954,576	58,328,729	48,725,311	24,838,198	13,362,674	11,117,882	9,666,914
Unassigned (deficit)	(691,665)	(349,436)	(209,254)	(347,404)	(444,423)	(981,970)	(193,720)	(468,738)	(981,026)	(1,161,776)
Total all other governmental funds	<u>5,780,971</u>	<u>163,840,432</u>	<u>145,033,386</u>	<u>112,607,172</u>	<u>57,884,339</u>	<u>47,743,341</u>	<u>24,644,478</u>	<u>12,893,936</u>	<u>10,136,856</u>	<u>8,505,138</u>
Total governmental funds	<u>\$ 48,364,955</u>	<u>\$ 194,565,525</u>	<u>\$ 175,701,850</u>	<u>\$ 146,604,542</u>	<u>\$ 82,789,806</u>	<u>\$ 75,401,432</u>	<u>\$ 47,792,223</u>	<u>\$ 24,155,584</u>	<u>\$ 24,456,366</u>	<u>\$ 40,591,688</u>

Source: School District financial records.

(a) Restated for GASB 84.

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Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

Table 5

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Taxes	\$ 72,593,187	\$ 81,019,869	\$ 82,427,691	\$ 84,468,564	\$ 70,025,921	\$ 85,881,504	\$ 83,287,647	\$ 75,776,080	\$ 88,659,409	\$ 96,225,235
Intergovernmental	39,293,275	39,705,007	38,533,550	38,219,569	39,404,171	39,818,434	41,754,742	40,731,464	43,202,986	40,423,613
Grants	-	-	36,147	95,763	77,065	136,652	204,066	199,282	245,206	346,464
Tuition and fees	4,261,340	5,205,135	5,212,754	4,870,192	5,347,394	3,730,574	2,572,132	4,156,509	3,023,895	3,525,112
Earnings (loss) on investments	269,926	383,159	1,743,978	1,493,336	890,212	1,158,393	2,072,177	1,149,119	69,245	(98,162)
Extracurricular activities	249,403	328,105	281,315	218,737	181,037	208,333	234,260	192,693	66,812	182,423
Classroom materials and fees	9,899	10,983	8,210	7,407	9,968	5,639	5,684	4,016	1,787	2,096
Miscellaneous	1,288,159	925,607	1,713,082	2,968,872	2,678,979	2,813,234	2,975,513	3,065,493	2,915,820	1,222,024
Total revenues	117,965,189	127,577,865	129,956,727	132,342,440	118,614,747	133,752,763	133,106,221	125,274,656	138,185,160	141,828,805
Expenditures:										
Current:										
Instruction:										
Regular	41,694,037	41,252,792	42,780,196	41,165,894	40,375,853	39,820,252	40,754,315	41,414,582	38,702,164	41,745,814
Special	12,550,247	15,446,175	15,640,475	20,813,764	22,116,942	22,819,044	24,423,936	32,738,745	24,874,982	20,065,027
Vocational	2,025,443	2,202,132	1,790,287	1,810,390	1,754,725	2,133,247	2,187,965	2,018,439	2,210,173	1,864,420
Adult/continuing	258,355	42	214,853	-	-	-	-	-	294	-
Other	8,260,680	8,852,295	8,661,935	6,281,759	5,927,681	6,390,021	8,706,651	4,734,917	14,489,628	2,630,959
Support services:										
Pupil	9,471,275	7,779,443	7,819,662	7,752,082	7,656,795	7,945,144	7,990,632	8,183,497	7,693,601	8,527,414
Instructional staff	7,360,021	5,579,026	6,655,202	5,355,690	4,946,508	5,748,727	5,044,696	5,218,766	4,350,092	4,992,918
Board of education	584,645	702,812	660,818	570,730	637,691	563,822	678,367	811,740	858,028	767,062
Administration	5,921,173	8,002,595	6,666,267	6,580,971	6,141,738	6,196,289	6,996,923	6,767,860	6,504,671	7,233,477
Fiscal	2,992,173	2,898,090	3,199,810	3,120,432	3,119,583	3,761,570	3,219,601	3,067,024	3,039,697	3,378,214
Business	486,832	1,620,092	1,419,952	1,148,867	944,826	851,840	846,438	984,229	1,143,850	1,234,353
Operation and maintenance of plant	13,995,828	13,982,246	11,709,772	11,947,714	11,944,593	12,095,174	14,005,395	12,543,679	13,115,360	16,017,855
Pupil transportation	4,319,901	3,866,048	3,878,073	4,033,071	3,795,667	4,038,336	4,160,575	3,858,304	3,121,856	4,252,274
Central	4,421,726	3,929,804	4,065,836	3,749,689	4,055,053	3,712,479	3,891,125	3,763,559	3,700,581	3,497,865
Operations of non-instructional services:										
Food service	15,636	24,779	1,119	35	1,605	4,079	284	272	-	649
Community services	2,146,012	2,241,565	2,572,447	2,735,318	3,290,253	3,009,464	3,659,100	3,044,557	4,097,570	1,785,697
Shared services	-	5,149	-	-	-	-	-	-	-	-
Other	120,356	926	2,081	267	423	584	206	-	-	-
Extracurricular activities	1,940,700	2,132,543	1,733,151	1,561,140	1,445,612	1,590,912	1,621,344	1,603,383	1,349,775	1,411,688
Facilities acquisition and construction services	-	3,209,965	22,081,669	35,111,364	54,576,672	12,382,864	24,741,265	4,485,192	302,761	-

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Continued

Cleveland Heights-University Heights City School District

Changes in Fund Balances, Governmental Funds (continued)

Last Ten Fiscal Years

Table 5

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt service:										
Principal	1,497,177	1,225,155	1,307,703	995,670	1,026,348	1,570,268	1,611,767	6,901,548	1,960,390	1,865,803
Interest and fiscal charges	328,040	1,661,324	7,293,440	7,110,316	7,102,480	6,508,521	6,261,298	6,932,369	6,368,905	4,420,803
Bond issuance costs	124,721	1,224,233	-	-	-	438,253	-	-	-	955,431
Total expenditures	120,514,978	127,839,231	150,154,748	161,845,163	180,861,048	141,580,890	160,801,883	149,072,662	137,884,378	126,647,723
Excess of revenues over (under) expenditures	(2,549,789)	(261,366)	(20,198,021)	(29,502,723)	(62,246,301)	(7,828,127)	(27,695,662)	(23,798,006)	300,782	15,181,082
Other financing sources (uses):										
Inception of capital leases	87,077	88,483	-	395,108	-	-	75,691	67,635	-	-
General obligation bonds issued	-	134,799,915	-	-	-	-	-	-	-	-
Refunding bonds issued	6,750,000	-	-	-	-	60,725,000	-	-	-	66,686,779
Premium on bonds issued	199,722	1,659,731	-	-	-	9,804,394	-	-	-	6,619,621
Refunding COP issued	-	-	-	-	-	-	-	-	-	14,660,000
Premium on COP issued	-	-	-	-	-	-	-	-	-	3,078,295
Certificates of participation issued	-	21,000,000	-	-	-	-	-	-	-	-
Discount on certificates of participation issued	-	(29,773)	-	-	-	-	-	-	-	-
Transfers-in	625,321	805,350	1,670,886	253,500	150,000	276,974	242,992	303,620	4,511,995	239,452
Transfers-out	(625,321)	(11,861,770)	(336,540)	(253,500)	(1,718,435)	(276,974)	(243,322)	(304,202)	(4,511,995)	(240,643)
Payment to refunded escrow agent	(6,825,000)	-	-	-	-	(70,089,641)	-	-	-	(90,089,264)
Sale of capital assets	-	-	-	10,307	-	-	11,092	-	-	-
Total other financing sources (uses)	211,799	146,461,936	1,334,346	405,415	(1,568,435)	439,753	86,453	67,053	-	954,240
Net change in fund balances	\$ (2,337,990)	\$ 146,200,570	\$ (18,863,675)	\$ (29,097,308)	\$ (63,814,736)	\$ (7,388,374)	\$ (27,609,209)	\$ (23,730,953)	\$ 300,782	\$ 16,135,322
Debt service as a percentage of noncapital expenditures	1.55%	2.36%	6.72%	6.48%	6.49%	6.34%	5.95%	9.62%	6.15%	5.16%

Source: School District financial records.

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Cleveland Heights-University Heights City School District

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years Table 6

Collection Year	Real Property		Public Utility		Personal Property		Total		Total Direct Tax Rate	Ratio
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2013	\$ 1,068,405,140	\$ 3,052,586,114	\$ 15,110,130	\$ 17,170,602	\$ 1,083,515,270	\$ 3,069,756,716	\$ 143.70	35.3	35.3	%
2014	1,068,237,550	3,052,107,286	16,523,940	18,777,205	1,084,761,490	3,070,884,491	149.59	35.3	35.3	
2015	1,057,992,160	3,022,834,743	17,518,250	19,907,102	1,075,510,410	3,042,741,845	149.59	35.3	35.3	
2016	1,036,743,190	2,962,123,400	17,942,510	20,389,216	1,054,685,700	2,982,512,616	149.59	35.4	35.4	
2017	1,037,664,430	2,964,755,514	18,981,440	21,569,818	1,056,645,870	2,986,325,332	155.59	35.4	35.4	
2018	1,025,158,440	2,929,024,114	20,548,510	23,350,580	1,045,706,950	2,952,374,694	156.09	35.4	35.4	
2019	1,092,297,090	3,120,848,829	21,381,610	24,297,284	1,113,678,700	3,145,146,113	154.20	35.4	35.4	
2020	1,082,425,570	3,092,644,486	23,613,970	26,834,057	1,106,039,540	3,119,478,543	153.60	35.5	35.5	
2021	1,077,680,970	3,079,088,486	27,230,400	30,943,636	1,104,911,370	3,110,032,122	158.30	35.5	35.5	
2022	1,209,684,220	3,456,240,629	29,796,480	33,859,636	1,239,480,700	3,490,100,265	158.30	35.5	35.5	

Source: Cuyahoga County Fiscal Officer – Data is presented on a calendar year basis, consistent with the County Fiscal Officer’s method of maintaining the information.

Estimated actual values are calculated based on the following percentages:

Real estate is assessed at 35 percent of actual value.

Public utility is assessed at 88 percent of actual value.

Property in Cuyahoga County is reassessed once every three years on average. Tax rates are per \$1,000 of assessed value.

Cleveland Heights-University Heights City School District

Principal Taxpayers – Real Estate Tax

Fiscal Year 2022 and Fiscal Year 2013

Table 7

Name of Taxpayer	December 31, 2021 (1)		Percent of Total Assessed Value
	Assessed Value (1)	Total Assessed Value	
Cleveland Electric Illuminating Co.	\$ 15,122,550		1.25%
CS Center LLC and CS Center TIC 1 LLC	9,135,610		0.76%
East Ohio Gas Co.	8,983,770		0.74%
Integrity Realty Group	6,541,540		0.54%
American Transmission System	5,504,900		0.46%
Oakwood Commons LLC	5,452,280		0.45%
Huntington House	5,198,980		0.43%
Montlack Realty	4,855,970		0.40%
Cleveland Heights City	4,796,020		0.40%
DKC Cedar Center North LLC	4,410,000		0.36%
Total	<u>\$ 70,001,620</u>		<u>5.79%</u>
Name of Taxpayer	December 31, 2012 (2)		Percent of Total Assessed Value
	Assessed Value (2)	Total Assessed Value	
Cleveland Electric Illuminating Company	\$ 11,393,890		1.07%
Kaiser Foundation Health Plan of Ohio	11,348,150		1.06%
Severance Spc Lease Co., LLC	9,711,730		0.91%
Inland Cedar Center South, LLC	6,212,210		0.58%
University Heights Holdings, 4 LLC	5,443,380		0.51%
Severance Spc Lease Co., LLC	4,466,180		0.42%
Target Corp.	3,500,780		0.33%
The May Department Stores Co.	3,408,020		0.32%
East Ohio Gas Co.	2,889,350		0.27%
ARC Cleveland Hts LLC	2,724,580		0.26%
Total	<u>\$ 61,098,270</u>		<u>5.73%</u>

Source: Cuyahoga County Fiscal Officer

(1) Assessed values are for the 2022 collection year.

(2) Assessed values are for the 2013 collection year.

Cleveland Heights-University Heights City School District

Property Tax Rates – Direct and Overlapping Governments

Last Ten Years Table 8

Tax Year/ Collection Year	Metro					Cleveland Port Authority			Debt Service Included in Total Levy			
	School Levy	County Levy	City Levy	Parks Levy	Library Levy	Tri-C Levy	Authority Levy	Total Levy	School	County	City	Total
2012/2013	\$ 143.70(1)	\$ 13.22	\$ 13.00	\$ 1.85	\$ 7.80	\$ 3.10	\$ 0.13	\$ 182.80	\$ 0.70	\$ 0.85	\$ 3.00	\$ 4.55
2013/2014	149.59(2)	14.05	12.90	2.75	7.80	3.10	0.13	190.32	6.59	0.85	2.55	9.99
2014/2015	149.59(2)	14.05	13.92	2.75	10.00	4.00	0.13	194.44	6.59	0.85	2.65	10.09
2015/2016	149.59(2)	14.05	13.92	2.75	10.00	4.00	0.13	194.44	6.59	0.95	3.00	10.54
2016/2017	155.59(3)	14.05	13.92	2.75	10.00	4.00	0.13	200.44	7.09	0.95	3.00	11.04
2017/2018	156.09(4)	14.05	12.42	2.75	10.00	4.50	0.13	199.94	7.59	0.95	1.50	10.04
2018/2019	154.20(5)	14.05	12.42	2.75	10.00	4.50	0.13	198.05	5.70	0.95	1.50	8.65
2019/2020	153.60(6)	14.05	12.42	2.75	10.00	4.90	0.13	197.85	5.10	0.55	1.50	7.65
2020/2021	158.30(7)	14.85	12.42	2.75	10.00	4.90	0.13	203.35	5.00	0.45	1.50	7.45
2021/2022	158.30(7)	14.85	12.42	2.75	10.00	4.90	0.13	203.35	5.00	0.45	1.50	7.45

Source: Cuyahoga County Fiscal Officer. Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Fiscal Officer.

- (1) District's direct rate is comprised of \$139.20 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$.7 in the Bond Retirement Fund.
- (2) District's direct rate is comprised of \$139.20 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$6.59 in the Bond Retirement Fund.
- (3) District's direct rate is comprised of \$144.70 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$7.09 in the Bond Retirement Fund.
- (4) District's direct rate is comprised of \$144.70 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$7.59 in the Bond Retirement Fund.
- (5) District's direct rate is comprised of \$144.70 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$5.70 in the Bond Retirement Fund.
- (6) District's direct rate is comprised of \$144.70 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$5.10 in the Bond Retirement Fund.
- (7) District's direct rate is comprised of \$149.50 in the General Fund, \$3.80 in the Permanent Improvement Fund and \$5.00 in the Bond Retirement Fund.

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Cleveland Heights-University Heights City School District

Property Tax – Levies and Collections – Real and Tangible Personal Property

Last Ten Years Table 9

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Percent of Current Levy		Total Collection	Delinquent Collection	Total Collection	Percent of Total Collections to Tax Levy
				Collected	%				
2012/2013	\$ 85,035,680	\$ 10,219,590	\$ 95,255,270	92.02	%	\$ 82,265,078	\$ 4,012,461	\$ 82,265,078	86.36
2013/2014	84,009,574	11,665,988	95,675,562	92.35		81,364,646	3,779,198	81,364,646	85.04
2014/2015	90,585,706	12,775,749	103,361,455	92.15		88,115,139	4,636,048	88,115,139	85.25
2015/2016	89,956,812	15,510,292	105,467,104	93.42		88,351,401	4,317,182	88,351,401	83.77
2016/2017	90,097,918	16,044,426	106,142,344	93.55		87,802,192	3,512,990	87,802,192	82.72
2017/2018	95,802,609	16,233,458	112,036,067	92.02		92,417,199	4,256,109	92,417,199	82.49
2018/2019	97,301,556	17,557,160	114,858,716	92.54		94,646,031	4,599,730	94,646,031	82.40
2019/2020	95,967,398	19,189,804	115,157,202	89.61		91,208,161	5,207,588	91,208,161	79.20
2020/2021	94,770,541	16,540,298	111,310,839	94.50		93,872,982	4,316,191	93,872,982	84.33
2021/2022	100,812,109	17,918,037	118,730,146	94.20		99,550,909	4,585,631	99,550,909	83.85

Source: Cuyahoga County Fiscal Officer – Data is presented on a calendar year basis, consistent with the County Fiscal Officer's method of maintaining the information.

Delinquent collections are presented in the fiscal year collected, consistent with the County Fiscal Officer's method of maintaining the information. District is working with the County to obtain the delinquent collection information by original levy year rather than collection year in future years. At this point the information is not available.

Levy information includes Homestead/Rollback taxes assessed locally but distributed through the state and reported as intergovernmental revenue.

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Cleveland Heights-University Heights City School District

Computation of Direct and Overlapping General Obligation Bonded Debt

As of December 31, 2021

Table 10

Jurisdiction	General Obligation Bonded Debt Outstanding	Percentage Applicable to School District(1)	Amount Applicable to School District
Direct:			
Cleveland Heights-University Heights City School District	\$ 134,047,443	100.00 %	\$ 134,047,443
Total direct	<u>134,047,443</u>		<u>134,047,443</u>
Overlapping			
City of Cleveland Heights	17,346,000	95.51	16,566,499
City of South Euclid	15,734,141	8.57	1,347,688
City of University Heights	1,305,000	100.00	1,305,000
Cuyahoga County	254,150,000	2.58	6,567,836
Cuyahoga Community College	195,825,000	2.58	5,060,580
Total overlapping	<u>484,360,141</u>		<u>30,847,603</u>
Grand total	\$ <u>618,407,584</u>		\$ <u>164,895,046</u>

Source: Cuyahoga County Fiscal Officer - Data is presented on a calendar year basis, consistent with the County Fiscal Officer's method of maintaining the information.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2022 collection year.

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Cleveland Heights-University Heights City School District

Computation of Legal Debt Margin

Last Ten Fiscal Years

Table 11

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Assessed valuation	\$ 1,083,515,270	\$ 1,084,761,490	\$ 1,075,510,410	\$ 1,054,685,700	\$ 1,056,645,870	\$ 1,045,706,950	\$ 1,113,678,700	\$ 1,106,039,540	\$ 1,104,911,370	\$ 1,239,480,700
Debt limit - 9% of assessed value	\$ 97,516,374	\$ 97,628,534	\$ 96,795,937	\$ 94,921,713	\$ 95,098,128	\$ 94,113,626	\$ 100,231,083	\$ 99,543,559	\$ 99,442,023	\$ 111,553,263
Amount of debt applicable to debt limit:										
General obligation bonds	7,596,407	141,144,915	140,948,900	140,793,127	140,628,654	139,978,681	139,389,203	139,009,230	138,072,371	136,422,874
Exempt debt	-	(40,803,518)	(40,876,406)	(41,881,632)	(42,254,977)	(41,670,186)	(34,852,485)	(37,146,900)	(37,824,708)	(23,391,116)
Total	7,596,407	100,341,397	100,072,494	98,911,495	98,373,677	98,308,495	104,536,718	101,862,330	100,247,663	113,031,758
Less: amount available in debt service funds	(162,985)	(2,712,863)	(3,276,557)	(3,989,782)	(3,275,549)	(4,194,869)	(4,305,635)	(2,318,771)	(805,640)	(1,478,495)
Amount of debt subject to the limit	7,433,422	97,628,534	96,795,937	94,921,713	95,098,128	94,113,626	100,231,083	99,543,559	99,442,023	111,553,263
Overall debt margin	\$ 90,082,952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt margin - 10% of assessed value	\$ 1,083,515	\$ 1,084,761	\$ 1,075,510	\$ 1,054,686	\$ 1,056,646	\$ 1,045,707	\$ 1,113,679	\$ 1,106,040	\$ 1,104,911	\$ 1,239,481
Amount of debt applicable	-	-	-	-	-	-	-	-	-	-
Unvoted debt margin	\$ 1,083,515	\$ 1,084,761	\$ 1,075,510	\$ 1,054,686	\$ 1,056,646	\$ 1,045,707	\$ 1,113,679	\$ 1,106,040	\$ 1,104,911	\$ 1,239,481
Total net debt applicable to the limit as a percentage of debt limit	7.62%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Cuyahoga County Fiscal Officer and School District financial records

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Cleveland Heights-University Heights City School District

Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

Last Ten Years Table 12

Year	General Obligation Bonds	Accrued Interest on CABs	Certificates of Participation	Energy Conservation Notes	Financed Purchase / Capital Leases (a)	Qualified Zone Academy Bonds	Total Primary Government	Percentage of Personal Income	Debt Per Capita
2013	\$ 6,936,407	-	\$ -	\$ 660,000	\$ 318,414	\$ 5,500,000	\$ 13,414,821	0.96 %	\$ 224.85
2014	142,955,899	62,516	20,970,227	-	246,742	5,500,000	169,735,384	12.16	2,845.04
2015	142,368,907	333,985	20,301,187	-	139,039	5,500,000	168,643,118	12.08	2,826.74
2016	141,861,916	628,212	19,862,147	-	428,477	5,500,000	168,280,752	12.06	2,820.66
2017	141,319,924	948,739	19,413,107	-	337,129	5,500,000	167,518,899	12.00	2,807.89
2018	149,240,512	1,318,766	18,959,067	-	241,861	5,500,000	175,260,206	12.56	2,937.65
2019	147,869,935	1,774,288	18,500,027	-	210,785	5,500,000	173,855,035	12.46	2,914.10
2020	146,715,151	2,223,522	18,030,987	-	176,079	-	167,145,739	11.98	2,801.64
2021	145,001,315	2,674,922	17,551,947	-	83,948	-	165,312,132	11.46	2,910.99
2022	149,089,902	2,375,431	17,623,003	-	54,930	-	169,143,266	11.41	2,850.51

Source: School District financial records.

(a) Implemented GASB 87 in fiscal year 2022.

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Cleveland Heights-University Heights City School District

Ratio of Net General Obligation Debt to Assessed Value and Net Debt per Capita

Last Ten Fiscal Years Table 13

Fiscal Year	Gross General Bonded Debt (1)	Net Position Restricted for Debt Service Funds	Net General Bonded Debt	Estimated Actual Value (2)	Population (3)	Ratio of Net Debt to Estimated Actual Value	Debt Per Capita
2012/2013	\$ 7,596,407	\$ 239,222	\$ 7,357,185	\$ 3,069,756,716	59,660	0.24 %	\$ 123
2013/2014	142,955,899	2,907,465	140,048,434	3,070,884,491	59,660	4.56	2,347
2014/2015	142,368,907	3,879,732	138,489,175	3,042,741,845	59,660	4.55	2,321
2015/2016	141,861,916	4,055,002	137,806,914	2,982,512,616	59,660	4.62	2,310
2016/2017	141,319,924	3,143,643	138,176,281	2,986,325,332	59,660	4.63	2,316
2017/2018	149,240,512	-	149,240,512	2,952,374,694	59,660	5.05	2,502
2018/2019	147,869,935	-	147,869,935	3,145,146,113	59,660	4.70	2,479
2019/2020	146,715,151	-	146,715,151	3,119,478,543	59,660	4.70	2,459
2020/2021	145,001,315	-	145,001,315	3,110,032,122	56,789	4.66	2,553
2021/2022	149,089,902	-	149,089,902	3,490,100,265	59,338	4.27	2,513

Sources:
(1) School District financial records.
(2) Cuyahoga County Fiscal Officer.
(3) U.S. Census data.

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Cleveland Heights-University Heights City School District

Demographic and Economic Statistics

Last Ten Fiscal Years

Table 14

Year	County Population (1)	Cleveland Heights Population (1)	University Heights Population (1)	School Enrollment (2)	Unemployment Rate (3)	Cleveland Heights Median Family Income	University Heights Median Family Income	Total Personal Income (1)	Total Personal Per Capita
2013	1,280,122	46,121	13,539	5,301	8.0 %	\$ 49,056	\$ 74,759	\$ 1,395,621,460	\$ 23,393
2014	1,280,122	46,121	13,539	5,693	7.9	49,056	74,759	1,395,621,460	23,393
2015	1,280,122	46,121	13,539	5,393	6.7	49,056	74,759	1,395,621,460	23,393
2016	1,280,122	46,121	13,539	5,221	6.7	49,056	74,759	1,395,621,460	23,393
2017	1,280,122	46,121	13,539	4,957	6.7	49,056	74,759	1,395,621,460	23,393
2018	1,280,122	46,121	13,539	5,214	6.4	49,056	74,759	1,395,621,460	23,393
2019	1,280,122	46,121	13,539	5,214	6.4	49,056	74,759	1,395,621,460	23,393
2020	1,280,122	46,121	13,539	5,214	6.4	49,056	74,759	1,395,621,460	23,393
2021	1,264,817	43,992	12,797	4,850	6.5	57,768	77,256	1,443,106,584	25,412
2022	1,264,817	45,306	14,032	4,767	6.0	59,086	80,817	1,482,467,926	24,983

Sources:

- (1) Estimated figure from U.S. Census Bureau.
- (2) School District records.
- (3) U.S. Bureau of Labor Statistics.

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Cleveland Heights-University Heights City School District

Principal Employers

Fiscal Year 2013 and Fiscal Year 2022

Table 15

Employer	December 31, 2012		December 31, 2021		
	Number of Employees	Percentage of Total	Number of Employees	Percentage of Total	
John Carroll University	2,271	27.94 %	John Carroll University	1,882	27.94 %
Group Management Services	1,703	20.94	Cleveland Heights-University Heights Board of Education	910	13.52
Cleveland Heights-University Heights Board of Education	1,249	15.36	Cleveland Heights City Hall	714	10.60
Cleveland Heights City Hall	789	9.70	MetroHealth System	583	8.66
Target	436	5.36	Minute Men Select Inc.	527	7.83
Bellefaire Jewish Children's Bureau	429	5.28	Bellefaire Jewish Children's Bureau	517	7.68
Cuyahoga County Fiscal Office	336	4.13	Heinens, Inc.	451	6.70
Whole Foods	314	3.86	Target Corporation	425	6.31
Kaiser Foundation	304	3.74	Hebrew Academy of Cleveland	397	5.90
Macy's Retail Holdings Inc.	300	3.69	Home Depot USA Inc.	327	4.86
Total	8,131	100.00 %	Total	6,733	100.00 %
Total Employment within the School District	N/A		Total Employment within the School District	N/A	

N/A – Information was not available.

Source: Cities of Cleveland Heights and University Heights.

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Cleveland Heights-University Heights City School District

Building Statistics by Function/Program

Last Ten Fiscal Years

Table 16

	2013	2014	2015	2016	2017	2018	2019	2020(a)	2021(a)	2022(a)
Boulevard Elementary School										
Constructed in 1975										
Total Building Square Footage	51,437	51,437	51,437	51,437	51,437	51,437	51,437	51,437	51,437	51,437
Enrollment Grades K-5	296	304	325	305	286	306	268	286	256	270
Regular Instruction Teachers	24	24	24	25	22	22	19	19	17	17
Special Instruction Teachers	5	5	5	3	6	6	6	6	6	5
Canterbury Elementary School										
Constructed in 1927										
Total Building Square Footage	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800	65,800
Enrollment Grades K-5	374	380	345	373	389	401	405	364	346	331
Regular Instruction Teachers	25	25	24	24	26	25	23	23	20	20
Special Instruction Teachers	5	5	5	3	5	4	4	4	5	5
Bellefai School										
Constructed in 1928										
Total Building Square Footage	22,000	22,000	22,000	-	-	-	-	-	-	-
Enrollment Grades K-5	71	-	-	-	-	-	-	-	-	-
Regular Instruction Teachers	8	-	-	-	-	-	-	-	-	-
Special Instruction Teachers	12	-	-	-	-	-	-	-	-	-
Coventry Elementary School										
Constructed in 1975										
Total Building Square Footage	61,200	61,200	61,200	-	-	-	-	-	-	-
Enrollment Grades K-5	-	-	-	-	-	-	-	-	-	-
Regular Instruction Teachers	-	-	-	-	-	-	-	-	-	-
Special Instruction Teachers	-	-	-	-	-	-	-	-	-	-
Fairfax Elementary School										
Constructed in 1975										
Total Building Square Footage	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000	59,000
Enrollment Grades K-5	392	299	334	327	339	341	359	340	329	316
Regular Instruction Teachers	26	22	24	30	28	28	23	23	20	18
Special Instruction Teachers	6	5	5	3	7	8	8	8	8	8
Gearity Professional Development School										
Constructed in 1954										
Total Building Square Footage	70,856	70,856	70,856	70,856	70,856	70,856	70,856	70,856	70,856	70,856
Enrollment Grades K-5	338	365	268	252	261	266	258	252	240	248
Regular Instruction Teachers	24	24	24	31	30	26	22	23	24	21
Special Instruction Teachers	10	10	5	3	7	10	11	12	13	11
Noble Elementary School										
Constructed in 1922										
Total Building Square Footage	74,250	74,250	74,250	74,250	74,250	74,250	74,250	74,250	74,250	74,250
Enrollment Grades K-5	423	381	421	415	369	381	337	348	349	340
Regular Instruction Teachers	30	30	30	31	30	28	25	25	25	24
Special Instruction Teachers	7	7	7	4	4	3	3	3	4	4
Deborah S. Delisle Educational Options Center										
Constructed in 1923										
Total Building Square Footage	116	116	100	86	116	126	122	115	111	117
Enrollment Grades K-5	11	11	10	11	11	11	9	7	7	6
Regular Instruction Teachers	1	1	1	0	2	1	1	1	1	1
Special Instruction Teachers										

Continued

Cleveland Heights-University Heights City School District

Building Statistics by Function/Program (continued)

Last Ten Fiscal Years

Table 16

	2013	2014	2015	2016	2017	2018	2019	2020(a)	2021(a)	2022(a)
Oxford Elementary School										
Constructed in 1928	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400	61,400
Total Building Square Footage	340	328	294	291	270	279	268	273	271	240
Enrollment Grades K-5	25	25	24	24	24	24	25	20	17	18
Regular Instruction Teachers	4	4	4	3	6	5	4	4	5	4
Special Instruction Teachers										
Roxboro Elementary School										
Constructed in 1920										
Total Building Square Footage	55,600	55,600	55,600	55,600	55,600	55,600	55,600	55,600	55,600	55,600
Enrollment Grades K-5	408	404	423	365	328	330	307	299	266	222
Regular Instruction Teachers	29	29	29	27	26	24	17	18	17	16
Special Instruction Teachers	3	3	4	3	4	5	6	6	6	3
Monticello Middle School										
Constructed in 1930										
Total Building Square Footage	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Enrollment Grades 6-8	400	400	597	591	558	575	568	573	569	487
Regular Instruction Teachers	31	31	37	52	46	41	39	39	42	42
Special Instruction Teachers	9	9	11	7	9	9	11	12	13	11
Roxboro Middle School										
Constructed in 1931										
Total Building Square Footage	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380	113,380
Enrollment Grades 6-8	436	487	645	619	611	631	582	594	594	572
Regular Instruction Teachers	39	39	41	52	50	44	37	39	40	40
Special Instruction Teachers	9	9	9	7	9	13	13	13	14	14
Wiley Middle School										
Constructed in 1954										
Total Building Square Footage	133,127	133,127	133,127	-	-	-	-	-	-	-
Enrollment Grades 6-8	403	402	-	-	-	-	-	-	-	-
Regular Instruction Teachers	30	30	-	-	-	-	-	-	-	-
Special Instruction Teachers	8	8	-	-	-	-	-	-	-	-
Cleveland Heights High School										
Constructed in 1925										
Total Building Square Footage	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400	395,400
Enrollment Grades 9-12	1400	1254	1522	1597	1430	1578	1555	1512	1519	1327
Regular Instruction Teachers	110	113	113	120	113	99	91	93	92	88
Special Instruction Teachers	24	25	25	11	25	21	24	22	24	20
Tiger Virtual Academy										
New in 21/22										
Total Building Square Footage	-	-	-	-	-	-	-	-	-	-
Enrollment Grades K-12	-	-	-	-	-	-	-	-	-	297
Regular Instruction Teachers	-	-	-	-	-	-	-	-	-	5
Special Instruction Teachers	-	-	-	-	-	-	-	-	-	1

Source: School District's appraisal reports and personnel records.

(a) Information does not include preschool enrollment or teachers.

Cleveland Heights-University Heights City School District

Per Pupil Cost

Last Ten Fiscal Years

Table 17

Year	General Fund Expenditures (1)	Average Daily Student Enrollment (2)	Per Pupil Cost	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Percentage of Students who Receive Free or Reduced Lunch (3)
2013	\$ 107,118,276	5,301	20,207	8.32 %	531	9.98	56.50 %
2014	122,006,030	5,693	21,431	6.06	513	11.10	63.71
2015	110,738,646	5,393	20,534	(4.19)	583	9.25	67.72
2016	109,147,094	5,221	20,905	1.81	469	11.13	65.00
2017	109,836,875	4,957	22,158	5.99	459	10.80	100.00
2018	110,665,728	5,214	21,225	(4.21)	457	11.41	100.00
2019	116,458,084	5,029	23,157	9.10	460	10.93	100.00
2020	118,596,125	5,096	23,272	(0.50)	504	10.11	100.00
2021	114,843,132	4,850	23,679	1.75	420	11.55	100.00
2022	94,085,237	4,767	19,737	(16.65)	424	11.24	100.00

Source: School District records.

(1) Includes other financing uses. Reported on the modified accrual basis of accounting.

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

(3) Information provided by School District's Food Service Department.

Note:

In 2017 the District became eligible for the Community Eligibility Provision. This allows the District to serve breakfast and lunch at no cost to all enrolled students without collection household applications.

Cleveland Heights-University Heights City School District

Teacher Education and Experience

Last Ten Fiscal Years

Table 18

Degree	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Associate's Degree	-	-	-	-	-	-	1	2	1	1
Bachelor's Degree	94	127	63	71	56	62	75	79	72	80
Master's Degree	431	380	410	393	397	389	379	351	343	339
PhD	6	6	6	5	6	6	5	5	4	4
Total	531	513	479	469	459	457	460	437	420	424
Years of Experience										
0-5	116	157	46	127	79	72	53	58	37	44
6-10	142	113	104	122	143	121	106	108	48	50
11 and over	273	243	329	220	237	264	301	271	335	330
Total	531	513	479	469	459	457	460	437	420	424

Source: School District personnel records.

Cleveland Heights-University Heights City School District

Attendance and Graduation Rates

Year	District Attendance Rate	State Attendance Rate	District Graduation Rate	State Graduation Rate
2013	94.60 %	94.20 %	80.00 %*	82.20 %*
2014	94.40	94.30	81.30 *	82.30 *
2015	93.20	94.10	85.70 *	83.00 *
2016	93.00	94.10	85.60 *	83.50 *
2017	92.80	93.90	84.90 *	84.10 *
2018	91.80	93.70	86.60 *	85.30 *
2019	(b)	(b)	89.60 *	85.90 *
2020	(b)	(b)	87.80 *	87.20 *
2021	88.30	(b)	87.70 *	87.20 *
2022	86.90	90.4	(a)	(a)

Source: Ohio Department of Education Local Report Card.

*Graduation rate based on 4-year longitudinal graduation rate calculation.

(a) Information is not available until the subsequent year.

(b) Information is not available.

Cleveland Heights-University Heights City School District

Full-time School District Employees by Function

Last Ten Fiscal Years	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function:										
Instruction:										
Regular	374	360	367	369	365	360	334	312	284	304
Special	161	155	153	86	85	97	92	96	99	97
Vocational	19	20	17	14	14	14	14	13	13	11
Other	15	11	10	11	11	11	-	-	14	20
Support services:										
Pupil	125	115	135	130	132	144	157	198	183	186
Instructional staff	68	64	52	56	56	60	66	22	10	12
Administration	62	63	61	43	43	45	45	45	42	46
Fiscal	10	10	10	7	7	8	7	7	7	7
Business	3	3	3	1	1	1	1	1	1	1
Operations of maintenance of plant	93	90	85	74	76	77	97	91	90	86
Pupil transportation	34	40	44	39	36	38	40	39	34	33
Central	19	20	20	19	19	19	21	19	17	22
Operations of non-instructional services:										
Community services (1)	51	45	39	39	40	40	46	52	48	47
Other	1	1	1	1	1	1	2	42	40	37
Extracurricular activities	2	2	2	1	2	2	1	1	1	1
Total	<u>1,037</u>	<u>999</u>	<u>999</u>	<u>890</u>	<u>888</u>	<u>917</u>	<u>923</u>	<u>938</u>	<u>883</u>	<u>910</u>

Source: School District personnel records.

(1) Includes food services personnel.

ABOUT THE ARTWORK



Melody Schanz
Grade 12, CHHS



Tyler Fitchard-Cromity
Grade 12, CHHS

The artwork displayed throughout this report was created by Cleveland Heights – University Heights elementary, middle and high school students. We are grateful to them for allowing us to showcase their artistic talents.



Alex Fisher
Grade 11, CHHS



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CLEVELAND UNIVERSITY **HEIGHTS**
CITY SCHOOL DISTRICT